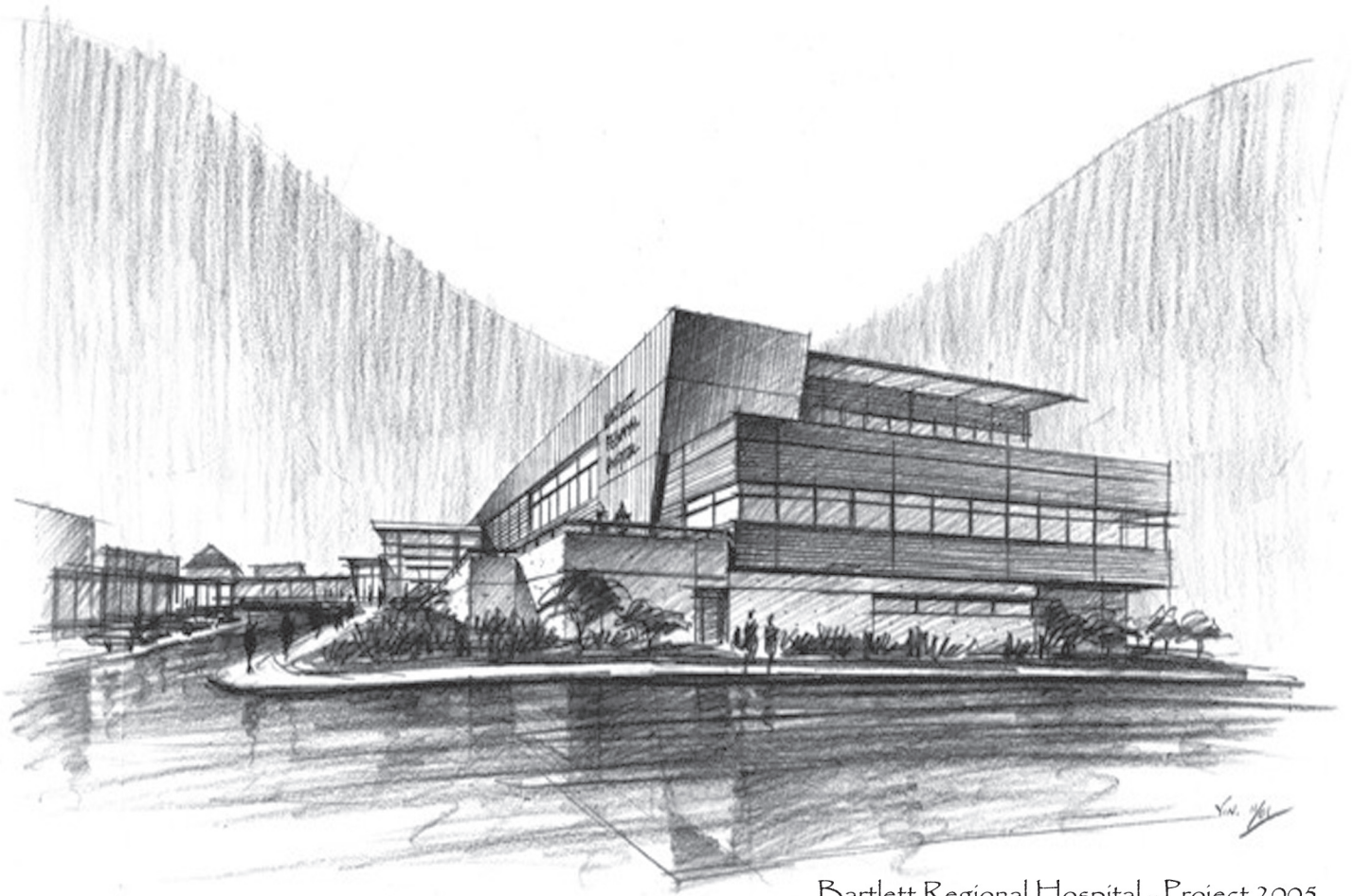


City & Borough of Juneau, Alaska



Bartlett Regional Hospital - Project 2005

COMPREHENSIVE ANNUAL FINANCIAL REPORT

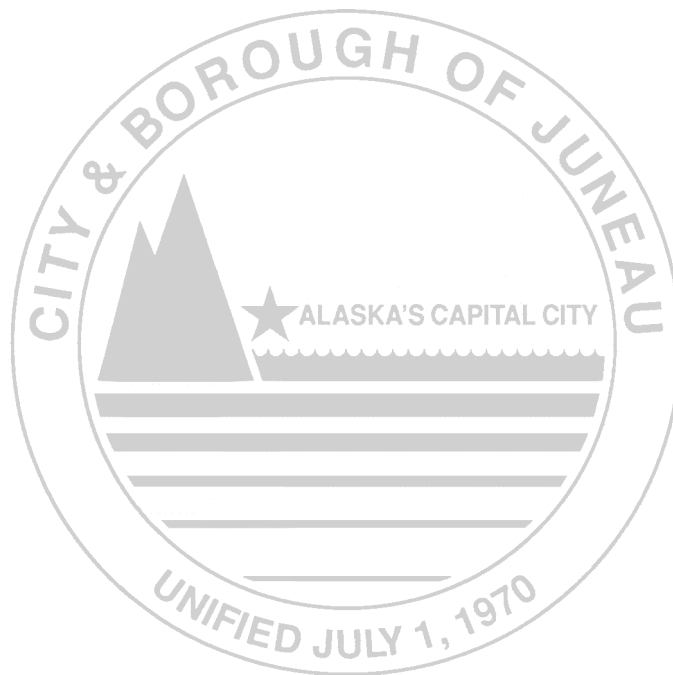


Fiscal Year Ended June 30, 2004

CITY and BOROUGH OF JUNEAU

FOR THE FISCAL YEAR July 1, 2003 to June 30, 2004

COMPREHENSIVE ANNUAL FINANCIAL REPORT



PREPARED BY:

DEPARTMENT OF FINANCE
CONTROLLER'S DIVISION

CRAIG DUNCAN, FINANCE DIRECTOR
MARY NORCROSS, DEPUTY FINANCE DIRECTOR/CONTROLLER

A special thanks to NBBJ for the cover drawing of the Bartlett 2005 Project.

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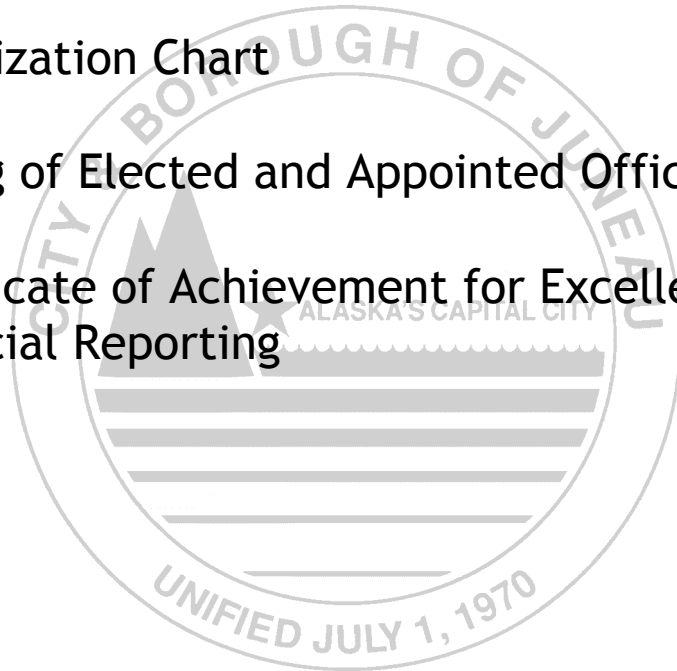
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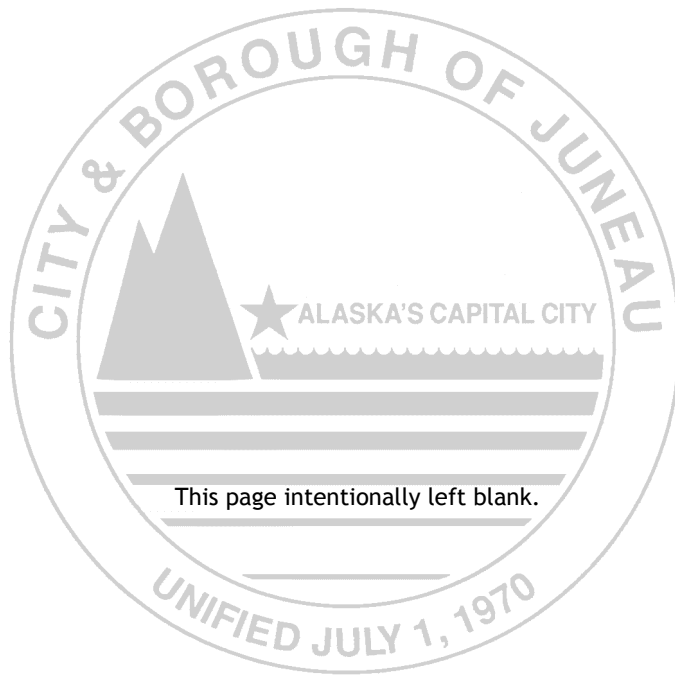
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- Organization Chart
- Listing of Elected and Appointed Officials
- Certificate of Achievement for Excellence in Financial Reporting





December 15, 2004

The Honorable Mayor and Assembly
Mr. Rod Swope, City Manager
City and Borough of Juneau
Juneau, Alaska 99801

I am pleased to transmit to you the Comprehensive Annual Financial Report (CAFR) of the City and Borough of Juneau, Alaska, (CBJ) for the fiscal year ended June 30, 2004.

Section 9.18 of the Charter requires an annual independent audit be made of the financial records and transactions of the CBJ by a certified public accountant. In addition the audit is designed to meet the requirements of the federal Single Audit Act Amendments of 1996, the related OMB Circular A-133 and the State of Alaska audit requirements under AS29.38.220 and 2 AAC 45.010.

The CBJ Finance Department prepared this CAFR. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. The enclosed data is accurate in all material aspects and is presented in a manner, which fairly sets forth the financial position and results of operations of the CBJ, on a government-wide and fund basis.

INTERNAL CONTROLS

To provide a reasonable basis for making these representations, a comprehensive internal control framework has been designed and established to protect the government's assets from loss, theft or misuse. The internal controls also allow for the preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not exceed their benefits, the framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

AUDIT

Elgee Rehfeld Mertz, LLC, Certified Public Accountants have audited the CBJ's financial statements. The goal of the independent audit is to provide reasonable assurance the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the financial statements for the fiscal year ended June 30, 2004 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the CBJ was part of a broader, federal and state mandated "Single Audit" designed to meet the special needs of grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of grant awards. These reports are available in the CBJ's separately issued Single Audit Reports.

REPORT PRESENTATION

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. This information is presented in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in

The Honorable Mayor and Assembly

conjunction with it. The MD&A can be found in the financial section, immediately following the independent auditor's report.

THE FINANCIAL REPORTING ENTITY

The financial reporting entity includes the primary government (CBJ) and its component unit, the School District, an organization for which the CBJ is financially accountable. The focus of the financial reporting of this entity allows users to distinguish between the financial position and operations of the CBJ and its legally separate component unit. Therefore, the financial data of the School District is presented in a separate column, component unit, in the combined financial statements of the reporting entity.

The CBJ provides a wide range of services including: general administrative, education, community development, port, boat harbors, airport, hospital, alpine and Nordic ski area, parking, library, road services, fire services, mass transit, water and sewer utilities and police. In the last three years, we have had one significant change in our service structure, which is the elimination of the Health and Social Service Department. In FY00, our chemical dependency services were transferred to the hospital and our mental health services were privatized.

MAJOR CONSTRUCTION INITIATIVES AND FACILITY IMPROVEMENTS

Current: In October 2000 voters approved a proposition that imposes a temporary 5-year, 1% areawide sales tax to fund several large capital projects. The temporary tax provides partial funding for a major expansion and renovation of Bartlett Regional Hospital, construction of a seasonal ice arena (Treadwell Arena) and additional funding for the major renovation of the Juneau-Douglas High School. The Treadwell Arena and Juneau-Douglas Renovation projects are substantially complete. The updated status of the hospital project is presented below:

- **Bartlett Regional Hospital:** In December 2003, construction bids were opened a second time with the low bid being approximately \$6.0 million over the construction budget. Restructuring the construction contract to divide the project into two phases allowed the project to proceed with a project budget of about \$47.2 million. Phase I will build the new addition and phase II will remodel the existing building. A \$24.0 million contract was awarded for phase I in August 2004. Phase I is approximately 25% complete with the estimated completion date of April 2006. Once phase I is complete another contract will be awarded for phase II. Anticipated completion of phase II is summer of 2007. \$24.5 million in revenue bonds were issued in August 2004 to fully fund the project.

Future: Upgrades to the Juneau-Douglas School District facilities continue to be a focal point of the City's capital activity. State funding for school capital improvements became available again after voters approved a statewide bonding proposition for design, construction and major maintenance of educational and museum facilities in November 2002. The proposition implemented companion legislation that provided funding for the School Construction Bond Debt Reimbursement Program and allowed the City to move ahead with the new high school project endorsed by the voters in 1999.

- **New High School:** In June 2003, voters approved a proposition authorizing an additional \$12.6 million for the New High School to bring the project total to \$60.8 million. According to the State's Debt Reimbursement Program rules at this time, this size of high school would be eligible for 60% reimbursement. Student capacity was estimated at 1,100 students. \$20.0 million in general obligation bonds were sold in 2003 as partial funding for the project.

However, in May 2004 voters approved a ballot initiative prohibiting the City from awarding bids for the new high school until three criteria were met (regarding student population, school operating funds and school design). That voter decision effectively cancelled the high school project, which at that point had been fully designed. After several months of meetings to evaluate how to address the existing high school overcrowding problem, the School Board recommended pursuing a smaller school, which would cost \$54 million and have a capacity of 838 students. This recommendation was placed on the October 2004 General Election ballot. A second recommendation was made to redirect the bond funds left over from the cancelled high school project to school maintenance projects throughout the District.

The voters approved both recommendations in the October 2004 General Election. The left over bonds will be redirected for major maintenance projects as well as repairs needed to comply with the Americans with Disabilities Act. The new high school and the major maintenance projects qualify for 70% state reimbursement. Currently, the new high school is in the re-programming and conceptual design phase. Site work will begin in summer 2005 and the building construction will begin in summer 2006. The estimated completion date is late summer 2008; the school is scheduled to open in fall 2008.

The School District is in the planning phase for the major maintenance projects.

- **School Building Improvements:** In the October 2003 general election, voters authorized the issuance of \$6.9 million in general obligation bonds for renovations to the Floyd Dryden Middle School and Harborview Elementary School. These projects are still in the planning phase and the bonds have not been issued.
- **Miscellaneous Bond Funded Capital Projects:** In October 2002, voters approved \$15.0 million in additional general obligation bonds to fund a variety of capital improvement projects. \$13.3 million in general obligation bonds were issued in October 2003 to fund the following projects:
 - \$9.3 million for various docks and harbors projects;
 - \$2.2 million for a 3.8 mile expansion of the North Tee Harbor water system;
 - \$1.8 million for water and sewer improvements at the Juneau International Airport and in Douglas, expansion of Eaglecrest Ski Area lodge and planning/design of the West Juneau Park.

FACTORS AFFECTING FINANCIAL CONDITION

In presenting the financial information it may be helpful to obtain a broader perspective of the CBJ's economic environment.

Local Economy: Juneau is Alaska's capital and its third largest city. Located in the southeast part of the state, the City is bounded on the north and east by the Coast Range; to the south and west by the extensive network of islands and waterways of the Alexander Archipelago.

As Alaska's Capital City, government largely supports our economic base. In efforts to diversify, the CBJ continues to encourage investments in mining, manufacturing, tourism and regional merchandising. These efforts have resulted in private sector growth and economic diversification.

Private sector jobs represented 56% of all employment in 2003. This represents a continued downward trend in the private sector with private sector jobs declining by 47 while public sector jobs went up 173, continuing an upward trend.

Even though there is some indication that efforts to diversify are succeeding, the fact remains that Juneau's economic base still relies heavily on government employment. More than 7,692 of the 17,463 jobs reported by employers in 2003, were public sector jobs with the federal, state or local governments. The largest public sector employer is the state government with 4,547; while federal and local government employed 954 and 2,191, respectively.

The U.S. Forest Service and National Oceanic and Atmospheric Administration make up most of the federal work force. Other federal agencies providing employment in Juneau include the Coast Guard (U. S. Department of Transportation) and the U.S. Postal Service.

Except for the oil price crash and recession of 1986-88, Juneau's economy has shown moderate to significant growth. Even though the 2003 unemployment rate was 6.2%, an increase of .3% from the 2002 rate of 5.9%, Juneau's growth trend was slightly higher than the preceding ten-year average. Indicators, such as real estate values and gross business sales, all grew at a slightly slower pace in 2003.

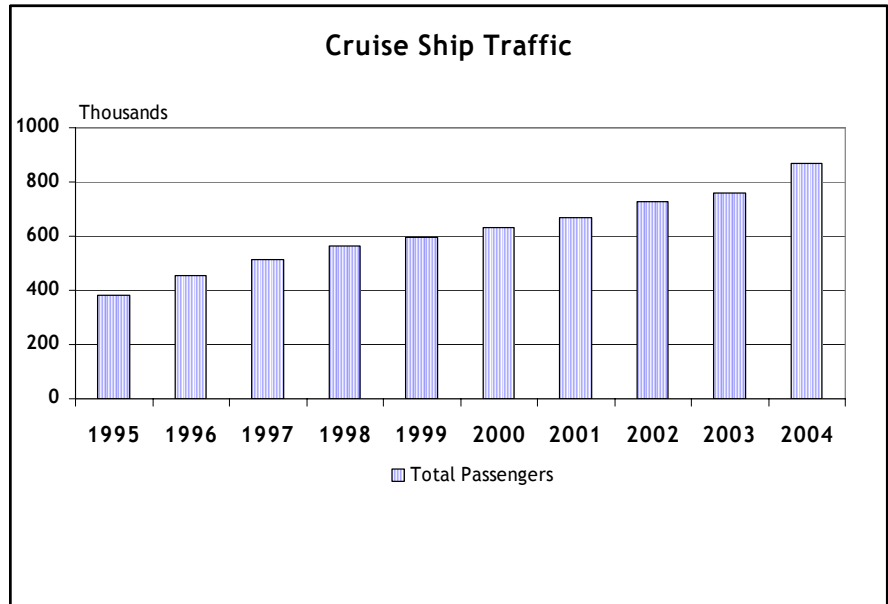
As of January 1, 2004 assessment, "real property" assessed values were \$2.57 billion, an increase of 6.0% over 2003. This increase was mainly due to a reevaluation of commercial and residential property coupled with a steady growth in new construction. The CBJ also issued 108 new residential unit-building permits in fiscal year 2004, a decline of 9.2% over fiscal year 2003.

Tourism experienced another active season in 2003. The majority of Juneau's visitors arrive by large cruise ships, traveling from Vancouver and Seattle by way of the "Inside Passage". During the summer of 2003, 760,432 passengers visited Juneau. This was a 4.4% increase over the previous summer's traffic. The preliminary tallies for 2004 indicate that as many as 867,055 cruise ship passengers visited Juneau.

The Honorable Mayor and Assembly

Other visitors to "Alaska's Capital City" arrive by major airline carriers and the Alaska Marine Highway. The number of passengers enplaning at the Juneau International Airport increased from 248,492 in 2002 to 249,994 in 2003, a 0.06% increase. However, Alaska Marine Highway traffic declined by 7.1%, to a total of 67,640 passengers.

Mining was Juneau's first basic industry and the backbone of the local economy until World War II. Thousands came at the turn of the century to mine gold in a string of highly mineralized deposits known as the "Juneau Gold Belt". Juneau was the hub of mining activity for this region, which stretched 120 miles from Berners Bay to Windham Bay. During the early 1900's the area produced dozens of mines with output totaling six million ounces of gold and one million ounces of silver. At today's prices, that amount of gold and silver would be worth approximately \$2.5 billion.



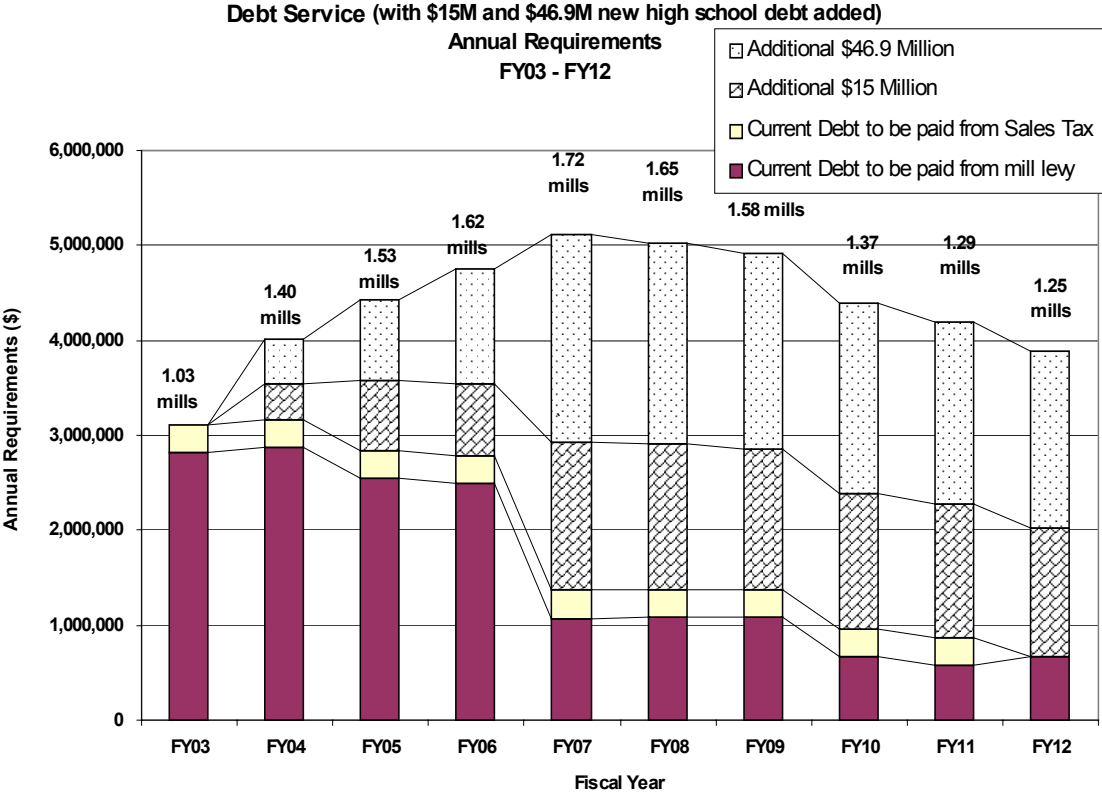
Juneau continues to benefit from large-scale mining. The largest operating mine in the Juneau area, the Kennecott Greens Creek, is located on Admiralty Island 18 miles west of downtown Juneau, and within the CBJ's boundaries. A land exchange/agreement in 1998 provided the Kennecott Greens Creek Mining Company with title to an additional 7,100 acres of mineralized property adjacent to the mine. The Company conducted an active exploration program on the land exchange property during FY01 and expects to continue exploration throughout the mine life. Currently the Kennecott Greens Creek Mine supports an annual payroll of approximately \$20 million, of which \$15.7 is paid to Juneau residents, and employs a workforce of approximately 265 individuals. The mine presently processes in excess of 2,200 tons of ore per day. On an annual basis, that production yields approximately 10 million ounces of silver, 85,000 ounces of gold and a total of 200,000 tons of zinc, lead and bulk concentrates.

Based on exploration information, the Kennecott Greens Creek Mining Company believes that the mine life may be extended an additional 9 years (from 2004). The permitted tailings disposal capacity was expanded to accommodate material from the known ore reserves as well as anticipated reserves. The 2003 U.S. Forest Service Environmental Impact Statement, that was required for the project, and associated Record of Decision allowed an amendment to the General Plan of Operations to expand the tailings disposal capacity. The company also obtained the additional required permits for expansion of the tailings area from other regulatory agencies.

The Kensington and Jualin mining prospects have been under analysis for possible development for approximately 15 years. In mid-1995 Coeur Alaska, Inc. acquired full ownership of the Kensington Gold Project. Since that time the company has performed engineering, design work and permitting on the mine site. The U.S. Forest Service will issue the Final Supplemental EIS and Record of Decision on the project in late 2004 or early 2005. Remaining federal and state permits are anticipated to be issued during the first half of 2005, with initial production expected in 2006. Given the current prices of gold (\$440/oz on the New York spot market in mid-December 2004), Coeur is motivated to bring the prospect into production. It is estimated that a fully operating mine would employ 225 workers during a 10-year mine life. Annual payroll is estimated to be \$15 million.

Besides tourism and mining, Juneau is offering economic incentives to other smaller industries to broaden the City's economy. A small, but economically important, area targeted by CBJ is regional shopping. The City has made a concerted effort to establish itself as a regional shopping destination for Southeast Alaska residents. As an incentive, local legislation provides for sales tax exemptions for nonresidents and property tax exemptions on business inventory.

Long-term Financial Position: While Juneau's economic indicators continue to show modest annual growth, the dominance of state government in the local economy, coupled with state government's reliance on a single revenue source, oil royalties and taxes, make long-term economic stability less certain.



Anticipating the eventual reduction in state funds due to decreasing oil production, the Mayor has appointed special ad hoc committees to develop ideas for long-term financial stability. Two such committees appointed in 1999 and 1990 respectively presented the Assembly with a number of economic suggestions. The Assembly implemented a number of efficiency recommendations, with the most significant recommendation being the creation of the Emergency Budget Reserve. The source of funding for the Emergency Budget Reserve is a portion of 1% of the 3% temporary sales tax levy. This sales tax levy has a five-year term. Juneau voters approved renewal of the temporary 3% tax levy in October 2000. The tax is effective July 1, 2002 and will expire June 30, 2007. The goal is to place \$10 million into the Emergency Budget Reserve. The CBJ has placed over half that amount, or about \$7.0 million, into the reserve as of June 30, 2004.

While we anticipate that the CBJ’s long-term budgetary position will be tight, these future budgets should be within our ability to conservatively manage. Our projected operating mill levy needed for FY05 is 10.94 mills. This is well below the 12-mill levy cap placed on the operating mill levy. Additionally, we have seen increases in the mill levy to fund debt service. While there are no mill levy restrictions on the general obligation debt service mill levy, the tax impact to local residents is a concern. The mill levy required for the voter authorized general obligation bonds is estimated to climb to a peak of 1.72 mills in FY07. We are reviewing funding alternatives and possible ways to reduce the impact by matching maturing debt with this new debt service.

CASH MANAGEMENT

All cash used for operations and capital projects is maintained in an account referred to as the “Central Treasury”. Central Treasury investments, consisting of temporarily idle cash, are managed in separate portfolios. Two portfolios are managed internally by CBJ staff while the third is managed through an investment management contract with Northern Trust. Authorized investments under both internal and external management are listed in Note 3 of this Comprehensive Annual Financial Report. The CBJ maintains a policy of minimizing risk through emphasis on investment security rather than the investment portfolio rate of return. Investments are selected after cash flow and risk analysis. The average yield on the Central Treasury investments for fiscal year 2004 was 0.67%. Investment revenues in the general fund, for the year ended June 30, 2004, represent 2.17% of the general fund revenues. Overall, the CBJ earned investment earnings of \$1.2 million.

The Honorable Mayor and Assembly

RISK MANAGEMENT

The CBJ continues to manage its existing risk management program successfully. Departmental allocations and claims payable figures for incurred but not reported claims have been adjusted to assure the availability of adequate resources to fund potential losses. Deductible levels are \$250,000 for property, general liability, and non-owned auto liability. The Workers' Compensation self-insurance reserve (SIR) is \$500,000. Special policies are carried for airport, hospital, ski resort, docks and harbors, and volunteer fire fighters. The CBJ also carries employee bonds when prudent. The following loss control techniques are employed to enhance our overall risk management program: (1) employee safety programs which include safety awareness and training; (2) regular inspections of all facilities and operations by the CBJ safety and loss control officers; and (3) inspections by third party inspectors such as state OSHA and insurance company loss control specialists. Risk Management also administers health benefits, group insurance and wellness and employee assistance programs.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City and Borough of Juneau, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. CBJ has received a Certificate of Achievement for the last seventeen consecutive years (fiscal years ended 6/30/87 - 6/30/03). We believe that our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

I would like to thank the Finance Department staff for their efforts in preparing this comprehensive annual financial report. Mary Norcross, CBJ's Assistant Finance Director/Controller, coordinates the team efforts necessary for the report's production. Special thanks goes to Barbara Rolfe, Treasurer; Calvin Kubota, Deputy Treasurer; Anna Blackwell, Helen Davies, Sonia DelGado, Mary Ann Flake, Julia Haldorson, Angelica Lopez-Campos and Pat White, Accountants. Without their efforts, the production of the annual financial report would not be possible.

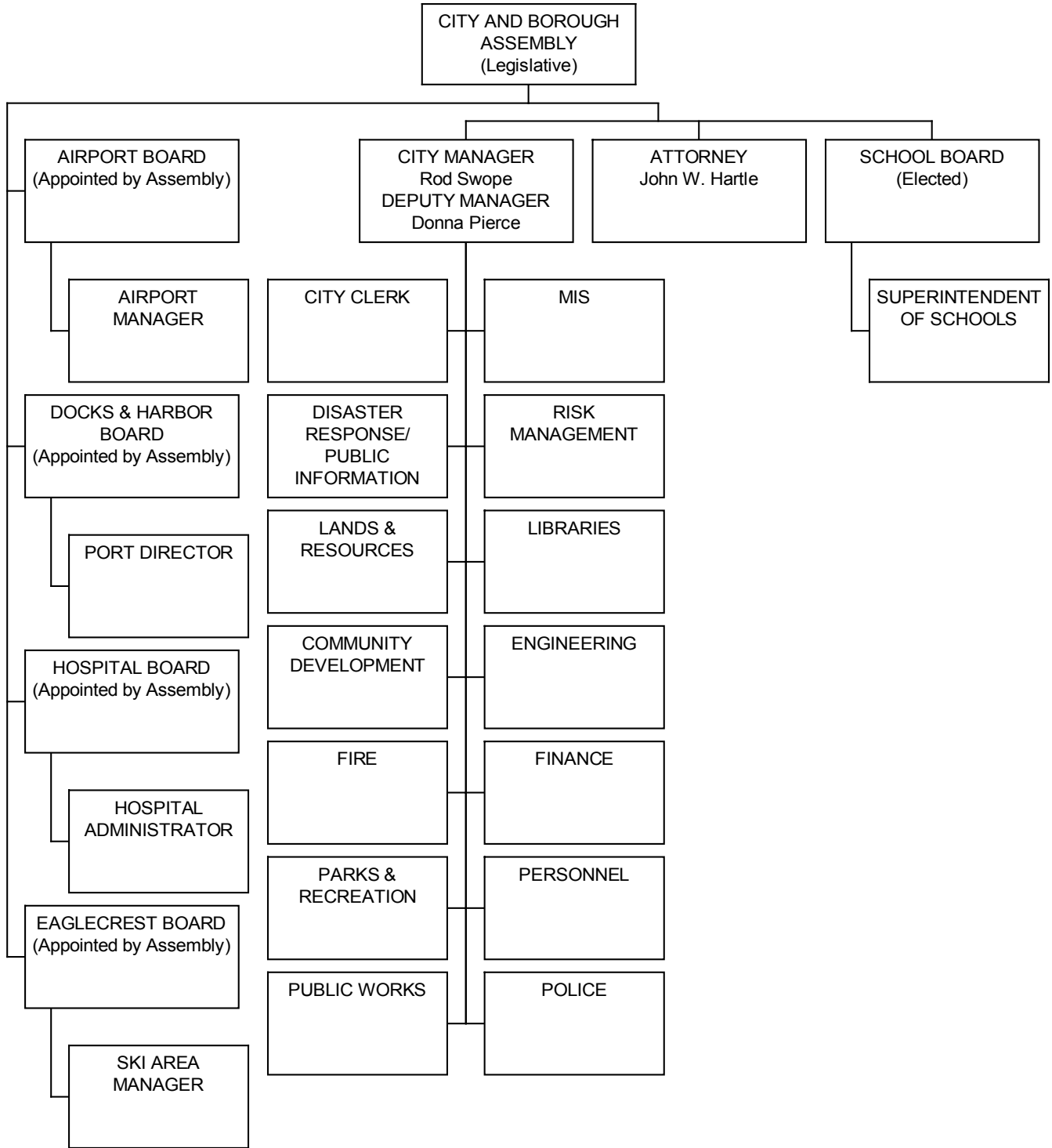
I wish to express my appreciation to Rod Swope our City Manager, for his support throughout the year in accomplishing our fiscal goals. Also, I want to thank the Mayor and Assembly for their interest and support in planning and conducting the financial operations of the City and Borough of Juneau in a responsible and progressive manner.

Respectfully submitted,



Craig W. Duncan, Finance Director

CITY and BOROUGH OF JUNEAU GOVERNMENTAL FUNCTIONS Organizational Chart



CITY and BOROUGH OF JUNEAU

ASSEMBLY

MAYOR

Bruce Botelho

DISTRICT #1

Jeff Bush
Merrill Sanford
David G. Stone

DISTRICT #2

Randy Wanamaker
Stan Ridgeway
Daniel Peterson

AREAWIDE

Johan Dybdahl
Marc Wheeler

ADMINISTRATION

Rod Swope, City Manager

FINANCE

Craig W. Duncan, Finance Director
Mary Norcross, Assistant Finance Director/Controller
Barbara J. Rolfe, Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and Borough of Juneau,
Alaska

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

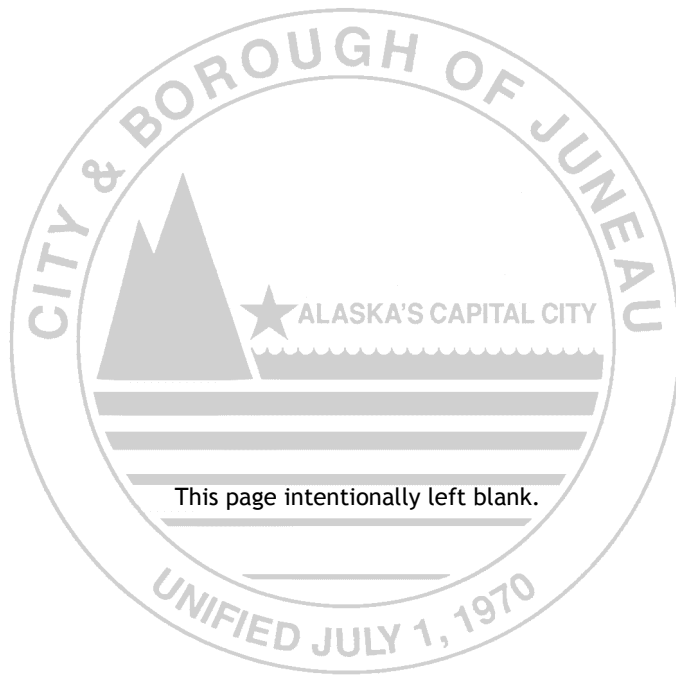


Nancy L. Ziehl

President

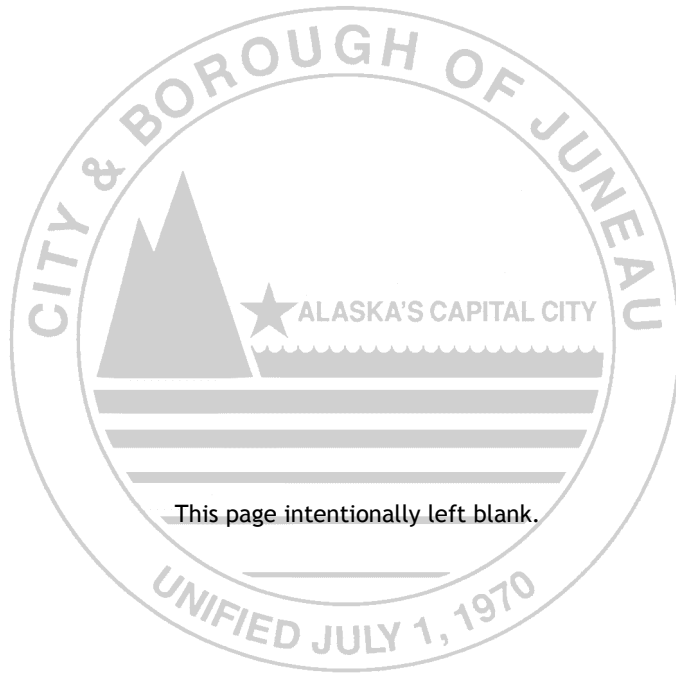
Jeffrey R. Emer

Executive Director



FINANCIAL SECTION

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
 - Government-wide Financial Statements
 - Fund Financial Statements
 - Notes to the Financial Statements
- Combining Fund Statements and Schedules
- Governmental Individual Fund Statements and Schedules
- Proprietary Individual Fund Statements and Schedules
- Capital Assets Used in the Operation of Governmental Funds



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ELGEE REHFELD MERTZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

9309 Glacier Highway, Suite B-200 • Juneau, Alaska 99801
907.789.3178 • FAX 907.789.7128 • www.ermcpa.com

INDEPENDENT AUDITORS' REPORT

The Members of the Assembly,
City and Borough of Juneau, Alaska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and Borough of Juneau, Alaska (City and Borough) as of and for the year ended June 30, 2004, which collectively comprise the City and Borough's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City and Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards of 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. 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and Borough as of June 30, 2004, and the respective changes in the financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and major Special Revenue and Capital Project Funds, as listed in the table of contents, for the year then ended in conformity with generally accepted accounting principles of the United States of America.

The Management's Discussion and Analysis as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 3, 2004 on our consideration of the City and Borough's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City and Borough's basic financial statements. The introductory section, combining and individual major and nonmajor fund financial statements, and statistical data are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual major and nonmajor fund financial statements and schedules have been subjected to the auditing

procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical data have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

ERM

December 3, 2004

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City and Borough of Juneau (CBJ) Management's Discussion and Analysis provides the narrative overview and analysis of the financial activities of the CBJ for the fiscal year ended June 30, 2004. Readers should consider the information presented here in conjunction with additional information in the letter of transmittal, which can be found on pages vii-xii of this report.

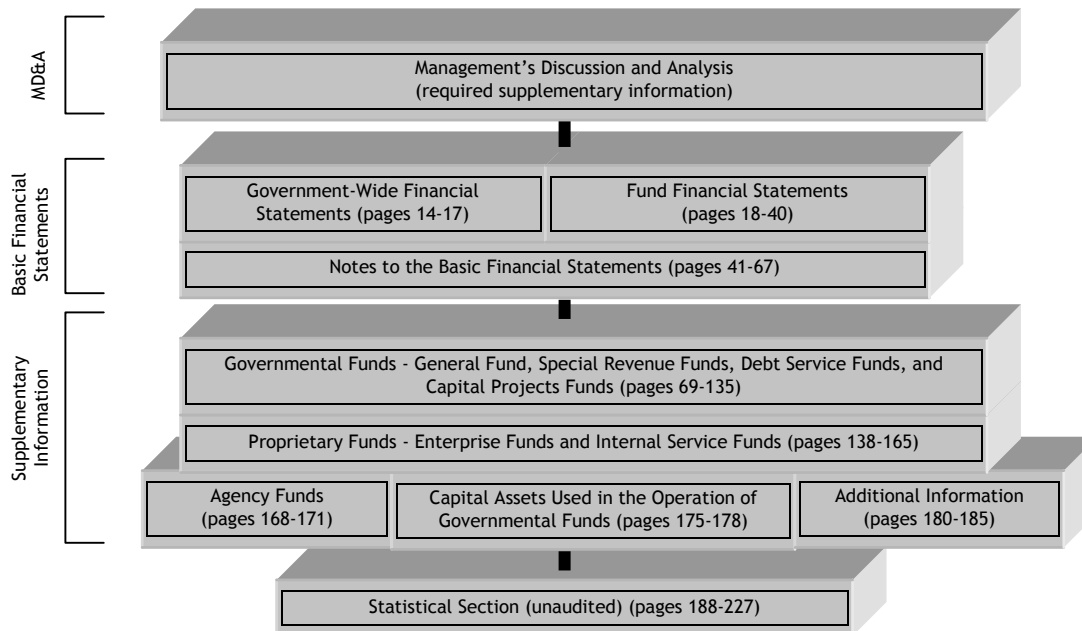
FINANCIAL HIGHLIGHTS

- CBJ net assets increased by \$11.8 million (2.2%). The governmental net assets decreased by \$14.7 million (5.3%) and the business-type net assets increased by \$26.5 million (10.6%)
- The governmental activity revenue increased \$9.5 million (11.6%) primarily due to the increase in charges for services.
- The total cost of all CBJ programs increased by \$9 million (6.0%) with the increase primarily attributable to recreation, public works, interest on long-term debt, harbors and docks, and waste management utility.
- The most significant governmental activity is education, which represents 25.6% of governmental expenses and 13.7% of total expenses. The most significant business-type activity is the hospital, which represents 68.4% of business-type expenses and 31.8% of total expenses.
- Total liabilities of CBJ increased \$31.1 million (45.6%) due to the issuance of bonds for the construction of a new high school and the renovation of Juneau Douglas High School.
- The General Fund (the primary operating fund), on the current financial resources basis, reported a decrease in fund balance of \$1.7 million (23.9%).

REPORT FORMAT

The comprehensive annual financial report is presented with the Management's Discussion and Analysis (MD&A). The report consists of government-wide statements, fund financial statements, notes to the financial statements, combining statements of non-major funds and supplementary information.

The report layout is graphically presented in the following illustration:



The first statements are highly condensed and present a government-wide view of the City's finances. Within this view, all operations are reported as either governmental or business-type activities. Governmental activities include basic services

MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2004

such as public safety, public transportation, public works, parks and recreation, community development and general government administration. Business-type activities are airport, hospital, water, sewer, harbor, dock, and waste management. The government-wide statements include the Statement of Net Assets and Statement of Activities.

The focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to focus on the more relevant financial issues and broaden their basis for year to year or government to government comparisons.

OVERVIEW OF FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the CBJ's basic financial statements, which comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the CBJ's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the CBJ's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as an indicator of whether our financial position is improving or deteriorating.

The statement of activities demonstrates how the net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused personal leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

These statements discretely present the financial position and activities of the school district, which is a component unit.

The government-wide financial statements can be found on pages 14-17 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CBJ, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the CBJ can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for the same functions reported as *governmental activities* in the government-wide financial statements. Governmental fund financial statements help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. A reconciliation is presented to facilitate this comparison between *governmental funds* and *governmental activities*.

The CBJ maintains 25 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the major governmental funds. The major governmental funds are the general fund; the roaded service area and sales tax special revenue funds; and the school capital projects fund. Data from the remaining special revenue, debt service funds and capital projects funds is presented in aggregate. Detail by fund type is presented in the combining statements.

The CBJ adopts an annual budget for all operating funds. A budgetary comparison statement has been provided for the major governmental funds except for the school capital projects fund, which is budgeted by project rather than on an annual basis.

MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2004

The basic governmental fund financial statements can be found on pages 18-28 of this report.

Proprietary funds. The CBJ maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are used to accumulate and allocate costs among the CBJ's various functions. Internal service funds account for central equipment and risk management services. Central equipment services predominately benefit governmental rather than *business-type functions*, and have been included within *governmental activities* in the government-wide financial statements. Risk management services predominately benefit *business-type* activities and have been included with the proprietary funds.

The proprietary fund financial statements provide separate information for the airport, hospital, water and sewer utilities, harbors, dock and waste management. The airport, hospital and water and sewer utilities are considered major funds. The internal service funds are combined in aggregate in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 30-39 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are *not* available to support the CBJ's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 40 of this report.

Notes to the financial statements. The notes provide additional information to support and clarify the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-67 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as an indicator of a government's financial position. In the case of the CBJ, assets exceeded liabilities by \$538.2 million as of June 30, 2004, compared to \$526.3 million and \$514.8 million for the years ended June 30, 2003 and June 30, 2002, respectively.

The largest portion of the CBJ's net assets (83.2%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt that is still outstanding. CBJ uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although CBJ's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this outstanding debt must be provided from other sources, as the capital assets themselves cannot be used as a source of funds to liquidate these liabilities. The amount of debt related to the investment in capital assets is \$78.1 million, of which \$20 million was unexpended as of June 30, 2004.

CITY and BOROUGH OF JUNEAU'S NET ASSETS

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
|-------------------------------|--------------------------------|-------------|---------------------------------|-------------|---------------|-------------|
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| Current and other assets | \$ 63,478,911 | 55,931,407 | 68,798,090 | 46,348,008 | 132,277,001 | 102,279,415 |
| Capital assets | 270,978,449 | 265,150,618 | 234,188,568 | 227,121,191 | 505,167,017 | 492,271,809 |
| Total assets | 334,457,360 | 321,082,025 | 302,986,658 | 273,469,199 | 637,444,018 | 594,551,224 |
| Current and other liabilities | 11,778,812 | 12,889,836 | 13,894,773 | 11,527,467 | 25,673,585 | 24,417,303 |
| Long-term liabilities | 60,599,415 | 31,396,224 | 13,019,980 | 12,397,703 | 73,619,395 | 43,793,927 |
| Total liabilities | 72,378,227 | 44,286,060 | 26,914,753 | 23,925,170 | 99,292,980 | 68,211,230 |
| Net assets: | | | | | | |
| Invested in capital assets, | | | | | | |
| net of related debt | 227,578,882 | 236,580,393 | 220,367,248 | 213,610,418 | 447,946,130 | 450,190,811 |
| Restricted | 16,379,939 | 23,108,128 | 23,768,023 | 11,440,786 | 40,147,962 | 34,548,914 |
| Unrestricted | 18,120,312 | 17,107,443 | 31,936,634 | 24,492,826 | 50,056,946 | 41,600,269 |
| Total net assets | \$ 262,079,133 | 276,795,964 | 276,071,905 | 249,544,030 | 538,151,038 | 526,339,994 |

MANAGEMENT’S DISCUSSION and ANALYSIS

June 30, 2004

An additional portion of the CBJ’s net assets (\$40.1 million or 7.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$50.1 million or 9.3%) may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the CBJ was able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior two fiscal years.

The government’s net assets increased by \$11.8 million during the current fiscal year compared to \$11.6 million in the prior fiscal year. This variance resulted from expenses increasing (\$8.9 million or 5.9%) at a slower rate than revenues (\$9.2 million or 5.7%). Nearly all of this variance was in governmental activities as revenues increased by \$9.5 million (11.6%) while expenses only increased \$6.1 million (7.7%). The growth in charges for service revenue was mainly centered in the accounting presentation of interest in long term-debt.

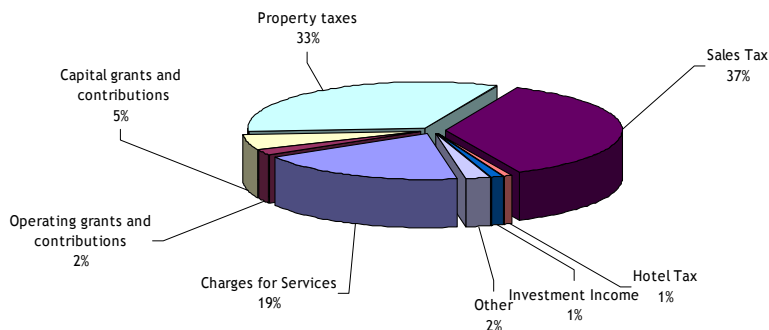
Governmental Activities. Governmental activities net assets decreased by \$14.7 million or 124.6% of the total change in net assets. However net assets increased overall by \$11.8 million. Key elements of the decrease for governmental activities are as follows:

CITY and BOROUGH OF JUNEAU’S CHANGES IN NET ASSETS

| REVENUES: | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
|----------------------------------|--------------------------------|-------------------|---------------------------------|-------------------|--------------------|--------------------|
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| Program revenues: | | | | | | |
| Charges for services | \$ 17,535,879 | 7,134,988 | 68,989,577 | 62,777,422 | 86,525,456 | 69,912,410 |
| Operating grants & contributions | 1,711,698 | 2,197,407 | 460,706 | 575,575 | 2,172,404 | 2,772,982 |
| Capital grants & contributions | 4,884,822 | 5,892,438 | 9,441,157 | 15,019,420 | 14,325,979 | 20,911,858 |
| General revenues: | | | | | | |
| Property taxes | 30,025,665 | 28,725,113 | - | - | 30,025,665 | 28,725,113 |
| Other taxes | 33,840,677 | 31,683,357 | - | - | 33,840,677 | 31,683,357 |
| Other | 2,915,600 | 5,827,298 | 289,681 | 1,040,077 | 3,205,281 | 6,867,375 |
| Total revenues | \$ 90,914,341 | 81,460,601 | 79,181,121 | 79,412,494 | 170,095,462 | 160,873,095 |

- Significant increase in charges for services and taxes contributed to the overall increase in net assets. While the interest on long-term debt from the investment of bond sales declined significantly from the prior year, CBJ issued 33.25 million in general obligation debt. Much of this was unexpended at fiscal year end and earned interest.
- Other tax revenue increased \$2.2 million (6.8%) due to increases in sales tax collections. The fiscal year 2004 summer came with good weather which in turn boosted Juneau’s sales enormously, especially from tourists that got off the ships and moved around town.

Revenues - Governmental Activities
Fiscal Year Ended June 30, 2004



MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2004

- Property tax revenues increased \$1.3 million (4.5%) due to an increase in the mill rate of .07% and a 2.5% growth in assessed property valuation. The majority of this year's property increase is due to new and real property value gains, which have been offset by business personal property value reductions.
- A \$3.0 million decrease in other revenue was primarily due to the decrease in interest income for unrestricted investment earnings.

CITY and BOROUGH OF JUNEAU'S CHANGES IN NET ASSETS, continued

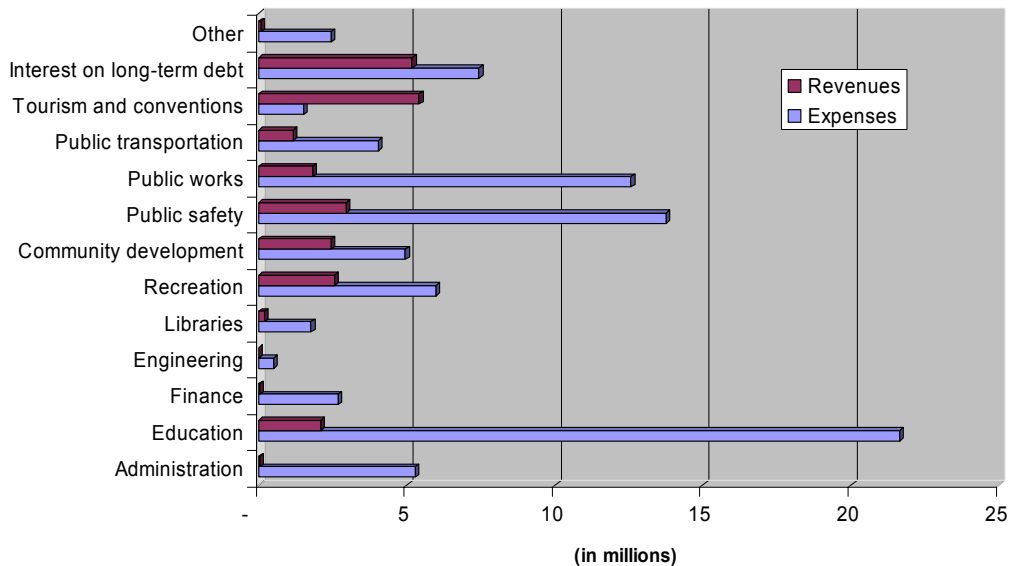
| EXPENSES: | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
|----------------------------|--------------------------------|-------------|---------------------------------|-------------|---------------|-------------|
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| Administration | \$ 5,289,733 | 6,222,487 | - | - | 5,289,733 | 6,222,487 |
| Education | 21,640,289 | 27,474,708 | - | - | 21,640,289 | 27,474,708 |
| Finance | 2,694,998 | 2,592,406 | - | - | 2,694,998 | 2,592,406 |
| Engineering | 504,518 | 576,328 | - | - | 504,518 | 576,328 |
| Libraries | 1,773,714 | 2,079,346 | - | - | 1,773,714 | 2,079,346 |
| Recreation | 6,006,226 | 4,772,951 | - | - | 6,006,226 | 4,772,951 |
| Community development | 4,961,726 | 4,529,458 | - | - | 4,961,726 | 4,529,458 |
| Public safety | 13,749,237 | 14,451,818 | - | - | 13,749,237 | 14,451,818 |
| Public works | 12,579,360 | 5,021,379 | - | - | 12,579,360 | 5,021,379 |
| Public transportation | 4,042,682 | 3,966,378 | - | - | 4,042,682 | 3,966,378 |
| Tourism and conventions | 1,512,871 | 1,495,046 | - | - | 1,512,871 | 1,495,046 |
| Interest on long-term debt | 7,448,694 | 3,643,659 | - | - | 7,448,694 | 3,643,659 |
| Other | 2,447,101 | 1,655,173 | - | - | 2,447,101 | 1,655,173 |
| Airport | - | - | 6,108,455 | 6,134,297 | 6,108,455 | 6,134,297 |
| Harbors | - | - | 2,822,952 | 2,349,669 | 2,822,952 | 2,349,669 |
| Docks | - | - | 1,909,645 | 1,531,668 | 1,909,645 | 1,531,668 |
| Hospital | - | - | 50,343,145 | 48,331,759 | 50,343,145 | 48,331,759 |
| Water | - | - | 3,995,160 | 4,577,902 | 3,995,160 | 4,577,902 |
| Sewer | - | - | 7,693,921 | 7,370,927 | 7,693,921 | 7,370,927 |
| Waste Management | - | - | 759,991 | 537,254 | 759,991 | 537,254 |
| Total expenses | 84,651,149 | 78,481,137 | 73,633,269 | 70,833,476 | 158,284,418 | 149,314,613 |
| Increase in net assets | | | | | | |
| before transfers | 6,263,192 | 2,979,463 | 5,547,852 | 8,579,018 | 11,811,044 | 11,558,481 |
| Transfers | (20,980,023) | (5,572,925) | 20,980,023 | 5,572,925 | - | - |
| Increase (decrease) in net | | | | | | |
| assets | (14,716,831) | (2,593,462) | 26,527,875 | 14,151,943 | 11,811,044 | 11,558,481 |
| Net assets - 7/1 | 276,795,964 | 279,389,426 | 249,544,030 | 235,392,087 | 526,339,994 | 514,781,513 |
| Net assets - 6/30 | \$ 262,079,133 | 276,795,964 | 276,071,905 | 249,544,030 | 538,151,038 | 526,339,994 |

MANAGEMENT’S DISCUSSION and ANALYSIS

June 30, 2004

- Administration expenses decreased \$0.9 million (15.0%) primarily due to decreased contributions to the Alaska Committee, which in the prior year were used to support opposition of the statewide proposition to move the Legislature.
- Education expenses decreased \$5.8 million (21.2%) primarily due to construction activity on capital improvement projects.
- Recreation expenses increased \$1.2 million (25.8%) due to an increase in operation expenses, and a decrease in capitalized assets.

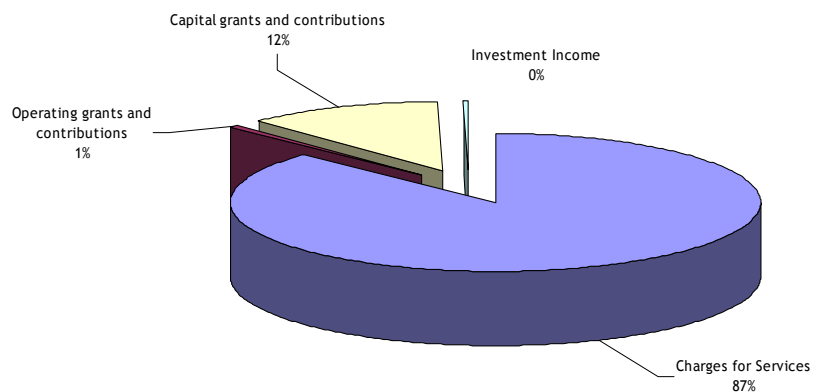
Expenses and Program Revenues - Governmental Activities
June 30, 2004



- Public Works’ overall expense increased by \$7.5 million (150.5%) which was primarily due to an increase in operating and depreciation expenses, combined with a decrease in capitalized assets.
- Interest on long-term debt increased by \$3.8 million (104.4%) due to current year bonds issued for construction of the new high school, bonds issued at the end of fiscal year 2003 for the Marine Park/Steamship Wharf capital project and bond-funded projects approved by the voters in fiscal year 2002.

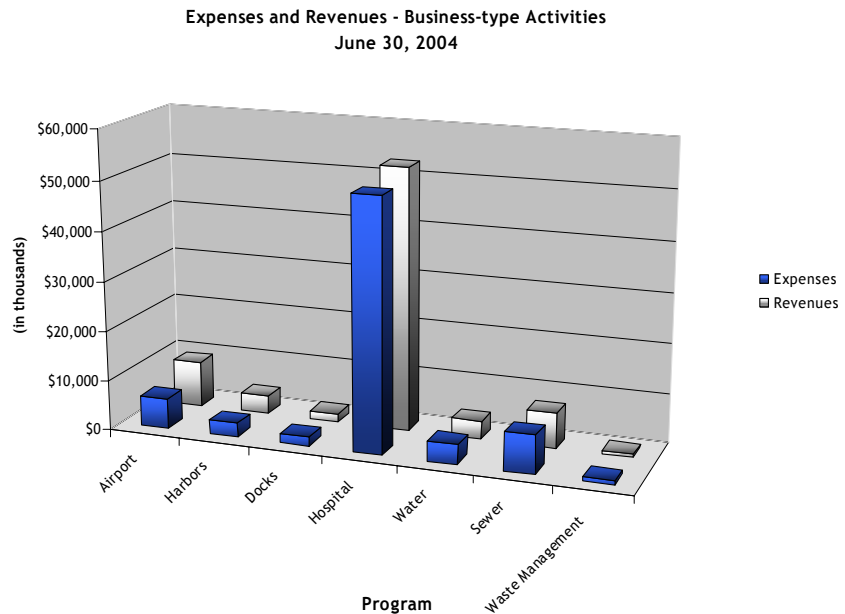
Business-type activities. Business-type activities increased the CBJ’s net assets by \$26.5 million and accounted for 225% of the total growth in net assets. Key elements of this increase are as follows:

Revenues - Business-type Activities
Fiscal Year Ended June 30, 2004



- Charges for services increased \$6.2 million (9.9%) due to the hospital’s increased rates from expanded services and increased sewer rates.
- Capital grants and contributions decreased \$5.5 million (37.1%) due to decreased bond activity in harbors and dock.
- Other revenue decreased \$915.6 thousand (88%) due to a decrease in interest income on unrestricted investment earnings.

- Harbors and Dock expenses increased \$473.3 thousand (20.1%) and \$234.1 thousand (15.5%) due to increased depreciation expenses.
- Waste management expenses increased \$222.7 thousand (41.5%) due to an increase in contractual services for hazardous waste collection and recyclable waste disposal.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the CBJ uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the CBJ's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CBJ's financing requirements. In particular, unreserved fund balance may serve as a measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CBJ's governmental funds reported combined ending fund balances of \$53.8 million, an increase of \$8.8 million (19.6%) over the prior year primarily due to school capital projects. Of this total amount, \$42.5 million represents unreserved undesignated fund balance, which is available for spending. The remainder is reserved, or designated, to indicate that it is not available for new spending. The remaining fund balance of \$11.3 million has already been committed to liquidate contracts and purchase orders of the prior period (\$5.7 million), to meet the liability for earned but unused leave (\$2.8 million), and for other restricted purposes (\$2.7 million).

The general fund is the primary operating fund of the CBJ. At the end of the current fiscal year, unreserved fund balance of the general fund was \$4.0 million, while total fund balance reached \$5.4 million. As a measure of the general fund's liquidity, both unreserved fund balance and total fund balance may be compared to total fund expenditures and other financing uses. Unreserved fund balance and total fund balance represent 15.2% and 20.2% of total expenditures and other financing uses, respectively.

Significant changes are as follows:

- Property taxes increased \$2.4 million (15.78%)
- Debt reimbursement from the State of Alaska increased \$.4 million (26.7%)
- Investment income decreased \$2.5 million (82.3%)
- Legislative and legal expenditures decreased \$1.5 million (38.4%) and \$.4 million (56.5%) respectively
- Transfers to the debt service funds decreased \$.7 million (19.1%)

MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2004

The roaded service area special revenue fund is composed of parks and recreation, public safety - police, and public works - roads and street maintenance coupled with some support to Schools for youth activities. At the end of the current fiscal year, unreserved fund balance was \$2.8 million, while total fund balance reached \$3.1 million.

Significant changes are as follows:

- State sources decreased \$.40 million (23.3%)
- Fines and forfeitures increased \$.10 million (28.8%)

The sales tax special revenue fund makes up about 17.0% of total CBJ revenue. It is largely composed of 5.0% sales tax and 3.0% liquor tax. The unreserved fund at June 30, 2004, was \$9.1 million, while total fund balance reached \$10.0 million.

Significant changes are as follows:

- Sales tax increased \$1.7 million (5.6%)
- Transfers to the enterprise fund capital projects increased \$3.5 million (127.8%)
- Transfers to the general fund decreased \$2.3 million (14.4%)

Other governmental funds (with the exclusion of the general fund, roaded service area and sales tax) have a combined fund balance of \$35.3 million, an increase of \$8.1 million (27.2%). Significant changes are primarily due to expenditures made in the school capital project fund for the New High School at Dimond Park and Juneau Douglas High School Renovation project.

Enterprise funds. The CBJ's enterprise funds encompass the business-type activities presented in the government-wide financial statements, except for the exclusion of internal service fund activity.

As of the end of the current fiscal year, enterprise funds total combined net assets were \$273 million, an increase of \$26.3 million (10.6%) over the prior year. Of this amount, \$29.3 million represented unrestricted net assets. This amount is equal to 47.9% of operating expenditures exclusive of depreciation.

Significant changes are as follows:

- Charges for services increased \$4.6 million (8.9%).
- Salaries and fringe benefits increased \$1.5 million (4.6%).
- Capital contributions decreased \$5.6 million (37.1%).
- Transfers from other funds increased \$15.0 million (250.0%), while transfers to other funds decreased \$0.4 million (87.7%).

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences in the change in fund balance between the original budget and final amended budget were relatively minor \$0.2 million (9.5%) and can be briefly summarized as follows:

- Grant revenue increased \$0.1 million due to grants received during the fiscal year.
- Expenditures increased \$0.5 million due to an appropriation of supplemental grants and encumbrances from prior periods.

Actual revenues were \$0.5 million below budgeted, while actual expenditures of \$1.1 million were less than budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The CBJ's investment in capital assets for its governmental and business-type activities as of June 30, 2004, amounts to \$505.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the

MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2004

CBJ's investment in capital assets for the current fiscal year was \$12.9 million (2.6%). Governmental capital assets increased \$5.8 million (2.2%), while business-type capital assets increased \$7.1 million (3.1%).

Major capital asset events during the current fiscal year included the following:

- Depreciation expense for fiscal year was \$28.2 million, an increase of \$1.5 million (5.6%) over the previous fiscal year.
- Construction in progress increased \$18.1 million (26.9%)
- Additions for plant, equipment and infrastructure were more than depreciation expense incurred by \$4.7 million and \$1.5 million, respectively.

CITY and BOROUGH OF JUNEAU'S CAPITAL ASSETS
(net of depreciation)

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
|--------------------------|--------------------------------|--------------------|---------------------------------|--------------------|--------------------|--------------------|
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| Land | \$ 36,500,884 | 35,647,034 | 16,814,304 | 16,662,819 | 53,315,188 | 52,309,853 |
| Plant & equipment | 116,706,590 | 119,143,123 | 180,428,276 | 182,734,885 | 297,134,866 | 301,878,008 |
| Infrastructure | 69,042,135 | 70,549,654 | - | - | 69,042,135 | 70,549,654 |
| Construction in progress | 48,728,840 | 39,810,807 | 36,945,988 | 27,723,487 | 85,674,828 | 67,534,294 |
| Total | \$ 270,978,449 | 265,150,618 | 234,188,568 | 227,121,191 | 505,167,017 | 492,271,809 |

Additional information on the CBJ's capital assets can be found in Note 8 on pages 53-54 of this report.

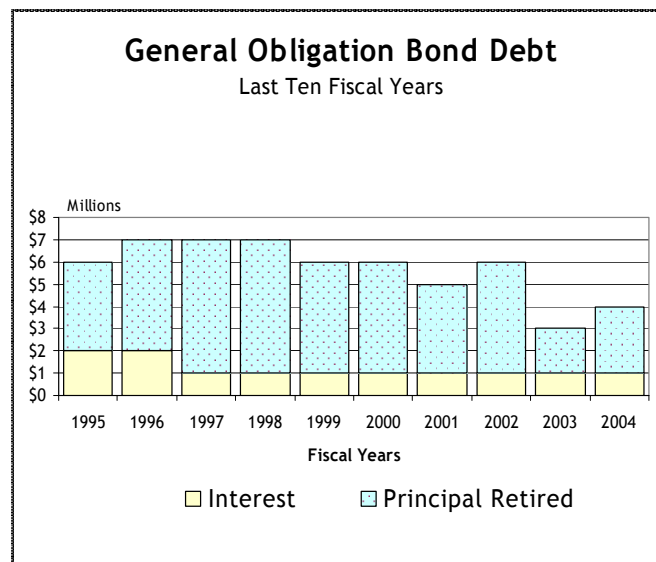
Debt Administration. As of June 30, 2004, the CBJ had a total of \$67 million in bond debt, which consisted of twelve general obligation and two revenue bond issues. The general obligation issues accounted for \$60.4 million and the revenue bonds accounted for \$6.6 million.

CITY and BOROUGH OF JUNEAU'S OUTSTANDING DEBT
Bonds and Notes Payable

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
|--------------------------|--------------------------------|-------------------|---------------------------------|-------------------|-------------------|-------------------|
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| General obligation bonds | \$ 58,150,919 | 27,970,710 | 2,227,081 | 3,239,290 | 60,378,000 | 31,210,000 |
| Revenue bonds | 4,330,000 | 5,685,000 | 2,315,000 | 2,505,000 | 6,645,000 | 8,190,000 |
| Notes payable | - | - | 8,959,942 | 6,684,422 | 8,959,942 | 6,684,422 |
| Total | \$ 62,480,919 | 33,655,710 | 13,502,023 | 12,428,712 | 75,982,942 | 46,084,422 |

The last Moody's Investor's Services rating on the CBJ's bonds was A2. The government's general obligation bonded indebtedness is not subject to a legal debt ceiling. CBJ's general obligation bond debt per capita is \$1,930 gross and \$1,680 net (less amounts due from enterprise operations). A more detailed analysis of bonded debt is contained in the Statistical Section, pages 187-228.

Approximately 71.6% or \$43.2 million of CBJ's \$60.4 million in outstanding general obligation bond debt as of June 30, 2004 represents school debt issued for school construction, repairs or technology. Approximately \$40.4 million of the outstanding school debt qualifies for the State of Alaska's School Construction Bond Debt Reimbursement program. Under this program, the State financially assists local communities with the financing of construction and major repair of school facilities. The amount reimbursed varies depending on the year of issuance and the state appropriation levels. The state has historically reimbursed local communities between 70% and 100% of the debt service incurred for approved school facilities. The range in



MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2004

reimbursement for CBJ is 60%-100% in fiscal year 2004 due to the debt being issued for the new high school project and renovation of Juneau Douglas High School qualifying for 60% reimbursement.

The general obligation debt increased \$29.2 million (93.5%) in the current year. This increase is due to the issuance of debt of \$20.0 million and \$13.3 million in general obligation bonds for the construction of the new high school and general capital improvements, respectively.

Revenue bonded indebtedness decreased \$1.5 million (18.9%) due to the retirement of bonds, with no new issuance.

Additional information on the CBJ's long-term debt can be found in Note 9 on pages 55-60 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economic diversity is very important to the future of the CBJ. The dominance of state government employment, coupled with the state's continued reliance on a single revenue source, oil, makes diversification a key factor in long-term economic stability. The CBJ is blessed with abundant resources: scenery for tourism; minerals for mining; fish for fishery development; and a prime location to provide regional merchandising to other communities. These resources, combined with our strongly reaffirmed role as Alaska's capital city, indicate that Juneau has a stable future.

However, as with most governments across the nation, the CBJ is in the midst of a challenging economic environment with sluggish growth counterbalanced by increasing costs. These conditions led to the preparation of a maintenance level budget for the FY05/06 biennial budget. A total of 43.89 Full Time Equivalent (FTE) positions were eliminated for the FY05 Adopted Budget coupled with an additional 25.31 FTE's in the FY06 Approved Budget. The mill rate will increase .3 (3.1% for FY05).

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, a request should be addressed to the City and Borough of Juneau, Controllers Division, Finance Department, 155 S. Seward, Juneau, AK 99801 or please call (907) 586-5216.

The CBJ component unit issues its own separate audited financial statements. These statements may be obtained by directly contacting the City and Borough of Juneau School District offices at (907) 463-1700.



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CITY and BOROUGH OF JUNEAU

Statement of Net Assets

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Primary Government | | Totals | |
|--|----------------------------|-----------------------------|--------------------|--------------------|
| | Governmental Activities | Business-type Activities | 2004 | 2003 |
| ASSETS | | | | |
| Equity in central treasury | \$ 19,301,005 | 24,254,015 | 43,555,020 | 31,489,586 |
| Receivables (net of allowance for uncollectibles) | 11,864,496 | 12,138,392 | 24,002,888 | 22,689,772 |
| Due from other governments | 107,632 | - | 107,632 | 1,185,231 |
| Due from component unit | - | 778,281 | 778,281 | 597,036 |
| Due from primary government | - | - | - | - |
| Internal balances | 504,695 | (504,695) | - | - |
| Inventories | 1,576,280 | 3,473,877 | 5,050,157 | 4,877,900 |
| Prepaid items | 22,496 | 151,172 | 173,668 | 131,678 |
| Other assets | 525,225 | - | 525,225 | 869,847 |
| Bond issuance costs | 561,811 | 319,185 | 880,996 | 464,379 |
| Restricted assets: | | | | |
| Temporarily restricted: | | | | |
| Equity in central treasury | 28,605,549 | 25,073,223 | 53,678,772 | 38,802,061 |
| Receivables (net of allowance for uncollectibles) | - | 448,645 | 448,645 | 657,048 |
| Intergovernmental receivables | 409,722 | 2,665,995 | 3,075,717 | 514,877 |
| Capital assets (net of accumulated depreciation where applicable): | | | | |
| Land | 36,500,884 | 16,814,304 | 53,315,188 | 52,309,853 |
| Plant and equipment | 116,706,590 | 180,428,276 | 297,134,866 | 301,878,008 |
| Infrastructure | 69,042,135 | - | 69,042,135 | 70,549,654 |
| Construction and infrastructure in progress | 48,728,840 | 36,945,988 | 85,674,828 | 67,534,294 |
| Total assets | 334,457,360 | 302,986,658 | 637,444,018 | 594,551,224 |
| LIABILITIES | | | | |
| Accounts payable | 896,408 | 2,345,718 | 3,242,126 | 2,795,907 |
| Accrued liabilities | 2,440,802 | 4,066,070 | 6,506,872 | 5,583,203 |
| Accrued interest payable | 664,889 | 232,500 | 897,389 | 570,401 |
| Due to component unit | 9,452 | - | 9,452 | 7,934 |
| Due to primary government | - | - | - | - |
| Deferred revenue | 702,668 | 1,830,567 | 2,533,235 | 1,532,244 |
| Liabilities payable from restricted assets | 1,438,060 | 1,943,957 | 3,382,017 | 4,700,023 |
| Noncurrent liabilities: | | | | |
| Due within one year: | | | | |
| Bonds, loans and retirement incentive payable | 4,348,062 | 2,012,832 | 6,360,894 | 6,737,320 |
| Compensated absences | 1,278,471 | 1,463,129 | 2,741,600 | 2,490,271 |
| Due in more than one year: | | | | |
| Bonds, loans and retirement incentive payable | 58,991,806 | 11,895,173 | 70,886,979 | 41,138,759 |
| Compensated absences | 1,607,609 | 1,124,807 | 2,732,416 | 2,655,168 |
| Total liabilities | 72,378,227 | 26,914,753 | 99,292,980 | 68,211,230 |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 227,578,882 | 220,367,248 | 447,946,130 | 450,190,811 |
| Restricted for: | | | | |
| Capital projects | 7,236,227 | 23,768,023 | 31,004,250 | 29,333,160 |
| Debt service | 5,589,076 | - | 5,589,076 | 972,537 |
| Other purposes | 3,554,636 | - | 3,554,636 | 4,243,217 |
| Unrestricted | 18,120,312 | 31,936,634 | 50,056,946 | 41,600,269 |
| Total net assets | \$ 262,079,133 | 276,071,905 | 538,151,038 | 526,339,994 |

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



**School District
Component Unit**

| <u>2002</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--------------------|------------------|------------------|------------------|
| 29,270,424 | 2,328,263 | 1,769,179 | 329,744 |
| 22,242,994 | 65,002 | 156,838 | 164,977 |
| 402,431 | 1,751,637 | 2,017,092 | 3,742,914 |
| 521,852 | - | - | - |
| - | 9,452 | 7,934 | 5,375 |
| - | - | - | - |
| 4,643,205 | 130,924 | 96,000 | 87,195 |
| 245,722 | 15,820 | - | - |
| 478,991 | 125,628 | 94,693 | 155,696 |
| 361,618 | - | - | - |
| 54,657,823 | - | - | - |
| 943,597 | - | - | - |
| 1,003,055 | - | - | - |
| 49,864,032 | - | - | - |
| 262,324,432 | 475,995 | 315,629 | 327,356 |
| 64,416,554 | - | - | - |
| 87,829,725 | - | - | - |
| <u>579,206,455</u> | <u>4,902,721</u> | <u>4,457,365</u> | <u>4,813,257</u> |
| 3,758,618 | 302,697 | 326,951 | 669,783 |
| 5,475,906 | 1,225,305 | 932,105 | 1,075,995 |
| 462,544 | - | - | - |
| 5,375 | - | - | - |
| - | 778,281 | 597,036 | 521,852 |
| 1,697,332 | 6,123 | 18,833 | 28,433 |
| 4,586,241 | - | - | - |
| 5,324,539 | - | - | 684,641 |
| 2,444,790 | 290,081 | 289,901 | 299,273 |
| 38,134,968 | - | - | - |
| 2,534,629 | 395,204 | 394,958 | 407,726 |
| 64,424,942 | 2,997,691 | 2,559,784 | 3,687,703 |
| 442,016,753 | 475,995 | 315,629 | 327,356 |
| 29,391,495 | - | - | - |
| 488,114 | - | - | - |
| 4,143,857 | - | - | - |
| 38,741,294 | 1,429,035 | 1,581,952 | 798,198 |
| <u>514,781,513</u> | <u>1,905,030</u> | <u>1,897,581</u> | <u>1,125,554</u> |

CITY and BOROUGH OF JUNEAU

Statement of Activities

For the Year Ended June 30, 2004

with comparative total amounts for 2003 and 2002

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| Legislative | \$ 1,634,229 | - | - | - |
| Legal | 1,167,961 | 23,031 | - | - |
| Administration | 2,487,543 | 6,792 | - | - |
| Education | 21,640,289 | - | - | 2,099,360 |
| Finance | 2,694,998 | 37,248 | - | - |
| Engineering | 504,518 | 14,200 | 2,896 | - |
| Libraries | 1,773,714 | 53,246 | 155,308 | - |
| Social services | 990,088 | 13,240 | - | - |
| Recreation | 6,006,226 | 2,114,357 | 5,775 | 458,178 |
| Community development and lands management | 4,961,726 | 1,667,352 | 62,052 | 731,764 |
| Low-income housing | 50,469 | 83,951 | - | - |
| Public safety | 13,749,237 | 1,997,458 | 558,863 | 398,412 |
| Public works | 12,579,360 | 75 | 806,804 | 1,037,973 |
| Public transportation | 4,042,682 | 904,100 | 120,000 | 159,135 |
| Community projects | 1,406,544 | - | - | - |
| Tourism and conventions | 1,512,871 | 5,427,311 | - | - |
| Interest on long-term debt | 7,448,694 | 5,193,518 | - | - |
| Total governmental activities (See Note 1) | \$ 84,651,149 | 17,535,879 | 1,711,698 | 4,884,822 |
| Business-type activities: | | | | |
| Airport | \$ 6,108,455 | 3,522,142 | 239,271 | 5,447,414 |
| Harbors | 2,822,952 | 1,587,529 | 221,435 | 1,908,356 |
| Docks | 1,909,645 | 1,570,404 | - | 78,105 |
| Hospital | 50,343,145 | 51,690,374 | - | 1,114,592 |
| Water | 3,995,160 | 3,049,781 | - | 622,841 |
| Sewer | 7,693,921 | 6,837,726 | - | 269,849 |
| Waste management | 759,991 | 731,621 | - | - |
| Total business-type activities | 73,633,269 | 68,989,577 | 460,706 | 9,441,157 |
| Total primary government | \$ 158,284,418 | 86,525,456 | 2,172,404 | 14,325,979 |
| Component Unit: | | | | |
| Education | \$ 48,568,297 | - | 7,909,222 | - |

General revenues:

- Property taxes
- Sales tax
- Hotel tax
- Grants and contributions not restricted to specific programs
- Unrestricted investment earnings
- Gain on sale of capital assets
- Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning

Net assets - ending

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



Net (Expense) Revenue and Changes in Net Assets

| Governmental Activities | Business-type Activities | Primary Government | | | School District Component Unit | | |
|----------------------------|-----------------------------|--------------------|--------------|--------------|-----------------------------------|--------------|--------------|
| | | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| (1,634,229) | - | (1,634,229) | (3,077,412) | (1,730,794) | - | - | - |
| (1,144,930) | - | (1,144,930) | (695,753) | (687,489) | - | - | - |
| (2,480,751) | - | (2,480,751) | (2,336,101) | (2,084,030) | - | - | - |
| (19,540,929) | - | (19,540,929) | (24,348,984) | (18,934,891) | - | - | - |
| (2,657,750) | - | (2,657,750) | (2,465,979) | (2,516,059) | - | - | - |
| (487,422) | - | (487,422) | (557,700) | (493,292) | - | - | - |
| (1,565,160) | - | (1,565,160) | (1,827,962) | (1,772,067) | - | - | - |
| (976,848) | - | (976,848) | (1,962,133) | (874,243) | - | - | - |
| (3,427,916) | - | (3,427,916) | (2,024,582) | (2,586,871) | - | - | - |
| (2,500,558) | - | (2,500,558) | (2,551,868) | (1,654,286) | - | - | - |
| 33,482 | - | 33,482 | (3,253) | (54,016) | - | - | - |
| (10,794,504) | - | (10,794,504) | (11,888,201) | (10,195,363) | - | - | - |
| (10,734,508) | - | (10,734,508) | (2,921,913) | (9,955,149) | - | - | - |
| (2,859,447) | - | (2,859,447) | (3,087,231) | (2,563,688) | - | - | - |
| (1,406,544) | - | (1,406,544) | 535,337 | - | - | - | - |
| 3,914,440 | - | 3,914,440 | 3,557,766 | 3,178,497 | - | - | - |
| (2,255,176) | - | (2,255,176) | (7,600,335) | (1,041,739) | - | - | - |
| (60,518,750) | - | (60,518,750) | (63,256,304) | (53,965,480) | - | - | - |
| - | 3,100,372 | 3,100,372 | 1,667,115 | 335,182 | - | - | - |
| - | 894,368 | 894,368 | 4,947,704 | (259,777) | - | - | - |
| - | (261,136) | (261,136) | 5,232,239 | (332,744) | - | - | - |
| - | 2,461,821 | 2,461,821 | (811,515) | (1,034,581) | - | - | - |
| - | (322,538) | (322,538) | (1,733,838) | (1,603,273) | - | - | - |
| - | (586,346) | (586,346) | (1,790,479) | 146,799 | - | - | - |
| - | (28,370) | (28,370) | 27,715 | 79,388 | - | - | - |
| - | 5,258,171 | 5,258,171 | 7,538,941 | (2,669,006) | - | - | - |
| (60,518,750) | 5,258,171 | (55,260,579) | (55,717,363) | (56,634,486) | - | - | - |
| - | - | - | - | - | (40,659,075) | (38,190,727) | (38,151,900) |
| 30,025,665 | - | 30,025,665 | 28,725,113 | 28,176,762 | - | - | - |
| 32,934,397 | - | 32,934,397 | 30,786,346 | 30,831,846 | - | - | - |
| 906,280 | - | 906,280 | 897,011 | 926,630 | - | - | - |
| - | - | - | - | - | 40,192,880 | 38,620,020 | 38,348,923 |
| 910,759 | 258,590 | 1,169,349 | 4,712,055 | 4,876,075 | 473,644 | 342,734 | 77,361 |
| 10,850 | 31,091 | 41,941 | 55,978 | 26,765 | - | - | - |
| 1,993,991 | - | 1,993,991 | 2,099,342 | 3,051,413 | - | - | - |
| (20,980,023) | 20,980,023 | - | - | - | - | - | - |
| 45,801,919 | 21,269,704 | 67,071,623 | 67,275,844 | 67,889,491 | 40,666,524 | 38,962,754 | 38,426,284 |
| (14,716,831) | 26,527,875 | 11,811,044 | 11,558,481 | 11,255,005 | 7,449 | 772,027 | 274,384 |
| 276,795,964 | 249,544,030 | 526,339,994 | 514,781,513 | 503,526,508 | 1,897,581 | 1,125,554 | 851,170 |
| \$ 262,079,133 | 276,071,905 | 538,151,038 | 526,339,994 | 514,781,513 | 1,905,030 | 1,897,581 | 1,125,554 |

CITY and BOROUGH OF JUNEAU

**Governmental Funds
Balance Sheet**

June 30, 2004

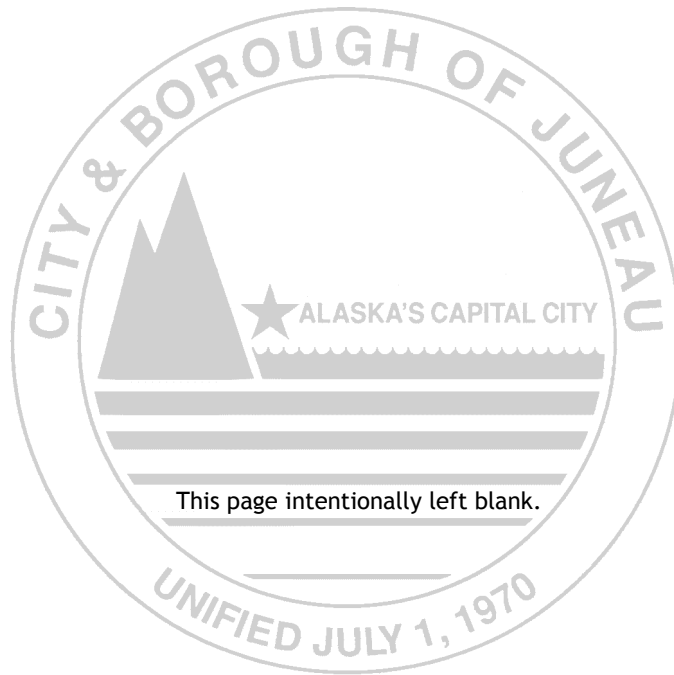
with comparative total amounts for 2003 and 2002

| | <u>General</u> | <u>Roaded Service Area</u> | <u>Sales Tax</u> |
|--|---------------------|------------------------------------|-------------------|
| ASSETS | | | |
| Equity in central treasury | \$ - | 3,607,453 | 5,112,393 |
| Receivables, net of allowance for doubtful accounts: | | | |
| Accounts | 1,955,533 | 101,991 | - |
| Special assessments | 722,914 | - | - |
| Taxes | 285,542 | 105,228 | 5,679,694 |
| State of Alaska | 68,780 | - | - |
| Long-term notes | - | - | - |
| Interfund receivable from other funds | 4,474,086 | 160,109 | - |
| Inventories | 425,292 | 282,993 | - |
| Deposits | 511,943 | - | - |
| Prepaid items | 22,496 | - | - |
| Equity in joint ventures | - | - | - |
| Advance to other funds | 115,084 | - | - |
| Restricted assets: | | | |
| Equity in central treasury | - | - | - |
| Receivables: | | | |
| State of Alaska | - | - | - |
| Federal government | - | - | - |
| Total assets | <u>\$ 8,581,670</u> | <u>4,257,774</u> | <u>10,792,087</u> |
| LIABILITIES | | | |
| Interfund payable to other funds | \$ - | - | - |
| Accounts payable | 608,486 | 136,919 | 369 |
| Accrued salaries, payroll taxes and withholdings payable | 648,253 | 512,749 | - |
| Accrued and other liabilities | 1,000,266 | - | - |
| Deferred revenues | 971,320 | 526,687 | 742,568 |
| Advance from General Fund | - | - | - |
| Payable from restricted assets: | | | |
| Interfund payable to other funds | - | - | - |
| Accounts and contracts payable | - | - | - |
| Deferred revenues | - | - | - |
| Total liabilities | <u>3,228,325</u> | <u>1,176,355</u> | <u>742,937</u> |
| FUND BALANCES | | | |
| Reserved for: | | | |
| Advance to Special Revenue Fund | 115,084 | - | - |
| Subsequent year expenditures | 927,800 | 165,700 | 919,100 |
| Encumbrances | 241,510 | 121,832 | - |
| Long-term notes receivable | - | - | - |
| Equity in joint ventures | - | - | - |
| Prepaid items | 22,496 | - | - |
| Unreserved: | | | |
| Designated: | | | |
| Compensated absences General Fund | 1,104,027 | - | - |
| Compensated absences Special Revenue Funds | - | 1,130,032 | - |
| Replacement reserve | - | 282,532 | - |
| Undesignated, reported in: | | | |
| General Fund | 2,942,428 | - | - |
| Special Revenue Funds | - | 1,381,323 | 9,130,050 |
| Debt Service Funds | - | - | - |
| Capital Projects Funds | - | - | - |
| Total fund balances | <u>5,353,345</u> | <u>3,081,419</u> | <u>10,049,150</u> |
| Total liabilities and fund balances | <u>\$ 8,581,670</u> | <u>4,257,774</u> | <u>10,792,087</u> |

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



| Schools Capital Projects | Other Governmental Funds | Totals | | |
|--------------------------------|--------------------------------|-------------------|-------------------|-------------------|
| | | 2004 | 2003 | 2002 |
| - | 8,285,249 | 17,005,095 | 13,966,498 | 12,106,235 |
| - | 1,127,693 | 3,185,217 | 2,957,191 | 2,941,832 |
| - | - | 722,914 | 252,836 | 376,675 |
| - | 265,158 | 6,335,622 | 5,445,585 | 6,037,572 |
| 38,852 | - | 107,632 | 1,156,475 | 278,497 |
| - | 1,451,117 | 1,451,117 | 1,703,437 | 1,794,248 |
| - | - | 4,634,195 | 2,924,663 | 3,453,355 |
| - | 594,043 | 1,302,328 | 1,233,178 | 1,168,158 |
| - | - | 511,943 | 856,668 | 465,943 |
| - | - | 22,496 | 20,196 | 9,384 |
| - | 13,282 | 13,282 | 13,179 | 13,048 |
| - | - | 115,084 | 258,110 | 514,101 |
| 15,600,552 | 13,004,997 | 28,605,549 | 26,219,675 | 40,366,505 |
| - | 409,722 | 409,722 | 215,721 | 325,055 |
| - | - | - | - | 5,000 |
| <u>15,639,404</u> | <u>25,151,261</u> | <u>64,422,196</u> | <u>57,223,412</u> | <u>69,855,608</u> |
| - | 1,821,854 | 1,821,854 | 2,038,532 | 1,146,220 |
| - | 117,562 | 863,336 | 696,880 | 890,737 |
| - | 264,849 | 1,425,851 | 1,243,063 | 1,277,853 |
| - | - | 1,000,266 | 934,701 | 944,460 |
| - | 1,347,289 | 3,587,864 | 3,569,309 | 3,831,094 |
| - | 115,084 | 115,084 | 258,110 | 514,101 |
| - | 336,458 | 336,458 | 20,872 | 255,269 |
| 657,164 | 777,293 | 1,434,457 | 3,437,478 | 2,270,546 |
| - | 3,603 | 3,603 | 30,000 | 1,066,818 |
| <u>657,164</u> | <u>4,783,992</u> | <u>10,588,773</u> | <u>12,228,945</u> | <u>12,197,098</u> |
| - | - | 115,084 | 258,110 | 514,101 |
| - | 296,400 | 2,309,000 | 3,805,200 | 4,517,100 |
| 1,176,914 | 3,033,345 | 4,573,601 | 15,434,036 | 22,270,989 |
| - | 1,189,481 | 1,189,481 | 415,354 | 414,766 |
| - | 13,282 | 13,282 | 13,179 | 13,048 |
| - | - | 22,496 | 20,196 | 9,384 |
| - | - | 1,104,027 | 1,035,868 | 1,117,678 |
| - | 610,012 | 1,740,044 | 1,644,938 | 1,516,089 |
| - | - | 282,532 | 249,921 | 238,489 |
| - | - | 2,942,428 | 3,248,401 | 3,028,800 |
| - | 120,767 | 10,632,140 | 8,968,026 | 8,200,771 |
| - | 5,589,076 | 5,589,076 | 972,537 | 488,114 |
| <u>13,805,326</u> | <u>9,514,906</u> | <u>23,320,232</u> | <u>8,928,701</u> | <u>15,329,181</u> |
| <u>14,982,240</u> | <u>20,367,269</u> | <u>53,833,423</u> | <u>44,994,467</u> | <u>57,658,510</u> |
| <u>15,639,404</u> | <u>25,151,261</u> | <u>64,422,196</u> | <u>57,223,412</u> | <u>69,855,608</u> |



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Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Assets

June 30, 2004

Fund balances-total governmental funds \$ 53,833,423

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in governmental funds.

| | | |
|-------------------------------|----------------------|-------------|
| Governmental capital assets | \$ 462,294,092 | |
| Less accumulated depreciation | <u>(196,491,929)</u> | 265,802,163 |

Payment of bond issuance costs utilize current financial resources and therefore are reported as expenditures in governmental funds.

| | | |
|-------------------------------|------------------|---------|
| Bond issuance costs | 667,496 | |
| Less accumulated amortization | <u>(105,685)</u> | 561,811 |

Deferred revenue in governmental funds is susceptible to accrual on the government-wide statements. 2,885,196

Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

| | | |
|---------------------------------------|--------------------|--------------|
| Bonds and purchase agreements payable | (62,550,583) | |
| Premium on bonds payable | (916,487) | |
| Accumulated bond premium amortization | 208,441 | |
| Accrued interest payable | (663,983) | |
| Compensated absences | <u>(2,844,071)</u> | (66,766,683) |

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the central equipment service internal service fund are included in the governmental activities in the statement of net assets:

| | | |
|---|--------------------|------------------|
| Equity in central treasury | 2,295,910 | |
| Receivables - other | 169,626 | |
| Inventories | 273,952 | |
| Capital assets, less accumulated depreciation | 5,176,287 | |
| Accounts payable | (33,072) | |
| Other accrued liabilities and payables | (138,840) | |
| Due to component unit | (9,452) | |
| Receivable from (payable to) Business-type activities | <u>(1,971,188)</u> | <u>5,763,223</u> |

Net assets of governmental activities \$ 262,079,133

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

CITY and BOROUGH OF JUNEAU

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2004, with comparative totals for 2003 and 2002

| REVENUES | General | Roaded Service Area | Sales Tax |
|---|---------------------|------------------------|---------------------|
| Taxes | \$ 18,665,067 | 10,625,288 | 32,701,823 |
| State sources | 2,709,372 | 1,333,907 | - |
| Federal sources | 787,841 | - | - |
| Local sources | - | - | - |
| Charges for services | 552,343 | - | - |
| Contracted services | - | - | - |
| Licenses, permits and fees | 869,781 | 1,444,477 | - |
| Fines and forfeitures | 40,587 | 591,209 | - |
| Interest | 539,881 | - | - |
| Land sales | - | - | - |
| Rentals | 1,292 | - | - |
| Special assessments | 567,060 | - | - |
| Equity in earnings of AJT Mining Properties, Inc. joint ventures | - | - | - |
| Other | 84,027 | 29,546 | - |
| Total revenues | <u>24,817,251</u> | <u>14,024,427</u> | <u>32,701,823</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Legislative | 2,469,481 | - | - |
| Legal | 1,171,372 | - | - |
| Administration | 2,667,931 | - | - |
| Education | 18,404,200 | 200,000 | - |
| Finance | 2,070,169 | - | 620,138 |
| Engineering | 513,031 | - | - |
| Libraries | 1,782,517 | - | - |
| Recreation | - | 2,886,184 | - |
| Community development and lands management | 2,168,846 | - | - |
| Low-income housing | - | - | - |
| Public safety | 2,295,400 | 8,847,322 | - |
| Public works | 1,943,359 | 3,141,502 | - |
| Public transportation | - | - | - |
| Community projects | - | - | - |
| Tourism and conventions | - | - | - |
| Special assessments | 168,314 | - | - |
| Other | (59,766) | - | - |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Fiscal agent, bond issuance and letter of credit fees | - | - | - |
| Capital projects | - | - | - |
| Total expenditures | <u>35,594,854</u> | <u>15,075,008</u> | <u>620,138</u> |
| Excess (deficiency) of revenues over expenditures | (10,777,603) | (1,050,581) | 32,081,685 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from other funds | 14,761,200 | 3,033,961 | - |
| Transfers to other funds | (5,665,400) | (2,367,600) | (29,271,200) |
| General obligation bond proceeds | - | - | - |
| Bond premium | - | - | - |
| Total other financing sources (uses) | <u>9,095,800</u> | <u>666,361</u> | <u>(29,271,200)</u> |
| Net change in fund balances | (1,681,803) | (384,220) | 2,810,485 |
| Fund balances at beginning of year | <u>7,035,148</u> | <u>3,465,639</u> | <u>7,238,665</u> |
| Fund balances at end of year | \$ <u>5,353,345</u> | <u>3,081,419</u> | <u>10,049,150</u> |

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



| Schools Capital Project | Non-Major Governmental | Totals | | |
|----------------------------|---------------------------|-------------------|--------------------|-------------------|
| | | 2004 | 2003 | 2002 |
| - | 2,597,396 | 64,589,574 | 61,066,031 | 59,097,011 |
| 38,851 | 1,701,994 | 5,784,124 | 7,547,955 | 6,302,852 |
| - | 358,504 | 1,146,345 | 1,954,694 | 2,660,778 |
| - | 311,737 | 311,737 | 303,889 | 292,819 |
| - | 2,022,640 | 2,574,983 | 1,857,443 | 2,368,544 |
| - | 331,700 | 331,700 | 323,800 | 307,100 |
| - | 5,151,829 | 7,466,087 | 6,599,682 | 6,806,786 |
| - | - | 631,796 | 501,679 | 460,670 |
| 294,208 | 16,782 | 850,871 | 3,553,761 | 3,618,659 |
| - | 847,573 | 847,573 | 158,233 | 407,569 |
| - | 232,503 | 233,795 | 290,806 | 216,682 |
| - | - | 567,060 | 153,840 | 209,442 |
| - | 103 | 103 | 131 | 190 |
| - | 441,127 | 554,700 | 877,332 | 513,451 |
| <u>333,059</u> | <u>14,013,888</u> | <u>85,890,448</u> | <u>85,189,276</u> | <u>83,262,553</u> |
| - | - | 2,469,481 | 4,032,270 | 2,400,483 |
| - | - | 1,171,372 | 748,643 | 735,114 |
| - | - | 2,667,931 | 2,595,525 | 2,590,608 |
| - | - | 18,604,200 | 18,316,000 | 17,599,600 |
| - | - | 2,690,307 | 2,551,803 | 2,513,749 |
| - | - | 513,031 | 564,762 | 449,969 |
| - | - | 1,782,517 | 1,842,077 | 1,735,496 |
| - | 1,641,870 | 4,528,054 | 3,983,786 | 3,815,336 |
| - | 1,339,426 | 3,508,272 | 3,400,271 | 2,905,933 |
| - | 2,469 | 2,469 | 11,808 | 300,139 |
| - | 2,150,693 | 13,293,415 | 13,305,226 | 11,866,047 |
| - | - | 5,084,861 | 4,772,352 | 4,743,791 |
| - | 3,742,621 | 3,742,621 | 3,348,231 | 3,067,453 |
| - | - | - | 60,710 | 57,120 |
| - | 1,434,807 | 1,434,807 | 1,394,346 | 1,358,054 |
| - | - | 168,314 | 922,411 | 14,899 |
| - | 196,673 | 136,907 | 311,753 | 185,946 |
| - | 4,546,934 | 4,546,934 | 2,966,384 | 5,301,583 |
| - | 1,962,589 | 1,962,589 | 1,340,078 | 1,205,632 |
| 262,354 | 12,352 | 274,706 | - | 233,150 |
| <u>13,004,589</u> | <u>8,133,314</u> | <u>21,137,903</u> | <u>26,766,886</u> | <u>15,180,537</u> |
| <u>13,266,943</u> | <u>25,163,748</u> | <u>89,720,691</u> | <u>93,235,322</u> | <u>78,260,639</u> |
| (12,933,884) | (11,149,860) | (3,830,243) | (8,046,046) | 5,001,914 |
| 3,411,403 | 23,883,175 | 45,089,739 | 45,199,475 | 47,110,596 |
| (7,914,765) | (20,850,797) | (66,069,762) | (50,581,400) | (55,970,858) |
| 20,000,000 | 13,250,000 | 33,250,000 | 3,382,134 | 13,149,820 |
| - | 399,222 | 399,222 | (2,618,206) | 180,382 |
| <u>15,496,638</u> | <u>16,681,600</u> | <u>12,669,199</u> | <u>(4,617,997)</u> | <u>4,469,940</u> |
| 2,562,754 | 5,531,740 | 8,838,956 | (12,664,043) | 9,471,854 |
| 12,419,486 | 14,835,529 | 44,994,467 | 57,658,510 | 48,186,656 |
| <u>14,982,240</u> | <u>20,367,269</u> | <u>53,833,423</u> | <u>44,994,467</u> | <u>57,658,510</u> |



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Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the fiscal year ended June 30, 2004

Net change in fund balances - total governmental funds \$ 8,838,956

Amounts reported for governmental activities in the
statement of activities are different because:

Governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of those assets
is depreciated over the estimated useful lives.

| | | |
|---------------------------------|---------------------|-----------|
| Expenditures for capital assets | \$ 19,035,055 | |
| Less current year depreciation | <u>(13,291,167)</u> | 5,743,888 |

Advances and payments on long-term debt and bond issuance costs are reported
as financial sources and uses in the governmental funds. In the statement of
net assets, the advances and payments are reflected as changes in the
liabilities and the bond issuance costs are reported as an asset.

| | | |
|------------------------|------------------|--------------|
| Bond and loan advances | (28,056,482) | |
| Bond premium | (399,222) | |
| Bond issuance costs | 164,805 | |
| Bond and loan payments | <u>(646,584)</u> | (28,937,483) |

Deferred revenues that are susceptible to accrual on the statement
of activities do not provide current financial resources and therefore
are not reported as revenues in the governmental funds.

| | | |
|----------------------------|--|-----------|
| Change in deferred revenue | | (407,477) |
|----------------------------|--|-----------|

Some transactions reported in the statement of activities do not require
the use of current financial resources and therefore are not reported
as expenditures in governmental funds.

| | | |
|-------------------------------------|------------------|-----------|
| Amortization of bond premium | 136,276 | |
| Amortization of bond issuance costs | (24,730) | |
| Change in accrued interest payable | (284,633) | |
| Change in compensated absences | <u>(163,264)</u> | (336,351) |

Internal service funds are used by management to charge the costs of
certain activities to individual funds. Costs in excess of revenues
for services provided to governmental activities are not reported
as expenditures in governmental funds.

381,636

| | | |
|---|--|-------------------------------|
| Change in net assets of governmental activities | | \$ <u><u>(14,716,831)</u></u> |
|---|--|-------------------------------|

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

CITY and BOROUGH OF JUNEAU

GENERAL FUND

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

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|-----------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 18,270,200 | 18,270,200 | 18,665,067 | 394,867 |
| State sources | 2,120,200 | 2,271,212 | 2,709,372 | 438,160 |
| Federal sources | 757,700 | 757,700 | 787,841 | 30,141 |
| Licenses, permits and fees | 695,400 | 695,400 | 869,781 | 174,381 |
| Ambulance and air medevac | 519,200 | 519,200 | 552,343 | 33,143 |
| Fines and forfeitures | 47,000 | 47,000 | 40,587 | (6,413) |
| Investment and interest income | 2,592,400 | 2,592,400 | 539,881 | (2,052,519) |
| Other | 173,200 | 173,200 | 652,379 | 479,179 |
| Total revenues | <u>25,175,300</u> | <u>25,326,312</u> | <u>24,817,251</u> | <u>(509,061)</u> |
| EXPENDITURES - Current: | | | | |
| Legislative | 2,569,900 | 2,585,022 | 2,483,088 | 101,934 |
| Legal | 1,249,121 | 1,252,032 | 1,171,477 | 80,555 |
| Administration | 2,695,748 | 2,992,031 | 2,753,884 | 238,147 |
| Education | 18,404,200 | 18,404,200 | 18,404,200 | - |
| Finance | 2,199,243 | 2,251,434 | 2,122,139 | 129,295 |
| Engineering | 603,988 | 633,789 | 537,537 | 96,252 |
| Libraries | 1,835,900 | 1,856,440 | 1,787,575 | 68,865 |
| Community development and lands management | 2,309,000 | 2,345,748 | 2,194,902 | 150,846 |
| Public safety | 2,295,400 | 2,295,400 | 2,295,400 | - |
| Facility maintenance | 2,192,500 | 2,220,864 | 1,977,614 | 243,250 |
| Special assessments | 168,314 | 168,314 | 168,314 | - |
| Other - nondepartmental | 6,872 | 6,872 | 8,393 | (1,521) |
| Total expenditures and encumbrances | <u>36,530,186</u> | <u>37,012,146</u> | <u>35,904,523</u> | <u>1,107,623</u> |
| Excess (deficiency) of revenues over expenditures and encumbrances | <u>(11,354,886)</u> | <u>(11,685,834)</u> | <u>(11,087,272)</u> | <u>598,562</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from: | | | | |
| Special Revenue Funds | 14,632,800 | 14,687,800 | 14,687,800 | - |
| Enterprise Funds | 23,400 | 23,400 | 23,400 | - |
| Capital Projects Funds | - | 50,000 | 50,000 | - |
| Transfers to: | | | | |
| Special Revenue Funds | (492,100) | (492,100) | (492,100) | - |
| Debt Service Funds | (4,372,100) | (4,372,100) | (4,372,100) | - |
| Enterprise Funds | (801,200) | (801,200) | (801,200) | - |
| Total other financing sources (uses) | <u>8,990,800</u> | <u>9,095,800</u> | <u>9,095,800</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(2,364,086)</u> | <u>(2,590,034)</u> | <u>(1,991,472)</u> | <u>598,562</u> |
| Fund balance at beginning of year | | | 7,035,148 | |
| Fund balance at end of year | | | 5,043,676 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 241,510 | |
| Change in liability for compensated absences | | | 68,159 | |
| Fund balance at end of year - GAAP basis | | | \$ <u>5,353,345</u> | |

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

ROADED SERVICE AREA

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

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|--------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Property taxes | \$ 10,623,400 | 10,623,400 | 10,625,288 | 1,888 |
| State sources | 1,573,800 | 1,579,575 | 1,333,907 | (245,668) |
| Federal source | 10,700 | 10,700 | - | (10,700) |
| Licenses, permits and fees | 1,550,500 | 1,565,500 | 1,444,477 | (121,023) |
| Fines and forfeitures | 544,000 | 544,000 | 591,209 | 47,209 |
| Other | 15,500 | 32,244 | 29,546 | (2,698) |
| Total revenues | <u>14,317,900</u> | <u>14,355,419</u> | <u>14,024,427</u> | <u>(330,992)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Education | 200,000 | 200,000 | 200,000 | - |
| Parks and recreation | 3,062,900 | 3,159,249 | 2,938,292 | 220,957 |
| Public safety - police | 9,282,300 | 9,239,981 | 8,928,607 | 311,374 |
| Public works - roads and street maintenance | 3,389,300 | 3,414,961 | 3,181,347 | 233,614 |
| Air pollution | - | - | 3,500 | (3,500) |
| Total expenditures and encumbrances | <u>15,934,500</u> | <u>16,014,191</u> | <u>15,251,746</u> | <u>762,445</u> |
| Excess of revenues over expenditures and encumbrances | <u>(1,616,600)</u> | <u>(1,658,772)</u> | <u>(1,227,319)</u> | <u>431,453</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from Special Revenue Funds | 3,087,700 | 3,033,961 | 3,033,961 | - |
| Transfers to Special Revenue Funds | (2,367,600) | (2,367,600) | (2,367,600) | - |
| Total other financing sources (uses) | <u>720,100</u> | <u>666,361</u> | <u>666,361</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (896,500)</u> | <u>(992,411)</u> | <u>(560,958)</u> | <u>431,453</u> |
| Fund balance at beginning of year | | | <u>3,465,639</u> | |
| Fund balance at end of year | | | 2,904,681 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 121,832 | |
| Change in liability for compensated absences | | | <u>54,906</u> | |
| Fund balance at end of year - GAAP basis | | | <u>\$ 3,081,419</u> | |

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

CITY and BOROUGH OF JUNEAU

SALES TAX

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

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|---------------------|----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| General sales tax - 5% | \$ 29,462,500 | 29,462,500 | 31,916,886 | 2,454,386 |
| Liquor sales tax - 3% | 635,000 | 635,000 | 743,837 | 108,837 |
| Miscellaneous | 42,900 | 42,900 | 41,100 | (1,800) |
| Total revenues | <u>30,140,400</u> | <u>30,140,400</u> | <u>32,701,823</u> | <u>2,561,423</u> |
| EXPENDITURES - Current: Finance | <u>680,100</u> | <u>680,100</u> | <u>620,138</u> | <u>59,962</u> |
| Excess of revenues over expenditures | <u>29,460,300</u> | <u>29,460,300</u> | <u>32,081,685</u> | <u>2,621,385</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers to: | | | | |
| General Fund | (13,657,800) | (13,697,800) | (13,697,800) | - |
| Special Revenue Funds: | | | | |
| Fire Service Area | (175,000) | (175,000) | (175,000) | - |
| Roaded Service Area | (2,462,000) | (2,462,000) | (2,462,000) | - |
| Capital Projects Funds | (5,796,000) | (5,796,000) | (5,796,000) | - |
| Enterprise Funds: | | | | |
| Bartlett Regional Hospital | (623,300) | (623,300) | (623,300) | - |
| Capital Projects | (6,224,000) | (6,224,000) | (6,224,000) | - |
| General Debt Service Fund | (293,100) | (293,100) | (293,100) | - |
| Total other financing sources (uses) | <u>(29,231,200)</u> | <u>(29,271,200)</u> | <u>(29,271,200)</u> | <u>-</u> |
| Net change in fund balance | \$ <u>229,100</u> | <u>189,100</u> | 2,810,485 | <u>2,621,385</u> |
| Fund balance at beginning of year | | | <u>7,238,665</u> | |
| Fund balance at end of year | | | \$ <u>10,049,150</u> | |

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



CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Net Assets

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Business-type Activites | | | |
|--|------------------------------------|----------------------------------|------------------------------|------------------------------|
| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Areawide Sewer Utility |
| ASSETS | | | | |
| Current assets: | | | | |
| Equity in central treasury | \$ 2,228,486 | 8,021,698 | 4,650,211 | 3,694,079 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Accounts | 752,568 | 8,874,363 | 444,899 | 1,003,968 |
| Federal government | - | - | - | - |
| Other | - | 344,778 | - | - |
| Inventories | 380,998 | 1,619,428 | 449,068 | 1,017,789 |
| Prepaid items | - | 149,188 | - | - |
| Total current assets | <u>3,362,052</u> | <u>19,009,455</u> | <u>5,544,178</u> | <u>5,715,836</u> |
| Non-current assets: | | | | |
| Restricted assets: | | | | |
| Equity in central treasury | 2,740,028 | 7,914,422 | 4,485,211 | 1,805,255 |
| Special assessments receivable | - | - | 45,336 | 403,309 |
| Receivables: | | | | |
| State of Alaska | 126,916 | - | 240,364 | 141,199 |
| Federal government | 171,055 | - | - | - |
| Bond issuance costs | 8,561 | 28,513 | 68,091 | 11,885 |
| Capital assets: | | | | |
| Land | 13,363,761 | 254,925 | 252,393 | 850,562 |
| Buildings and improvements | 56,382,797 | 29,659,383 | 82,470,284 | 76,619,126 |
| Machinery, equipment and fixtures | 6,436,695 | 21,869,517 | 813,788 | 1,496,119 |
| Construction work in progress | 9,284,028 | 6,699,035 | 3,440,858 | 8,418,339 |
| Less accumulated depreciation | (35,485,272) | (29,586,437) | (29,449,510) | (30,004,841) |
| Total capital assets (net of accumulated depreciation) | <u>49,982,009</u> | <u>28,896,423</u> | <u>57,527,813</u> | <u>57,379,305</u> |
| Total noncurrent assets | <u>53,028,569</u> | <u>36,839,358</u> | <u>62,366,815</u> | <u>59,740,953</u> |
| Total assets | \$ <u>56,390,621</u> | <u>55,848,813</u> | <u>67,910,993</u> | <u>65,456,789</u> |



| Enterprise Funds | | | | | | | |
|-------------------|------------------------|--------------------|--------------------|--------------------|------------------------|-------------------|-------------------|
| Boat Harbors | Other Enterprise Funds | Totals | | | Internal Service Funds | | |
| | | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| 600,737 | 1,969,929 | 21,165,140 | 12,765,358 | 11,360,650 | 5,384,785 | 4,757,730 | 5,803,539 |
| 378,467 | 318,529 | 11,772,794 | 11,764,229 | 10,668,908 | - | - | - |
| - | - | - | 28,756 | 123,934 | - | - | - |
| - | - | 344,778 | 383,292 | 315,675 | 190,446 | 183,202 | 108,084 |
| 6,594 | - | 3,473,877 | 3,371,072 | 3,214,520 | 273,952 | 273,650 | 260,527 |
| - | - | 149,188 | 109,075 | 101,971 | 1,984 | 2,407 | 134,367 |
| <u>985,798</u> | <u>2,288,458</u> | <u>36,905,777</u> | <u>28,421,782</u> | <u>25,785,658</u> | <u>5,851,167</u> | <u>5,216,989</u> | <u>6,306,517</u> |
| 6,526,036 | 1,602,271 | 25,073,223 | 12,582,386 | 14,291,318 | - | - | - |
| - | - | 448,645 | 657,048 | 943,597 | - | - | - |
| 1,908,356 | - | 2,416,835 | 35,969 | 391,861 | - | - | - |
| - | 78,105 | 249,160 | 263,187 | 281,139 | - | - | - |
| 139,387 | 62,748 | 319,185 | 42,643 | 43,244 | - | - | - |
| 1,481,167 | 611,496 | 16,814,304 | 16,662,819 | 16,668,336 | - | - | - |
| 18,460,122 | 22,030,782 | 285,622,494 | 281,594,211 | 240,081,352 | 17,828 | 17,828 | 17,828 |
| 431,352 | 292,131 | 31,339,602 | 29,354,979 | 24,276,701 | 12,841,945 | 12,108,555 | 11,759,086 |
| 6,872,347 | 2,231,381 | 36,945,988 | 27,723,487 | 50,558,052 | - | - | - |
| (5,324,846) | (6,683,853) | (136,534,759) | (128,215,453) | (117,969,384) | (7,682,547) | (7,032,891) | (6,761,172) |
| <u>21,920,142</u> | <u>18,481,937</u> | <u>234,187,629</u> | <u>227,120,043</u> | <u>213,615,057</u> | <u>5,177,226</u> | <u>5,093,492</u> | <u>5,015,742</u> |
| <u>30,493,921</u> | <u>20,225,061</u> | <u>262,694,677</u> | <u>240,701,276</u> | <u>229,566,216</u> | <u>5,177,226</u> | <u>5,093,492</u> | <u>5,015,742</u> |
| <u>31,479,719</u> | <u>22,513,519</u> | <u>299,600,454</u> | <u>269,123,058</u> | <u>255,351,874</u> | <u>11,028,393</u> | <u>10,310,481</u> | <u>11,322,259</u> |

(Continued)

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Net Assets, continued

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Business-type Activities | | | |
|--|------------------------------------|----------------------------------|------------------------------|------------------------------|
| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Areawide Sewer Utility |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Interfund payable to General Fund | \$ - | - | - | - |
| Accounts payable | 78,772 | 1,857,947 | 20,329 | 111,288 |
| Contracts payable | - | 377,988 | - | - |
| Accrued salaries, payroll taxes and withholdings payable | 69,484 | 674,280 | 50,161 | 122,024 |
| Accrued annual leave and compensation time | 80,996 | 1,137,072 | 33,719 | 150,884 |
| Accrued interest and other liabilities | - | 11,143 | 39,631 | 181,726 |
| Deferred revenues | 45,000 | 1,196,138 | - | - |
| Retirement Incentive Program | - | - | - | - |
| State of Alaska extension loans payable | - | - | 69,226 | 342,042 |
| General obligation bonds payable | - | 855,592 | - | 177,984 |
| Revenue bonds payable | - | - | 156,750 | 33,250 |
| Total current liabilities | <u>274,252</u> | <u>6,110,160</u> | <u>369,816</u> | <u>1,119,198</u> |
| Non-current liabilities: | | | | |
| Restricted liabilities: | | | | |
| Interfund payable to General Fund | 307,327 | - | 21,045 | 374,164 |
| Accounts and contracts payable | 277,117 | 208,943 | 409,115 | 191,142 |
| Deferred revenues | 215,646 | - | 49,119 | - |
| Accrued annual leave and compensation time | 93,049 | 726,980 | 44,546 | 162,594 |
| Long-term contracts payable | - | - | - | - |
| Unamortized bond premium | - | 10,368 | 13,455 | 4,171 |
| State of Alaska extension loans payable | - | - | 1,315,291 | 7,233,383 |
| General obligation bonds payable | - | 1,011,056 | - | 182,449 |
| Revenue bonds payable | - | - | 1,636,750 | 488,250 |
| Total non-current liabilities | <u>893,139</u> | <u>1,957,347</u> | <u>3,489,321</u> | <u>8,636,153</u> |
| Total liabilities | <u>1,167,391</u> | <u>8,067,507</u> | <u>3,859,137</u> | <u>9,755,351</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 49,990,570 | 26,658,789 | 54,364,801 | 48,747,935 |
| Restricted: | | | | |
| Capital projects | 2,237,909 | 7,705,479 | 4,291,632 | 1,784,457 |
| Unrestricted | <u>2,994,751</u> | <u>13,417,038</u> | <u>5,395,423</u> | <u>5,169,046</u> |
| Total net assets | <u>\$ 55,223,230</u> | <u>47,781,306</u> | <u>64,051,856</u> | <u>55,701,438</u> |

Adjustments to reflect the consolidation of internal
service fund activities related to enterprise
Net assets of business-type activities

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



Enterprise Funds

| <u>Boat Harbors</u> | <u>Other Enterprise Funds</u> | <u>Totals</u> | | | <u>Internal Service Funds</u> | | |
|---------------------|-------------------------------|--------------------|--------------------|--------------------|-------------------------------|------------------|------------------|
| | | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| - | - | - | - | 737,305 | - | - | - |
| 33,503 | 81,483 | 2,183,322 | 1,845,546 | 2,046,811 | 195,468 | 253,480 | 821,070 |
| - | - | 377,988 | 517,544 | 759,229 | 64,459 | 137,713 | 131,669 |
| 73,140 | 16,413 | 1,005,502 | 818,127 | 785,304 | 26,574 | 21,987 | 24,041 |
| 50,213 | 1,453 | 1,454,337 | 1,325,786 | 1,252,718 | 19,040 | 30,504 | 27,947 |
| - | - | 232,500 | 188,698 | 153,775 | 3,049,585 | 2,567,678 | 2,447,983 |
| 589,429 | - | 1,830,567 | 1,255,608 | 1,278,905 | - | - | - |
| - | - | - | - | 32,033 | - | - | - |
| - | - | 411,268 | 332,920 | 305,182 | - | - | - |
| - | - | 1,033,576 | 1,012,209 | 912,801 | - | - | - |
| - | - | 190,000 | 190,000 | 180,000 | - | - | - |
| <u>746,285</u> | <u>99,349</u> | <u>8,719,060</u> | <u>7,486,438</u> | <u>8,444,063</u> | <u>3,355,126</u> | <u>3,011,362</u> | <u>3,452,710</u> |
| 1,726,712 | 46,635 | 2,475,883 | 865,259 | 1,314,561 | - | - | - |
| 451,505 | 141,370 | 1,679,192 | 865,901 | 1,031,072 | - | - | - |
| - | - | 264,765 | 366,644 | 217,805 | - | - | - |
| 68,409 | 1,980 | 1,097,558 | 1,066,732 | 1,026,912 | 59,010 | 41,611 | 38,075 |
| - | - | - | 754,932 | 895,532 | 16,780 | 81,030 | 218,330 |
| - | - | 27,994 | - | - | - | - | - |
| - | - | 8,548,674 | 5,974,558 | 3,858,503 | - | - | - |
| - | - | 1,193,505 | 2,247,773 | 3,204,097 | - | - | - |
| - | - | 2,125,000 | 2,334,782 | 2,528,053 | - | - | - |
| <u>2,246,626</u> | <u>189,985</u> | <u>17,412,571</u> | <u>14,476,581</u> | <u>14,076,535</u> | <u>75,790</u> | <u>122,641</u> | <u>256,405</u> |
| 2,992,911 | 289,334 | 26,131,631 | 21,963,019 | 22,520,598 | 3,430,916 | 3,134,003 | 3,709,115 |
| 22,059,529 | 18,544,685 | 220,366,309 | 213,609,270 | 200,861,129 | 5,095,081 | 4,872,396 | 4,662,008 |
| 6,256,175 | 1,492,371 | 23,768,023 | 11,440,786 | 13,344,477 | - | - | - |
| <u>171,104</u> | <u>2,187,129</u> | <u>29,334,491</u> | <u>22,109,983</u> | <u>18,625,670</u> | <u>2,502,396</u> | <u>2,304,082</u> | <u>2,951,136</u> |
| <u>28,486,808</u> | <u>22,224,185</u> | <u>273,468,823</u> | <u>247,160,039</u> | <u>232,831,276</u> | <u>7,597,477</u> | <u>7,176,478</u> | <u>7,613,144</u> |
| | | 2,603,082 | 2,383,991 | 2,560,811 | | | |
| | \$ | <u>276,071,905</u> | <u>249,544,030</u> | <u>235,392,087</u> | | | |

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Net Assets

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Business-type Activities | | | |
|--|---|---|-------------------------------------|-------------------------------------|
| | Juneau International <u>Airport</u> | Bartlett Regional <u>Hospital</u> | Areawide Water <u>Utility</u> | Areawide Sewer <u>Utility</u> |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Unpledged | \$ 1,389,826 | 51,682,527 | - | - |
| Pledged as security for revenue bonds | - | - | 3,049,781 | 6,837,726 |
| Building and land rentals or sales | 2,132,316 | 7,847 | - | - |
| Total operating revenues | <u>3,522,142</u> | <u>51,690,374</u> | <u>3,049,781</u> | <u>6,837,726</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 1,558,625 | 27,592,342 | 1,026,399 | 2,827,563 |
| Contracted services | 663,913 | 10,329,207 | 49,824 | 215,337 |
| Materials and utilities | 686,144 | 7,257,051 | 341,079 | 1,329,003 |
| Insurance premiums | - | - | - | - |
| Claims | - | - | - | - |
| Other | 431,250 | 2,368,470 | 444,686 | 783,031 |
| | <u>3,339,932</u> | <u>47,547,070</u> | <u>1,861,988</u> | <u>5,154,934</u> |
| Depreciation | 2,779,311 | 2,825,358 | 2,055,368 | 2,330,447 |
| Total operating expenses | <u>6,119,243</u> | <u>50,372,428</u> | <u>3,917,356</u> | <u>7,485,381</u> |
| Operating loss | <u>(2,597,101)</u> | <u>1,317,946</u> | <u>(867,575)</u> | <u>(647,655)</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Interest income | 17,566 | 82,561 | 54,561 | 47,769 |
| Federal grants | 157,256 | - | - | - |
| State sources | 82,015 | - | - | - |
| Amortization of bond issuance costs | (629) | (19,009) | (5,370) | - |
| Interest expense | - | (106,687) | (83,619) | (240,145) |
| Gain (loss) on disposal of assets | 19,998 | 11,093 | - | - |
| Net nonoperating revenues | <u>276,206</u> | <u>(32,042)</u> | <u>(34,428)</u> | <u>(192,376)</u> |
| Income (loss) before contributions and transfers | <u>(2,320,895)</u> | <u>1,285,904</u> | <u>(902,003)</u> | <u>(840,031)</u> |
| Capital contributions | 5,447,414 | 1,114,592 | 622,841 | 269,849 |
| Transfers from other funds | 250,000 | 7,062,600 | 3,025,000 | 810,000 |
| Transfers to other funds | - | - | (682) | (22,718) |
| Change in net assets | <u>3,376,519</u> | <u>9,463,096</u> | <u>2,745,156</u> | <u>217,100</u> |
| Total net assets - beginning | <u>51,846,711</u> | <u>38,318,210</u> | <u>61,306,700</u> | <u>55,484,338</u> |
| Total net assets - ending | <u>\$ 55,223,230</u> | <u>47,781,306</u> | <u>64,051,856</u> | <u>55,701,438</u> |

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



Enterprise Funds

| Boat Harbors | Non-Major Enterprise Funds | Totals | | | Internal Service Funds | | |
|---------------------|-----------------------------------|--------------------|--------------------|--------------------|-------------------------------|-------------------|--------------------|
| | | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| 1,030,574 | 1,875,282 | 55,978,209 | 51,412,259 | 46,610,300 | 14,943,612 | 12,830,025 | 9,355,208 |
| - | - | 9,887,507 | 8,149,811 | 7,779,225 | - | - | - |
| 556,955 | 426,743 | 3,123,861 | 3,215,352 | 3,041,831 | - | - | - |
| <u>1,587,529</u> | <u>2,302,025</u> | <u>68,989,577</u> | <u>62,777,422</u> | <u>57,431,356</u> | <u>14,943,612</u> | <u>12,830,025</u> | <u>9,355,208</u> |
| 994,315 | 506,494 | 34,505,738 | 32,995,131 | 29,699,387 | 614,320 | 576,474 | 523,650 |
| 73,814 | 671,139 | 12,003,234 | 11,885,864 | 10,696,730 | 292,293 | 460,789 | 225,146 |
| 389,649 | 201,904 | 10,204,830 | 9,650,209 | 9,026,306 | 236,830 | 209,211 | 205,511 |
| - | - | - | - | - | 10,122,153 | 9,440,276 | 7,820,943 |
| - | - | - | - | - | 2,024,911 | 1,161,384 | 1,193,525 |
| 305,611 | 231,468 | 4,564,516 | 4,185,248 | 3,439,328 | 526,662 | 538,138 | 459,806 |
| <u>1,763,389</u> | <u>1,611,005</u> | <u>61,278,318</u> | <u>58,716,452</u> | <u>52,861,751</u> | <u>13,817,169</u> | <u>12,386,272</u> | <u>10,428,581</u> |
| 901,992 | 920,568 | 11,813,044 | 11,499,342 | 10,483,541 | 889,646 | 857,472 | 724,262 |
| <u>2,665,381</u> | <u>2,531,573</u> | <u>73,091,362</u> | <u>70,215,794</u> | <u>63,345,292</u> | <u>14,706,815</u> | <u>13,243,744</u> | <u>11,152,843</u> |
| <u>(1,077,852)</u> | <u>(229,548)</u> | <u>(4,101,785)</u> | <u>(7,438,372)</u> | <u>(5,913,936)</u> | <u>236,797</u> | <u>(413,719)</u> | <u>(1,797,635)</u> |
| 29,519 | 26,614 | 258,590 | 1,025,450 | 1,156,702 | 19,866 | 138,655 | 166,263 |
| - | - | 157,256 | 197,683 | 129,731 | - | - | - |
| 221,435 | - | 303,450 | 377,892 | 357,905 | 159,135 | - | 82,851 |
| (3,574) | (41,832) | (70,414) | - | - | - | - | - |
| - | - | (430,451) | (440,862) | (557,083) | (5,649) | (11,952) | (17,040) |
| (161,147) | (98,986) | (229,042) | 14,628 | 7,765 | 10,850 | 41,350 | 19,000 |
| <u>86,233</u> | <u>(114,204)</u> | <u>(10,611)</u> | <u>1,174,791</u> | <u>1,095,020</u> | <u>184,202</u> | <u>168,053</u> | <u>251,074</u> |
| <u>(991,619)</u> | <u>(343,752)</u> | <u>(4,112,396)</u> | <u>(6,263,581)</u> | <u>(4,818,916)</u> | <u>420,999</u> | <u>(245,666)</u> | <u>(1,546,561)</u> |
| 1,908,356 | 78,105 | 9,441,157 | 15,019,419 | 4,128,444 | - | - | - |
| 9,379,000 | 506,823 | 21,033,423 | 6,007,457 | 9,001,294 | - | - | - |
| - | (30,000) | (53,400) | (434,532) | (141,032) | - | (191,000) | - |
| <u>10,295,737</u> | <u>211,176</u> | <u>26,308,784</u> | <u>14,328,763</u> | <u>8,169,790</u> | <u>420,999</u> | <u>(436,666)</u> | <u>(1,546,561)</u> |
| <u>18,191,071</u> | <u>22,013,009</u> | <u>247,160,039</u> | <u>232,831,276</u> | <u>224,661,486</u> | <u>7,176,478</u> | <u>7,613,144</u> | <u>9,159,705</u> |
| <u>28,486,808</u> | <u>22,224,185</u> | <u>273,468,823</u> | <u>247,160,039</u> | <u>232,831,276</u> | <u>7,597,477</u> | <u>7,176,478</u> | <u>7,613,144</u> |

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Cash Flows

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Business-type Activities | | | |
|--|------------------------------------|----------------------------------|------------------------------|------------------------------|
| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Areawide Sewer Utility |
| Increase (decrease) in cash and cash equivalents: | | | | |
| Cash flows from operating activities: | | | | |
| Cash received from customers | \$ 3,130,872 | 53,076,128 | 2,955,443 | 6,523,449 |
| Cash payments to suppliers for goods and services | (1,211,652) | (14,960,189) | (236,671) | (1,526,333) |
| Cash payments to employees for services | (1,512,444) | (27,380,167) | (1,005,346) | (2,791,555) |
| Cash payments for interfund exchange transactions | (363,375) | (4,579,932) | (378,936) | (950,932) |
| Net cash provided (used) by operating activities | 43,401 | 6,155,840 | 1,334,490 | 1,254,629 |
| Cash flows from investing activities: | | | | |
| Earnings from invested proceeds | 17,566 | 82,561 | 54,561 | 47,769 |
| Interest received on customer accounts | - | - | - | - |
| Interest received on special assessments | - | - | - | - |
| Net cash provided by investing activities | 17,566 | 82,561 | 54,561 | 47,769 |
| Cash flows from noncapital financing activities: | | | | |
| Transfers to other funds | - | - | (682) | (22,718) |
| Transfers from other funds | 250,000 | 7,062,600 | 3,025,000 | 810,000 |
| Cash from federal sources | 186,012 | - | - | - |
| Cash from state sources | 82,015 | - | - | - |
| Net cash provided (used) by noncapital financing activities | 518,027 | 7,062,600 | 3,024,318 | 787,282 |
| Cash flows from capital and related financing activities: | | | | |
| Cash received from revenue and general obligation bonds | - | - | - | - |
| Cash received from long-term loan | - | - | 1,007,573 | 1,600,906 |
| Cash paid for bond issuance costs | (9,190) | - | (45,606) | - |
| Cash received on disposal of assets | 19,998 | 11,093 | - | - |
| Cash received from federal and state capital grants | 4,557,897 | - | 230,003 | 83,000 |
| Cash received from contributed capital | 890,702 | 1,114,592 | 158,604 | 247,923 |
| Cash paid for acquisition and construction of capital assets | (5,995,533) | (3,570,982) | (1,817,322) | (1,379,138) |
| Principal paid on general obligation bond maturities | - | (838,053) | - | (174,156) |
| Principal paid on revenue bond maturities | - | - | (156,750) | (33,250) |
| Principal paid on long-term loans and contracts | - | (517,544) | - | (332,959) |
| Interest paid on bonds and contracts | - | (113,598) | (87,104) | (239,324) |
| Net cash provided (used) by capital and related financing activities | (536,126) | (3,914,492) | (710,602) | (226,998) |
| Net increase (decrease) in cash and cash equivalents: | 42,868 | 9,386,509 | 3,702,767 | 1,862,682 |
| Cash and cash equivalents at beginning of year | 4,925,646 | 6,549,611 | 5,432,655 | 3,636,652 |
| Cash and cash equivalents at end of year | \$ 4,968,514 | 15,936,120 | 9,135,422 | 5,499,334 |



Enterprise Funds

| <u>Boat Harbors</u> | <u>Other Enterprise Funds</u> | <u>Totals</u> | | | <u>Internal Service Funds</u> | | |
|---------------------|-------------------------------|---------------------|--------------------|---------------------|-------------------------------|--------------------|--------------------|
| | | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| 1,498,718 | 2,229,889 | 69,414,499 | 62,136,887 | 57,641,981 | 14,936,368 | 12,754,907 | 9,247,124 |
| (245,736) | (802,554) | (18,983,135) | (21,396,638) | (18,281,904) | (12,778,833) | (12,138,856) | (8,853,091) |
| (982,827) | (486,648) | (34,158,987) | (32,881,453) | (29,483,974) | (603,798) | (572,435) | (519,954) |
| (164,340) | (291,613) | (6,729,128) | (6,071,992) | (4,924,708) | - | - | - |
| <u>105,815</u> | <u>649,074</u> | <u>9,543,249</u> | <u>1,786,804</u> | <u>4,951,395</u> | <u>1,553,737</u> | <u>43,616</u> | <u>(125,921)</u> |
| 29,519 | 26,614 | 258,590 | 1,025,450 | 1,156,702 | 19,866 | 138,655 | 166,263 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>29,519</u> | <u>26,614</u> | <u>258,590</u> | <u>1,025,450</u> | <u>1,156,702</u> | <u>19,866</u> | <u>138,655</u> | <u>166,263</u> |
| - | (30,000) | (53,400) | (429,186) | (141,032) | - | (191,000) | - |
| 9,379,000 | 506,823 | 21,033,423 | 6,007,457 | 9,001,294 | - | - | - |
| - | - | 186,012 | 168,927 | 5,797 | - | - | - |
| 221,435 | - | 303,450 | 341,923 | 364,237 | - | - | - |
| <u>9,600,435</u> | <u>476,823</u> | <u>21,469,485</u> | <u>6,089,121</u> | <u>9,230,296</u> | - | <u>(191,000)</u> | - |
| - | - | - | 3,030,435 | 2,709,102 | - | - | - |
| - | - | 2,608,479 | 2,750,212 | 350,151 | - | - | - |
| (142,961) | (104,580) | (302,337) | 6,821 | (45,855) | - | - | - |
| - | - | 31,091 | 30,334 | 46,436 | 12,736 | 77,567 | 19,000 |
| - | - | 4,870,900 | 123,934 | 314,124 | 159,135 | - | 82,851 |
| - | 78,105 | 2,489,926 | 15,219,138 | 3,953,999 | - | - | - |
| (3,933,189) | (889,862) | (17,586,026) | (24,924,629) | (16,674,150) | (975,267) | (971,439) | (1,464,406) |
| - | - | (1,012,209) | (3,904,632) | (815,744) | - | - | - |
| - | - | (190,000) | (180,131) | (1,100,227) | - | - | - |
| - | - | (850,503) | (988,705) | (952,405) | (137,504) | (131,256) | (128,013) |
| - | - | (440,026) | (368,376) | (453,494) | (5,648) | (11,952) | (16,578) |
| <u>(4,076,150)</u> | <u>(916,337)</u> | <u>(10,380,705)</u> | <u>(9,205,599)</u> | <u>(12,668,063)</u> | <u>(946,548)</u> | <u>(1,037,080)</u> | <u>(1,507,146)</u> |
| 5,659,619 | 236,174 | 20,890,619 | (304,224) | 2,670,330 | 627,055 | (1,045,809) | (1,466,804) |
| <u>1,467,154</u> | <u>3,336,026</u> | <u>25,347,744</u> | <u>25,651,968</u> | <u>22,981,638</u> | <u>4,757,730</u> | <u>5,803,539</u> | <u>7,270,343</u> |
| <u>7,126,773</u> | <u>3,572,200</u> | <u>46,238,363</u> | <u>25,347,744</u> | <u>25,651,968</u> | <u>5,384,785</u> | <u>4,757,730</u> | <u>5,803,539</u> |

(Continued)

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Cash Flows, continued

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Business-type Activities | | | |
|--|---|---|-------------------------------------|-------------------------------------|
| | Juneau International <u>Airport</u> | Bartlett Regional <u>Hospital</u> | Areawide Water <u>Utility</u> | Areawide Sewer <u>Utility</u> |
| Reconciliation of operating loss to net cash provided by operating activities: | | | | |
| Operating income (loss) | \$ (2,597,101) | 1,317,946 | (867,575) | (647,655) |
| Adjustments to reconcile net operating loss to net cash provided (used) by operating activities: | | | | |
| Depreciation | 2,779,311 | 2,825,358 | 2,055,368 | 2,330,447 |
| Change in assets and liabilities: | | | | |
| (Increase) decrease in accounts receivable | (340,533) | 864,808 | (88,194) | (314,277) |
| (Increase) decrease in due from State of Alaska | - | - | - | - |
| (Increase) decrease in due from Federal government | - | - | - | - |
| (Increase) decrease in other receivables | - | 38,514 | - | - |
| (Increase) decrease in inventories | (26,956) | (84,207) | 44,964 | (41,501) |
| (Increase) decrease in prepaid expenses | - | (40,113) | - | - |
| Increase (decrease) in accounts payable | 233,236 | 547,319 | 168,903 | (154,472) |
| Increase (decrease) in accrued salaries payable | 15,632 | 125,452 | 8,535 | 18,753 |
| Increase (decrease) in accrued annual leave and compensation time | 30,549 | 86,723 | 12,518 | 17,255 |
| Increase (decrease) in deferred revenues | (50,737) | 482,432 | (6,144) | - |
| Decrease in Retirement Incentive Program payable | - | - | - | - |
| Increase (decrease) in accrued and other liabilities | - | (8,392) | 6,115 | 46,079 |
| Total adjustments | 2,640,502 | 4,837,894 | 2,202,065 | 1,902,284 |
| Net cash provided (used) by operating activities | \$ 43,401 | 6,155,840 | 1,334,490 | 1,254,629 |

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



Enterprise Funds

| <u>Boat Harbors</u> | <u>Other Enterprise Funds</u> | <u>Totals</u> | | | <u>Internal Service Funds</u> | | |
|---------------------|-------------------------------|--------------------|--------------------|--------------------|-------------------------------|------------------|--------------------|
| | | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| <u>(1,077,852)</u> | <u>(229,548)</u> | <u>(4,101,785)</u> | <u>(7,438,371)</u> | <u>(5,913,936)</u> | <u>236,797</u> | <u>(413,719)</u> | <u>(1,797,635)</u> |
| 901,992 | 920,568 | 11,813,044 | 11,499,341 | 10,483,541 | 889,646 | 857,472 | 724,262 |
| (136,338) | 5,969 | (8,565) | (1,095,320) | (141,719) | - | - | - |
| - | - | - | 391,861 | 447,563 | - | - | - |
| - | (78,105) | (78,105) | 5,000 | (5,000) | - | - | - |
| - | - | 38,514 | (67,617) | 64,249 | (7,244) | (75,118) | (108,084) |
| 4,895 | - | (102,805) | (156,552) | (39,268) | (302) | (13,123) | (7,526) |
| - | - | (40,113) | 18,146 | 251,937 | 423 | 131,960 | (17,963) |
| 354,103 | 10,344 | 1,159,433 | (1,589,170) | (256,917) | (58,012) | (567,590) | 622,683 |
| 2,590 | 16,413 | 187,375 | 32,823 | 156,748 | 4,587 | (2,054) | 4,372 |
| 8,898 | 3,433 | 159,376 | 112,888 | 90,697 | 5,935 | 6,093 | (676) |
| 47,527 | - | 473,078 | 125,540 | (154,468) | - | - | - |
| - | - | - | (32,033) | (32,032) | - | - | - |
| - | - | 43,802 | (19,732) | - | 481,907 | 119,695 | 454,646 |
| <u>1,183,667</u> | <u>878,622</u> | <u>13,645,034</u> | <u>9,225,175</u> | <u>10,865,331</u> | <u>1,316,940</u> | <u>457,335</u> | <u>1,671,714</u> |
| <u>105,815</u> | <u>649,074</u> | <u>9,543,249</u> | <u>1,786,804</u> | <u>4,951,395</u> | <u>1,553,737</u> | <u>43,616</u> | <u>(125,921)</u> |

Fiduciary Funds

Comparative Statement of Fiduciary Assets and Liabilities

June 30, 2004, 2003 and 2002

| | Agency Funds | | |
|-------------------------------|-------------------|----------------|----------------|
| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| ASSETS | | | |
| Equity in central treasury | \$ 909,407 | 899,374 | 845,254 |
| Plant and equipment | 7,588 | 7,588 | 7,588 |
| Total assets | \$ <u>916,995</u> | <u>906,962</u> | <u>852,842</u> |
| LIABILITIES | | | |
| Accounts payable | \$ - | - | - |
| Accrued and other liabilities | 916,995 | 906,962 | 852,842 |
| Total liabilities | \$ <u>916,995</u> | <u>906,962</u> | <u>852,842</u> |

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

INDEX TO NOTES TO BASIC FINANCIAL STATEMENTS

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NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City and Borough of Juneau, Alaska (CBJ) has a population of an estimated 31,000 living within an area of 3,248 square miles making it the largest area city in the country. The population grows to approximately 500,000 during the summer when cruise ships frequent our port. Juneau is the capital of Alaska and located in the panhandle of Alaska along the British Columbia coast. The CBJ was formed as a unified government by a Home Rule Charter on July 1, 1970 under the provisions of Alaska Statutes, Title 29, as amended.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements of the business-type activities and enterprise funds in accordance with GASB Statement No. 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

In June 1999, the GASB unanimously approved "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments" (Statement No. 34). This Statement provided for the most significant change in financial reporting in over twenty years and called for a phased implementation (based on size of government) starting with fiscal year ending 2002, for larger local governments such as CBJ. As part of this Statement, there is a new reporting requirement regarding the local government's infrastructure (roads, bridges, traffic signals, etc.).

The CBJ implemented the basic model for fiscal year 2002 along with the infrastructure-related portion.

A. REPORTING ENTITY

The CBJ operates under an assembly-manager form of government and provides the following services; general administrative, education, planning and zoning, port, boat harbors, airport, sewer and water utility, hospital, ski resort, parking and library and, as approved by the citizens, road services, fire service, police, recreation, capital transit, land management, tourism and conventions.

The financial statements of the reporting entity include those of the CBJ (the primary government) and its component unit the City and Borough of Juneau School District (School District). The component unit is discussed below and is included in the reporting entity because of its financial dependence on the CBJ even though the voters elect the School Board.

The Assembly appoints the members of the Airport Board, Docks and Harbors Board and the Bartlett Regional Hospital Board to oversee routine operating activities. The entities are not legally separate from the CBJ and they are considered part of the primary government for financial reporting purposes.

Discretely Presented Component Unit

The financial data of the component unit included in the financial reporting entity meets the criteria for discrete presentation and is combined in the component unit column in the financial statements. It is reported in a separate column to emphasize that it is legally separate from the CBJ. The School District issues separate financial statements and has a June 30 year-end. Complete financial statements of the School District can be obtained from their administrative office at 10014 Crazy Horse Drive, Juneau, AK 99801.

The CBJ Assembly (Assembly) approves the total annual budget of the School District and may, during the year, increase or decrease the total appropriation. The Assembly approved the borrowing of monies and issuance of bonds for the School District to finance the acquisition and construction of the school facilities. CBJ retains ownership of the educationally related capital assets and has delegated the operational responsibility for public education to the School District.

Joint Ventures

CBJ participates in two joint ventures with a private corporation (Note 8) to lease property for the development of certain mineral rights. The joint venture agreement gives CBJ the authority to appoint one-half of the board members, but no authority to direct action by itself. The private sector partner maintains the operation and fiscal control of joint venture activities. CBJ, as a partner, has access to the joint venture's resources with the concurrence of the other partner. A substantial portion of the benefits generated by the joint ventures is retained by the private sector partner and not available to the general public. CBJ has not provided special support or financing arrangements for joint venture operations.

NOTES TO BASIC FINANCIAL STATEMENTS

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of net assets presents the financial condition of the governmental and business-type activities of the CBJ at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the governmental, proprietary and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**Measurement Focus**

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the CBJ are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the CBJ finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the CBJ, the phrase "available for exchange transactions" means expected to be received within sixty days of year-end.

Revenues - Non-exchange Transactions - Nonexchange transactions, in which the CBJ receives value without directly, giving equal value, in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the

NOTES TO BASIC FINANCIAL STATEMENTS

resources are required to be used or the year when use is first permitted, matching requirements, in which the CBJ must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the CBJ on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Financial Statement Presentation

The CBJ reports the following major governmental funds:

The *General Fund* is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Roaded Service Area Fund* accounts for revenues and expenditures related to the roaded service area within the City and Borough of Juneau. The services provided include parks and recreation, air pollution, public works; street, and police.

The *Sales Tax Fund* accounts for the revenues received from tax on the sale of goods and services. Funds are designated for use in specific areas and/or for specific purposes. The component parts are Areawide-General Purpose, Areawide-Recreation, Areawide-Capital Projects, Areawide CIP/Sales Tax Reserve and Liquor Sales.

The *Schools Capital Projects Funds* account for capital improvement projects for construction, major maintenance and renovation of school buildings.

The CBJ reports the following major enterprise funds:

The *Juneau International Airport* accounts for operations, maintenance, capital improvements and expansion of the Juneau International Airport. Its major revenues consist of property leases, airport user fees, fuel flowage fees, service charges, concessions and short-term rental agreements.

The *Bartlett Regional Hospital fund* accounts for the health care services provided by the city owned and operated hospital.

The *Areawide Water Utility fund* accounts for the provision of water treatment and distribution to the residents and commercial users of the CBJ.

The *Areawide Sewer Utility fund* accounts for provision of collection and treatment of wastewater to the residents and commercial users of the CBJ.

The *Boat Harbors fund* accounts for operations, maintenance and capital improvements to the four City-owned boat harbors and numerous launch ramps.

Additionally, the CBJ reports the following fund types:

Governmental Fund Types:

Special Revenue Funds account for operating fund activities financed by specific revenue sources that are restricted for specified purposes. Examples include transportation and taxes.

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

NOTES TO BASIC FINANCIAL STATEMENTS

Capital Projects Funds account for the acquisition or construction of major CBJ capital facilities financed by bond proceeds and sales tax proceeds. Capital Projects Funds are used to account for financing resources to be used for acquisition or construction of major capital facilities (other than those financed by Proprietary Fund Types).

Proprietary Fund Types:

Enterprise Funds account for the activities for which fees are charged to external users for goods or services. This fund type is also used when the activity is financed with the debt that is secured by a pledge of the net revenues from the fees. The CBJ's Dock and Waste Management are reported in this type.

Internal Service Funds account for goods or services provided primarily to other agencies or funds of the CBJ, rather than to the general public. These goods and services include risk management, health-related fringe benefits, fleet, and fleet management. In the government-wide statements, internal service funds are allocated based on the history of its primary customers. Central equipment services are allocated to the governmental activities while risk management services are allocated to business-type activities.

Fiduciary Fund Types:

Agency Funds report assets and liabilities for deposits and investments entrusted to the CBJ as an agent for others.

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Equity in Central Treasury

This account represents a fund's equity in cash and investments of the central treasury of CBJ. All investments are stated at fair value. For funds with a negative equity in the central treasury, the amount is shown as an interfund payable to the General Fund.

Cash and Cash Equivalents

On the statement of cash flows for the proprietary funds, the CBJ has defined cash and cash equivalents as deposits maintained in the central treasury.

Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles.

Inventories

Inventories, principally supplies, for all fund types are valued at cost (first-in, first-out) using the consumption method.

Investments

Generally, investments are reported at fair value. Additional disclosures describing investments are provided in Note 3.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

Restricted Assets

All resources related to the construction of new capital assets and other expenses are recorded as restricted assets in the respective enterprise funds. Any reimbursements from outside sources for these projects are restricted accordingly.

Liabilities payable from these restricted assets include accounts payable, deferred revenue, and interfund payables to the general fund.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The threshold for capitalization of assets is individual cost of \$5,000 or more and an estimated useful life in excess of two years. Bartlett Regional Hospital is the exception to this rule and follows the Center for Medicare and Medicaid Services (CMS) threshold of \$2,500. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of acquisition.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

NOTES TO BASIC FINANCIAL STATEMENTS

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method (half year convention the year the asset is placed in service) over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|---|--------------|
| Buildings | 5-40 |
| Building improvements | 5-40 |
| Public domain infrastructure | 15-40 |
| Parking areas and garages | 30-40 |
| Water and sewer systems | |
| Treatment, distribution and reservoir systems | 20-50 |
| Lift stations, interceptors and laterals | 20-40 |
| Motor vehicles and motorized equipment | 3-12 |
| Furniture, machinery and equipment | 5-28 |

Compensated Absences

CBJ employees earn personal leave rather than separate vacation and sick leave. Unpaid personal leave is accrued and reported as a liability in the period earned. In Governmental Fund Types, leave is recorded as an expenditure when it is due. In Proprietary Fund Types, leave is recorded as an expense when it is earned.

Deferred Revenue

Property taxes receivable but not collected within 60 days of year-end have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Retirement Plans

All full-time employees of CBJ and the School District participate in either the State of Alaska Public Employees’ Retirement System (PERS) or the State of Alaska Teachers’ Retirement System (TRS). CBJ and the School District accrue pension costs, which include current costs and amortization of prior service costs. Pension costs are funded as incurred.

Long-term Note Receivable

CBJ has received various grants from the State to stimulate low-income housing and small business development. No interest loans were made for construction of low-income housing and small business development. As the loans are repaid the funds are used to make additional loans or grants for similar purposes. Other interest bearing loans are related to the purchase of land from the CBJ.

The activities relating to these loans are recorded in the Low-income Housing, Community Development Block Grant and Land Special Revenue Funds.

General Obligation Bonds

General obligation bonds are reported on the government-wide statements or in the respective Enterprise Funds. The debt is recorded in the funds responsible for retiring the debt.

Revenue Bonds

Revenue bonds are interest-bearing bonds that are issued by a government in anticipation of revenues to be received at a later date. The bonds are paid from the revenue to which it is related.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net assets.”

Fund Balance

Generally, fund balance represents the difference between the current assets and current liabilities. The CBJ reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management’s intent to set aside these resources for specific services.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

NOTES TO BASIC FINANCIAL STATEMENTS

The CBJ applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Reservations

Fund balances for governmental funds are classified as either reserved or unreserved in the fund financial statements. Reserved fund balances reflect either: 1) funds legally segregated for specific purposes or use or 2) assets which, by their nature, are not available for current appropriation and expenditure. Unreserved fund balances reflect the balances available for appropriation for the general purposes of the fund.

E. REVENUES AND EXPENDITURES/EXPENSES

In the government-wide statement of activities, revenues and expenses are segregated by activity (governmental or business-type), then further by function (e.g. administration, education, public transportation, etc). Additionally, revenues are classified between program and general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Reimbursements

Reimbursement transactions occur when an expenditure is initially made from one fund but which is more appropriately applicable to another fund. These items are recorded as expenditures and expenses in the fund initially charged. An example of this type of transaction is when the Fire Service Area pays all fire protection costs, including those for the General Fund. The expenditures are transferred to the General Fund with a corresponding reduction of expenditures in the Fire Service Area Special Revenue Fund.

Interfund Services Provided and Used

Because governmental units operate with a number of funds, with each individual fund performing its specific functions, there are instances where funds are required to do business with each other. This business can be categorized as either an interfund transaction or an interfund transfer.

Interfund transactions are divided into two categories: exchange type activity and reimbursement transactions. Exchange type activities are those transactions that would be treated as revenues, expenditures or expenses if they involved parties external to CBJ. These types of transactions are accounted for as ordinary revenues, expenditures or expenses of the funds involved. An example of this type of transaction is when the Parks and Recreation Department buys water from the Water Department. This transaction is treated as an expenditure to the Parks and Recreation Department and as a revenue to the Water Department.

Interfund transfers are transfers between funds or the component unit that are required when revenue is generated in one fund and expenditures are paid from another fund. The majority of the transfers occur with respect to capital projects where General Fund and Special Revenue Fund monies are transferred to finance various capital projects.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Comparative data/reclassifications

Comparative total data for the prior two years have been presented for all statements, schedules and presentations except for budget to actual statements and partial fund type combining schedules. This three-year presentation is consistent with prior year presentations and prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

CBJ prepares, reviews, approves and appropriates a biennial operating budget on a July 1 to June 30 fiscal year. Future appropriation will continue to be on an annual basis to comply with Charter provisions.

CBJ follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- The manager must submit to the Assembly, by April 5, the proposed operating budget for the fiscal year commencing July 1. The budget is a complete financial plan for all CBJ operations, including the education function. The budget is required to show reserves, estimated revenues from all sources, and proposed expenditures for all purposes.
- Public hearings are conducted between the submission and adoption dates to obtain taxpayer comments.
- The Assembly, by ordinance, must adopt by June 15, an operating budget for the following fiscal year.

The manager may transfer part or all of any unencumbered balance between classifications of expenditures within a department, excluding the education function. The Assembly must approve revisions to the total budget of any fund or department. Expenditures may not legally exceed budgeted appropriations. If during the fiscal year it is necessary to amend the originally adopted budget, the Assembly by ordinance may increase or decrease the original appropriation.

Formal budgetary integration is employed as a management control device during the year for all funds with adopted budgets. CBJ budgets on the modified-accrual basis plus encumbrances and compensated absences excluding capital leases for all Governmental Fund Types. Proprietary Fund Types are budgeted on a modified-accrual basis plus encumbrances, compensated absences and replacement reserve.

CBJ adopts annual budgets for all Government Fund Types (except for Community Development Block Grant Special Revenue Fund and Capital Projects Funds) and Proprietary Fund Types. The budget for the Community Development Block Grant Special Revenue Fund is budgeted when grants are appropriated and budgets for capital improvement projects are budgeted on a project-length basis. There is no reconciliation necessary for these Special Revenue Funds since there is no revenue or expenditure activity. Budgeted amounts are as originally adopted or as amended by the Assembly during the fiscal year ended June 30, 2004. Amendments are due to new or amended grant awards from the State of Alaska or federal government and to revenues exceeding original estimates.

The Assembly, as the oversight authority, approves the total annual budget of the School District. After adoption of the School District budget, the School District cannot exceed the total budget (legal level of control) without Assembly approval.

Appropriations lapse at year-end to the extent that they have not been expended or encumbered for all funds except Capital Project Funds, which lapse at project completion.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

| | <u>Final Appropriation</u> | <u>Actual expenditures, expenses and other financing uses on budget basis</u> | <u>Excess</u> |
|--|--------------------------------|---|---------------|
| Excess of expenditures, expenses and other financing uses over appropriations in individual funds by department level for the year ended June 30, 2004 | | | |
| General Fund: Other - Nondepartmental | \$ 6,872 | 8,393 | (1,521) |
| Special Revenue Funds: | | | |
| Capital Transit | 3,728,938 | 3,765,651 | (36,713) |
| Downtown Parking | 166,600 | 175,446 | (8,846) |
| Enterprise Funds: | | | |
| Bartlett Regional Hospital | 51,038,900 | 53,266,447 | (2,227,547) |
| Internal Service Funds: | | | |
| Self-insurance | 11,073,719 | 12,834,103 | (1,760,384) |

NOTES TO BASIC FINANCIAL STATEMENTS

C. FUND DEFICITS

| | July 1, 2003 <u>Balance (Deficit)</u> | Net <u>Change</u> | June 30, 2004 <u>Deficit</u> |
|--|--|----------------------|---------------------------------|
| Special Revenue Funds - Fund Balance (Deficit): | | | |
| Hotel Tax | \$ (11,192) | (46,480) | (57,672) |
| Mental Health | (251,061) | 142,240 | (108,821) |
| Eaglecrest | (509,804) | (143,347) | (653,151) |
| Internal Service Funds - Net Assets (Deficit): | | | |
| Self-insurance | (293,099) | 146,712 | (146,387) |

The fund deficits for Hotel Tax and Eaglecrest will be addressed in the biennial budget process. The net asset deficit for Self-insurance will be addressed during the biennial budget process also.

In February 2000, CBJ developed a plan to transition mental health services provided by the CBJ to various local nonprofit mental health service providers. The CBJ mental health service was terminated effective June 30, 2000. The Mental Health Fund will be maintained until all financial activity ceases and until the fund deficit is eliminated with transfers from the General Fund. The plan calls for the deficit to be eliminated by fiscal year 2005. All activity for fiscal year 2004 related to prior service and the retirement of the deficit.

NOTE 3 - CENTRAL TREASURY

CBJ uses a central treasury concept to account for cash and investments for all funds and the component unit. The financial activity of the central treasury is accounted for in the General Fund. In some instances funds may overdraw their available cash balance in the central treasury. Specific fund overdrafts are treated as short-term loans and are reported on the balance sheets as liabilities, "interfund payable to the General Fund." The corresponding receivable is reported as an asset on the balance sheet "interfund receivables from other funds." Specific fund overdrafts are not reported as part of the central treasury investments included in the general fund balance sheet. The cash and investment total of \$100,471,462 reported in the fund balance sheets as "equity in central treasury" represents the total actual central treasury balances as of June 30, 2004.

Investment income is allocated to funds when required by ordinance; regulation or bond covenant based on each fund's average monthly cash balance.

Demand Deposits

All demand deposits are fully collateralized by securities held in CBJ's name by CBJ's agent or insured by the Federal Deposit Insurance Corporation. CBJ had the following demand deposits at June 30, 2004:

| | <u>Carrying Amount</u> | <u>Bank Balance</u> |
|-----------------|------------------------|---------------------|
| Demand deposits | <u>\$ 2,977,378</u> | <u>\$ 4,611,197</u> |

Investments

CBJ's Finance Ordinance Code 57.25.020 authorizes CBJ to invest in the following securities:

Under internal portfolio management:

1. Obligations, direct or otherwise of the United States and secured bank obligations;
2. Bankers' acceptances drawn on and accepted by a rated bank and commercial paper issued by corporations or business rated at least A2/P2;
3. Negotiable certificate of deposit issued by rated banks and non-negotiable certificates of deposit fully secured;
4. Repurchase and reverse repurchase agreements secured by obligations insured or guaranteed, direct or otherwise by the United States;
5. Loans to specified funds of the city and borough for the purpose of capital acquisition;
6. An investment pool for public entities authorized by AS 37.23

Under external portfolio management:

In addition to the first four items listed under internal portfolio management, the external manager may invest in the following:

1. Money market funds and other mutual funds;
2. U.S. dollar denominated corporate bonds and rated investment grade or higher by a nationally recognized rating agency at the time of purchase.

NOTES TO BASIC FINANCIAL STATEMENTS

3. Mortgage-backed securities issued by an Agency of the U. S. Government;
4. Mortgage backed securities, collateralized mortgage obligations and asset backed securities rated "A" or higher by a nationally recognized rating agency at the time of purchase.
5. Futures and options subject to certain limitations.

A summary of CBJ's investments is displayed below by type of instrument. The CBJ's investments in the external investment pool, as described below, are not categorized. The remaining investments fall under GASB's Category 1 (the category of least risk) which includes investments that are insured or registered or for which the securities are held by the CBJ or its agent in the CBJ's name.

The Alaska Municipal League Investment Pool (AMLIP) is considered to be an external investment pool. Regulatory oversight of AMLIP is established by Alaska State Statute 37.23, which sets forth the requirements regarding authorized investments and reporting. The CBJ's share of the fair value in AMLIP is determined by the fair value per share of AMLIP's underlying portfolio. As of June 30, 2004, the fair value of CBJ's position in the pool approximates the value of CBJ's pool shares.

| | <u>Fair Value</u> |
|---|----------------------|
| Categorized Investments: | |
| U.S. Government securities and agencies | \$ 69,573,707 |
| Repurchase agreements | 950,525 |
| Corporate bonds | 9,312,860 |
| Mortgage and asset backed securities | <u>7,461,225</u> |
| | 87,298,317 |
| Uncategorized Investments: | |
| External investment pool (AMLIP) | <u>10,195,767</u> |
| Total Central Treasury Investments | <u>\$ 97,494,084</u> |

Reconciliation of Central Treasury Investments and Demand Deposits to Equity in Central Treasury

Central Treasury Investments and Demand deposits:

| | |
|--|-----------------------|
| Central treasury investments | \$ 97,494,084 |
| Demand deposits (carrying amount) | <u>2,977,378</u> |
| Central Treasury Investments and demand Deposits | <u>\$ 100,471,462</u> |

Equity in Central Treasury:

| | |
|---|-----------------------|
| Equity in central treasury | \$ 43,555,020 |
| Restricted assets: Equity in central treasury | 53,678,772 |
| School District component unit | 2,328,263 |
| Agency funds | <u>909,407</u> |
| Equity in central Treasury | <u>\$ 100,471,462</u> |

NOTE 4 - RECEIVABLES DETAIL

Receivables at June 30, 2004 are as follows:

| | Governmental <u>Activities</u> | Business-type <u>Activities</u> | <u>Totals</u> | | |
|---------------------|-----------------------------------|------------------------------------|-------------------|-------------------|-------------------|
| | | | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| Customers | \$ 3,185,217 | 11,772,794 | 14,958,011 | 14,721,420 | 13,610,740 |
| Taxes | 6,335,622 | - | 6,335,622 | 5,445,585 | 6,037,572 |
| Long-term notes | 1,451,117 | - | 1,451,117 | 1,703,437 | 1,794,248 |
| Special assessments | 722,914 | - | 722,914 | 252,836 | 376,675 |
| Other | <u>169,626</u> | <u>365,598</u> | <u>535,224</u> | <u>566,494</u> | <u>423,759</u> |
| Totals | <u>\$ 11,864,496</u> | <u>12,138,392</u> | <u>24,002,888</u> | <u>22,689,772</u> | <u>22,242,994</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 5 - PROPERTY TAXES

Property tax is considered an enforceable lien at the January 1 assessment date. Mill levies are set prior to June 15 to finance the period July 1 through June 30 of the following year as required by ordinance. Receivables are recognized and revenues are recorded when taxpayer liability is calculated and billed on July 1. Property tax bills are due September 30.

NOTE 6 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Each fund participates in the central treasury as described in Note 1. Deficit equities in the central treasury are accounted for as interfund payables to the General Fund and represent payable balances in addition to the amounts described above. Interfund payables to the General Fund amounted to \$2,475,883 at June 30, 2004. General Fund balance has been reserved for that portion of deficit equities in central treasury that are considered long-term. A balance is considered long-term if budgeted revenues over expenditures for fiscal year 2004 do not exceed the current year deficit cash balance.

| | Fund Level | | | | Additions (Eliminations) | Government- wide Internal balances |
|---|----------------------|--|----------------------|------------------------|-----------------------------|---|
| | Interfund payable | Interfund payable - Restricted assets | Interfund Receivable | | | |
| | | | General Fund | Roaded Service Area | | |
| Interfund payables/receivables: | | | | | | |
| Governmental Funds: | | | | | | |
| Non-major governmental funds | \$ 1,821,854 | 336,458 | 1,998,203 | 160,109 | (2,158,312) | - |
| Enterprise Funds: | | | | | | |
| Juneau International Airport | - | 307,327 | 307,327 | - | - | 307,327 |
| Areawide Water Utility | - | 21,045 | 21,045 | - | - | 21,045 |
| Areawide Sewer Utility | - | 374,164 | 374,164 | - | - | 374,164 |
| Boat Harbors | - | 1,726,712 | 1,726,712 | - | - | 1,726,712 |
| Non-major enterprise funds | - | 46,635 | 46,635 | - | - | 46,635 |
| Internal service reallocation | - | - | - | - | (1,971,188) | (1,971,188) |
| | <u>1,821,854</u> | <u>2,812,341</u> | <u>4,474,086</u> | <u>160,109</u> | <u>(4,129,500)</u> | <u>504,695</u> |
| Less: | | | | | | |
| Payable from governmental funds | <u>1,821,854</u> | <u>336,458</u> | <u>2,158,312</u> | <u>-</u> | <u>(2,158,312)</u> | <u>-</u> |
| Net short-term government-wide internal balances | \$ <u>-</u> | <u>2,475,883</u> | <u>2,315,774</u> | <u>160,109</u> | <u>(1,971,188)</u> | <u>504,695</u> |
| Advances: | | | | | | |
| Governmental Funds: | | | | | | |
| Non-major governmental funds | \$ 115,084 | - | 115,084 | 115,084 | (115,084) | - |
| Less: | | | | | | |
| Payable to General Fund from governmental funds | <u>115,084</u> | <u>-</u> | <u>115,084</u> | <u>115,084</u> | <u>(115,084)</u> | <u>-</u> |
| Net long-term government-wide internal balances | \$ <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

Interfund transfers for the year ended June 30, 2004, were as follows:

| Fund or Component Unit | Transfer Fund Level | Reclassification/ Elimination | Transfer Government-wide | | Component Unit |
|-------------------------------------|------------------------|----------------------------------|--------------------------|-------------------|-------------------|
| | | | Governmental | Proprietary | |
| Transfers in: | | | | | |
| Primary government: | | | | | |
| General Fund | \$ 14,761,200 | (14,737,800) | 23,400 | - | - |
| Roaded Service Area Fund | 3,033,961 | (3,033,961) | - | - | - |
| Schools Capital Projects Fund | 3,411,403 | (3,411,403) | - | - | - |
| Non-major governmental funds | 23,883,175 | (23,853,175) | 30,000 | - | - |
| Governmental subtotal | <u>45,089,739</u> | <u>(45,036,339)</u> | <u>53,400</u> | <u>-</u> | <u>-</u> |
| Enterprise funds: | | | | | |
| Juneau International Airport | 250,000 | - | - | 250,000 | - |
| Bartlett Regional Hospital | 7,062,600 | - | - | 7,062,600 | - |
| Areawide Water Utility | 3,025,000 | - | - | 3,025,000 | - |
| Areawide Sewer Utility | 810,000 | - | - | 810,000 | - |
| Boat Harbors | 9,379,000 | - | - | 9,379,000 | - |
| Non-major enterprise funds | 506,823 | - | - | 506,823 | - |
| Enterprise subtotal | <u>21,033,423</u> | <u>-</u> | <u>-</u> | <u>21,033,423</u> | <u>-</u> |
| Total transfers in | \$ <u>66,123,162</u> | <u>(45,036,339)</u> | <u>53,400</u> | <u>21,033,423</u> | <u>-</u> |
| Transfers out: | | | | | |
| Primary government: | | | | | |
| General Fund | \$ 5,665,400 | (4,864,200) | 801,200 | - | - |
| Roaded Service Area Fund | 2,367,600 | (2,367,600) | - | - | - |
| Sales Tax Fund | 29,271,200 | (22,423,900) | 6,847,300 | - | - |
| Schools Capital Projects Fund | 7,914,765 | (7,914,765) | - | - | - |
| Non-major governmental funds | 20,850,797 | (7,465,874) | 13,384,923 | - | - |
| Governmental subtotal | <u>66,069,762</u> | <u>(45,036,339)</u> | <u>21,033,423</u> | <u>-</u> | <u>-</u> |
| Enterprise funds: | | | | | |
| Areawide Water Utility | 682 | - | - | 682 | - |
| Areawide Sewer Utility | 22,718 | - | - | 22,718 | - |
| Non-major enterprise funds | 30,000 | - | - | 30,000 | - |
| Enterprise subtotal | <u>53,400</u> | <u>-</u> | <u>-</u> | <u>53,400</u> | <u>-</u> |
| Total transfers out | \$ <u>66,123,162</u> | <u>(45,036,339)</u> | <u>21,033,423</u> | <u>53,400</u> | <u>-</u> |
| Net transfers government-wide level | | | \$ <u>(20,980,023)</u> | <u>20,980,023</u> | <u>-</u> |

NOTE 7 - JOINT VENTURES

CBJ and AJT Mining Properties, Inc. (AJT) participate in two joint ventures, Juneau Gold and Douglas Gold, which are accounted for by the equity method in the Lands Special Revenue Fund. Both joint ventures are formed for the purpose of leasing or selling all or portions of property and property interests to a company which will engage in the exploration, development or mining of ore on these lands. There is no formal budget adopted for the joint venture.

No action can be taken under the joint venture agreement unless CBJ and AJT both agree. In the event of a dispute that cannot be settled by CBJ and AJT, such dispute will be submitted to arbitration.

The company to which the CBJ and AJT had leased its mining properties decided not to proceed with development, terminating the lease December 31, 1997. Since that time, activity has consisted of shutting down the mine and ensuring the property is left in a safe and environmentally sound condition. The future of the joint venture is uncertain but will be kept going indefinitely in anticipation that another mining company will become interested in the property. At this time, however, it appears there will not be much activity in the joint venture.

NOTES TO BASIC FINANCIAL STATEMENTS

The participants' shares of operating results in these joint ventures are as follows:

| | <u>Juneau Gold</u> | <u>Douglas Gold</u> |
|---|--------------------|---------------------|
| City and Borough of Juneau | 68.14% | 31.84% |
| AJT Mining Properties, Inc. | 31.86% | 68.16% |
| | <u>Total</u> | <u>CBJ</u> |
| <u>Juneau Gold:</u> | | |
| <i>Balance sheet at June 30, 2004:</i> | | |
| Asset - cash | \$ <u>10,942</u> | <u>8,455</u> |
| Venture equity | \$ <u>10,942</u> | <u>8,455</u> |
| <i>Statement of revenue, expenditures and changes in fund balance for the period ended June 30, 2004:</i> | | |
| Revenue | \$ 85 | 65 |
| Fund balance at beginning of year | <u>10,858</u> | <u>8,390</u> |
| Fund balance at end of year | \$ <u>10,943</u> | <u>8,455</u> |
| | <u>Total</u> | <u>CBJ</u> |
| <u>Douglas Gold:</u> | | |
| <i>Balance sheet at June 30, 2004:</i> | | |
| Asset - cash | \$ <u>11,763</u> | <u>4,826</u> |
| Venture equity | \$ <u>11,763</u> | <u>4,826</u> |
| <i>Statement of revenue, expenditures and changes in fund balance for the period ended June 30, 2004:</i> | | |
| Revenue | \$ 91 | 38 |
| Fund balance at beginning of year | <u>11,672</u> | <u>4,789</u> |
| Fund balance at end of year | \$ <u>11,763</u> | <u>4,827</u> |

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2004 was as follows:

| | <u>Beginning Balance</u> | <u>Primary Government</u> | | <u>Ending Balance</u> |
|--|--------------------------|---------------------------|---------------------|-----------------------|
| | | <u>Additions</u> | <u>Retirements</u> | |
| Governmental Funds: | | | | |
| Non-depreciable assets: | | | | |
| Land | \$ 35,647,034 | 853,850 | - | 36,500,884 |
| Infrastructure in progress | 7,302,163 | 6,462,911 | (7,643,844) | 6,121,230 |
| Construction in progress | 32,508,644 | 16,244,612 | (6,145,646) | 42,607,610 |
| Depreciable assets: | | | | |
| Plant and equipment | 207,440,411 | 11,951,933 | (7,686,323) | 211,706,021 |
| Infrastructure | 172,468,062 | 5,730,953 | - | 178,199,015 |
| Totals at historical cost | <u>455,366,314</u> | <u>41,244,259</u> | <u>(21,475,813)</u> | <u>475,134,760</u> |
| Less accumulated depreciation for: | | | | |
| Plant and equipment | 88,297,288 | 9,108,109 | (2,405,966) | 94,999,431 |
| Infrastructure | 101,918,408 | 7,239,364 | (892) | 109,156,880 |
| Total accumulated depreciation | <u>190,215,696</u> | <u>16,347,473</u> | <u>(2,406,858)</u> | <u>204,156,311</u> |
| Governmental fund capital assets, net | <u>\$ 265,150,618</u> | <u>24,896,786</u> | <u>(19,068,955)</u> | <u>270,978,449</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

| | Beginning Balance | Primary Government | | Ending Balance |
|---|-----------------------|--------------------|---------------------|--------------------|
| | | Additions | Retirements | |
| Proprietary Funds: | | | | |
| Non-depreciable assets: | | | | |
| Land and land rights | \$ 16,662,819 | 151,485 | - | 16,814,304 |
| Construction in progress | 27,723,487 | 18,812,428 | (9,589,927) | 36,945,988 |
| Depreciable assets: | | | | |
| Buildings and improvements | 281,594,211 | 5,607,027 | (1,578,744) | 285,622,494 |
| Equipment | 29,374,084 | 4,578,530 | (2,593,907) | 31,358,707 |
| Totals at historical cost | <u>355,354,601</u> | <u>29,149,470</u> | <u>(13,762,578)</u> | <u>370,741,493</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 109,379,456 | 9,700,427 | (1,169,061) | 117,910,822 |
| Equipment | 18,853,954 | 2,112,826 | (2,324,677) | 18,642,103 |
| Total accumulated depreciation | <u>128,233,410</u> | <u>11,813,253</u> | <u>(3,493,738)</u> | <u>136,552,925</u> |
| Business-type activities capital assets, net | <u>\$ 227,121,191</u> | <u>17,336,217</u> | <u>(10,268,840)</u> | <u>234,188,568</u> |

Depreciation expense was charged as follow:

Governmental funds:

| | |
|--|----------------------|
| Legislative | \$ 75,992 |
| Legal | 704 |
| Administration | 58,454 |
| Education | 4,836,709 |
| Finance | 21,146 |
| Libraries | 264,645 |
| Recreation | 1,233,539 |
| Community development & lands management | 178,051 |
| Public safety | 661,974 |
| Public works | 7,490,639 |
| Public transportation | 387,059 |
| Tourism and conventions | 249,124 |
| Central equipment | 889,437 |
| Total depreciation expense governmental funds | <u>\$ 16,347,473</u> |

Proprietary funds:

| | |
|---|----------------------|
| Airport | \$ 2,779,311 |
| Harbors | 901,992 |
| Docks | 897,837 |
| Hospital | 2,825,358 |
| Water | 2,055,368 |
| Sewer | 2,330,447 |
| Waste management | 22,731 |
| Self-insurance | 209 |
| Total depreciation expense proprietary funds | <u>\$ 11,813,253</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9 - DEBT

The majority of the debt service of CBJ is paid through the General Debt Service Fund, Central Equipment, Lands Fund, Juneau International Airport, Bartlett Regional Hospital and Areawide Water and Sewer Utilities Enterprise Funds. The General Debt Service Fund pays the general obligation debt and property purchase agreements debt for CBJ not accounted for in the Proprietary Fund Types with interfund transfers, bond proceeds or earnings on bond proceeds. The Port Debt Service Fund pays the principal, interest and fiscal charges on the 2003 Series A Steamship Wharf/Marine Park Revenue bonds. Installment contract payments are paid by the benefiting fund with general tax revenues or other applicable revenue sources. The Proprietary Fund Types pay their general obligation bonds, revenue bonds and other long-term debt obligations with user fees or special assessment revenues, except Bartlett Regional Hospital which receives a 70% reimbursement from the General Fund for its original 1985 Bond that was refinanced in 2002. Finally, compensated absences are paid by the benefiting fund with general tax revenues or other applicable revenue sources.

Retirement Incentive Program

In November 1996 CBJ adopted a resolution to participate in the Retirement Incentive Program (RIP) available through the State of Alaska Public Employees Retirement System (PERS). The Retirement Incentive Program was designed to encourage eligible employees to voluntarily retire in order to reduce personnel service costs. The program was available until December 31, 1999, to eligible employees. CBJ reimburses the plans for three years after the end of the fiscal year in which the employee retired. The amount of reimbursement is the actuarial equivalent of the difference between the benefits the employee receives after the addition of the retirement incentive under the program and the amount the employee would have received without the incentive, less any amount the participant has paid as part of retiring under the program.

Under this plan, an outstanding indebtedness at the time an employee has elected to retire will result in an actuarial adjustment to the employee's benefit. Employees participating in the RIP are indebted a percentage of the annual compensation for the calendar year in which they terminated employment as follows: police and fire fighters at 22.5%; all others at 20.25%.

There is no outstanding liability as of June 30, 2004 related to this program.

A summary of long-term debt at June 30, 2004, by fund or function follows:

| | Governmental activities | | | | | |
|---------------------------------|-------------------------|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| | General | School | Fire | Library | Port | Subtotal |
| | <u>Government</u> | <u>Facilities & Equipment</u> | <u>Facilities</u> | <u>Facilities</u> | <u>Facilities</u> | |
| General obligation bonds | \$ 14,250,000 | 43,233,889 | 463,386 | 203,644 | - | 58,150,919 |
| Revenue bonds | - | - | - | - | 4,330,000 | 4,330,000 |
| State of Alaska extension loans | - | - | - | - | - | - |
| Purchase agreements | 69,664 | - | - | - | - | 69,664 |
| Subtotal | 14,319,664 | 43,233,889 | 463,386 | 203,644 | 4,330,000 | 62,550,583 |
| Unamortized bond premium | 151,342 | 475,028 | 2,052 | 902 | 78,722 | 708,046 |
| | <u>\$ 14,471,006</u> | <u>43,708,917</u> | <u>465,438</u> | <u>204,546</u> | <u>4,408,722</u> | <u>63,258,629</u> |

| | Business-type activities | | | | | | |
|---------------------------------|------------------------------|--------------------------|----------------------|----------------------|-------------------|--------------------------|-------------------|
| | Juneau | Bartlett | Areawide | Areawide | Subtotal | Central | Total |
| | <u>International Airport</u> | <u>Regional Hospital</u> | <u>Water Utility</u> | <u>Sewer Utility</u> | | <u>Equipment Service</u> | |
| General obligation bonds | \$ - | 1,866,648 | - | 360,433 | 2,227,081 | - | 60,378,000 |
| Revenue bonds | - | - | 1,793,500 | 521,500 | 2,315,000 | - | 6,645,000 |
| State of Alaska extension loans | - | - | 1,384,517 | 7,575,425 | 8,959,942 | - | 8,959,942 |
| Purchase agreements | - | 377,988 | - | - | 377,988 | 81,239 | 528,891 |
| | - | 2,244,636 | 3,178,017 | 8,457,358 | 13,880,011 | 81,239 | 76,511,833 |
| Unamortized bond premium | - | 10,368 | 13,455 | 4,171 | 27,994 | - | 736,040 |
| | <u>\$ -</u> | <u>2,255,004</u> | <u>3,191,472</u> | <u>8,461,529</u> | <u>13,908,005</u> | <u>81,239</u> | <u>77,247,873</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

A summary of long-term debt excluding compensated absences at June 30, 2004 follows:

| Description | Interest | | Issue dates | Date of maturity | Date callable |
|---|------------|----------------|---------------|------------------|---------------|
| | Rates (%) | Dates | | | |
| General obligation bonds: | | | | | |
| 1968 Hospital Bonds | 4.5 | Apr.1/Oct.1 | Oct. 1, 1968 | 2008 | Apr. 1, 1979 |
| 1994 General Obligation School Bonds | 5.2-5.3 | May 1/Nov.1 | May 1, 1994 | 2004 | Noncallable |
| 1996 General Obligation School Bonds | 4.1-5.5 | Jan.1/Jul.1 | Jun. 1, 1996 | 2006 | Noncallable |
| 1997 General Obligation School Bonds | 4.1-5.1 | Jan.1/Jul.1 | Aug. 1, 1997 | 2007 | Noncallable |
| 1998 General Obligation School Bonds | 4.375-4.5 | Jan.1/Jul.1 | Jun. 1, 1998 | 2008 | Noncallable |
| 2000A General Obligation School Bonds | 5.05-6.20 | Jun.1/Dec.1 | Jun. 1, 2000 | 2015 | Noncallable |
| 2000B General Obligation School Bonds | 4.75-5.00 | Jun.15/Dec.15 | Dec. 15, 2000 | 2015 | Noncallable |
| 2002 General Obligation School Bonds | 4.375-5.00 | Aug.1/Feb.1 | Mar.26, 2002 | 2017 | Feb.1, 2012 |
| 2002 Refunding | 2.0-3.0 | Jan. 1/Dec. 1 | Jul. 23, 2002 | 2005 | Noncallable |
| 2002B Refunding | 2.0-3.0 | Jan. 1/Jul. 1 | Dec. 04, 2002 | 2006 | Noncallable |
| 2003 CIP Bonds | 2.15-5.45 | Feb. 1/Aug. 1 | Feb. 11, 2003 | 2023 | Noncallable |
| 2003A General Obligation School Bonds | 2.5-4.3 | Oct.1/Apr.1 | Oct. 24, 2003 | 2018 | Oct.1, 2013 |
| 2003B CIP Bonds | 3.75-4.75 | Oct. 1/Apr. 1 | Oct. 24, 2003 | 2023 | Oct.1, 2013 |
| Total general obligation bonds | | | | | |
| Revenue bonds: | | | | | |
| 2002 W&S Rev and Refunding Bonds | 4.0-4.75 | Aug.1/Feb.1 | Mar.13, 2002 | 2017 | Feb.1, 2012 |
| 2003A Port Revenue Bonds | 2.0-3.0 | Jun.1/Dec. 1 | Mar.13, 2003 | 2006 | Noncallable |
| Total revenue bonds | | | | | |
| State of Alaska extention loans: | | | | | |
| DEC Belt Filter Press Loan #445011 | 4.64/2.50 | Dec. 1 | Dec. 1, 1997 | 2007 | - |
| DEC Sewer Loan #445021 | 4.56/2.50 | Dec. 1 | May 5, 1994 | 2003 | - |
| DEC Sewer Loan #445031 | 4.23/2.50 | Dec. 1 | May 20, 1996 | 2005 | - |
| DEC Sewer Loan #445041 | 4.05/2.50 | Dec. 1 | June 19,1995 | 2005 | - |
| DEC Sewer Loan #445051 | 4.09/2.50 | Dec. 1 | April 8, 1999 | 2008 | - |
| DEC ABTP Loan #445061 | 3.83/2.50 | Dec. 1 | Mar. 15, 1999 | 2019 | - |
| DEC Sewer Loan #445071 | 2.50 | Dec. 1 | Dec. 28,2001 | 2022 | - |
| DEC JDTP Loan #445091 | 2.50 | Dec. 1 | Nov. 16, 1999 | 2022 | - |
| DEC MTP Loan #445101 | 2.50 | Dec. 1 | Feb. 07, 2000 | 2024 | - |
| DEC Sewer Loan #445131 | 2.50 | Dec. 1 | Nov. 22, 2002 | 2023 | - |
| DEC Sewer Loan #445141 | 2.50 | Dec. 1 | Jul. 23, 2003 | 2024 | - |
| DEC Water Loan #445151 | 2.50 | Dec. 1 | Mar. 12, 2003 | 2023 | - |
| Total DEC Loans | | | | | |
| Other long-term debt: | | | | | |
| Equipment purchase agreements | 4.00-5.43 | Qtrly/Annually | Various | Various | - |
| Property purchase agreements | 6.00-8.00 | Annually | Various | Various | Noncallable |
| Total other long-term debt | | | | | |
| Total long-term debt | | | | | |

The annual requirements to retire all outstanding long-term debt as of June 30, 2004 are as follows:

| Year ending June 30 | General obligation bonds | | | Revenue bonds | | |
|------------------------|--------------------------|-------------------|-------------------|------------------|----------------|------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2005 | \$ 3,888,000 | 2,453,608 | 6,341,608 | 1,585,000 | 215,950 | 1,800,950 |
| 2006 | 4,458,000 | 2,299,624 | 6,757,624 | 1,640,000 | 158,650 | 1,798,650 |
| 2007 | 3,882,000 | 2,133,158 | 6,015,158 | 1,685,000 | 103,213 | 1,788,213 |
| 2008 | 4,284,000 | 1,979,342 | 6,263,342 | 205,000 | 73,063 | 278,063 |
| 2009 | 4,285,000 | 1,807,341 | 6,092,341 | 210,000 | 64,863 | 274,863 |
| 2010-2014 | 18,057,000 | 6,689,038 | 24,746,038 | 905,000 | 197,850 | 1,102,850 |
| 2015-2019 | 16,717,000 | 2,875,155 | 19,592,155 | 415,000 | 39,463 | 454,463 |
| 2020-2024 | 4,807,000 | 586,880 | 5,393,880 | - | - | - |
| 2025-2029 | - | - | - | - | - | - |
| | <u>\$ 60,378,000</u> | <u>20,824,146</u> | <u>81,202,146</u> | <u>6,645,000</u> | <u>853,052</u> | <u>7,498,052</u> |



| Amount authorized | Prior Years | | Balance at June 30, 2003 | Current Year | | Balance at June 30, 2004 | 2004 interest paid |
|-----------------------|-------------------|-------------------|--------------------------|-------------------|------------------|--------------------------|--------------------|
| | Issued | Retired | | Issued | Retired | | |
| \$ 900,000 | 900,000 | 645,000 | 255,000 | - | 40,000 | 215,000 | 10,575 |
| 2,354,500 | 2,354,500 | 2,074,500 | 280,000 | - | 280,000 | - | 14,840 |
| 300,000 | 300,000 | 196,000 | 104,000 | - | 33,000 | 71,000 | 5,619 |
| 527,000 | 527,000 | 239,000 | 288,000 | - | 24,000 | 264,000 | 13,992 |
| 3,383,000 | 3,383,000 | 1,088,000 | 2,295,000 | - | 355,000 | 1,940,000 | 93,920 |
| 657,000 | 657,000 | 359,000 | 298,000 | - | 80,000 | 218,000 | 17,334 |
| 10,060,000 | 10,060,000 | 1,350,000 | 8,710,000 | - | 745,000 | 7,965,000 | 402,499 |
| 12,995,000 | 12,995,000 | 625,000 | 12,370,000 | - | 695,000 | 11,675,000 | 570,014 |
| 5,000,000 | 4,250,000 | 60,000 | 4,190,000 | - | 1,365,000 | 2,825,000 | 91,425 |
| 1,550,000 | 1,420,000 | - | 1,420,000 | - | 465,000 | 955,000 | 38,567 |
| 1,000,000 | 1,000,000 | - | 1,000,000 | - | - | 1,000,000 | 42,053 |
| 20,000,000 | - | - | - | 20,000,000 | - | 20,000,000 | 325,035 |
| 13,250,000 | - | - | - | 13,250,000 | - | 13,250,000 | 243,073 |
| <u>71,976,500</u> | <u>37,846,500</u> | <u>6,636,500</u> | <u>31,210,000</u> | <u>33,250,000</u> | <u>4,082,000</u> | <u>60,378,000</u> | <u>1,868,946</u> |
| 2,685,000 | 2,685,000 | 180,000 | 2,505,000 | - | 190,000 | 2,315,000 | 103,863 |
| 6,165,000 | 5,685,000 | - | 5,685,000 | - | 1,355,000 | 4,330,000 | 157,650 |
| <u>8,850,000</u> | <u>8,370,000</u> | <u>180,000</u> | <u>8,190,000</u> | <u>-</u> | <u>1,545,000</u> | <u>6,645,000</u> | <u>261,513</u> |
| 255,501 | 255,501 | 127,799 | 127,702 | - | 25,540 | 102,162 | 3,193 |
| 1,620,500 | 1,140,843 | 1,048,142 | 92,701 | - | 92,701 | - | 2,318 |
| 536,000 | 402,000 | 281,400 | 120,600 | - | 40,200 | 80,400 | 3,015 |
| 166,000 | 148,800 | 104,160 | 44,640 | - | 14,880 | 29,760 | 1,116 |
| 359,775 | 228,000 | 91,200 | 136,800 | - | 22,800 | 114,000 | 3,420 |
| 656,000 | 656,000 | 98,585 | 557,415 | - | 32,789 | 524,626 | 13,935 |
| 400,000 | 400,000 | - | 400,000 | - | 20,000 | 380,000 | 9,260 |
| 1,680,000 | 1,680,000 | - | 1,680,000 | - | 84,000 | 1,596,000 | 121,871 |
| 1,527,500 | 1,295,868 | - | 1,295,868 | 143,135 | - | 1,439,003 | - |
| 2,203,000 | 1,851,703 | - | 1,851,703 | 184,945 | - | 2,036,648 | - |
| 1,300,000 | - | - | - | 1,272,826 | - | 1,272,826 | - |
| 1,510,000 | 376,944 | - | 376,944 | 1,007,573 | - | 1,384,517 | - |
| <u>12,214,276</u> | <u>8,435,659</u> | <u>1,751,286</u> | <u>6,684,373</u> | <u>2,608,479</u> | <u>332,910</u> | <u>8,959,942</u> | <u>158,128</u> |
| 8,148,149 | 8,148,149 | 7,033,875 | 1,114,274 | - | 655,047 | 459,227 | 35,781 |
| 950,000 | 950,000 | 758,193 | 191,807 | - | 122,143 | 69,664 | 11,685 |
| <u>9,098,149</u> | <u>9,098,149</u> | <u>7,792,068</u> | <u>1,306,081</u> | <u>-</u> | <u>777,190</u> | <u>528,891</u> | <u>47,466</u> |
| <u>\$ 102,138,925</u> | <u>63,750,308</u> | <u>16,359,854</u> | <u>47,390,454</u> | <u>35,858,479</u> | <u>6,737,100</u> | <u>76,511,833</u> | <u>2,336,053</u> |

| State of Alaska extension loans | | | Other long-term debt | | | Totals | | |
|---------------------------------|------------------|-------------------|----------------------|---------------|----------------|-------------------|-------------------|--------------------|
| Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 411,268 | 146,316 | 557,584 | 476,624 | 17,201 | 493,825 | 6,360,892 | 2,833,075 | 9,193,967 |
| 546,859 | 340,085 | 886,944 | 52,267 | 1,308 | 53,575 | 6,697,126 | 2,799,667 | 9,496,793 |
| 491,779 | 200,045 | 691,824 | - | - | - | 6,058,779 | 2,436,416 | 8,495,195 |
| 491,779 | 187,750 | 679,529 | - | - | - | 4,980,779 | 2,240,155 | 7,220,934 |
| 466,239 | 175,457 | 641,696 | - | - | - | 4,961,239 | 2,047,661 | 7,008,900 |
| 2,217,194 | 708,143 | 2,925,337 | - | - | - | 21,179,194 | 7,595,031 | 28,774,225 |
| 2,217,194 | 430,993 | 2,648,187 | - | - | - | 19,349,194 | 3,345,611 | 22,694,805 |
| 1,982,038 | 158,763 | 2,140,801 | - | - | - | 6,789,038 | 745,643 | 7,534,681 |
| 135,592 | 3,390 | 138,982 | - | - | - | 135,592 | 3,390 | 138,982 |
| <u>8,959,942</u> | <u>2,350,942</u> | <u>11,310,884</u> | <u>528,891</u> | <u>18,509</u> | <u>547,400</u> | <u>76,511,833</u> | <u>24,046,649</u> | <u>100,558,482</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

Other long-term debt includes equipment, property and miscellaneous purchase agreements (including capital leases), and compensated absences. Future obligations include principal and interest due over the life of the commitments. Compensated absences are retired by the General Fund (41%) and the Roaded Service Area (35%), Capital Transit (7%), Lands (1%), Visitor Services (1%), Eaglecrest (2%), and Fire Service Area (13%) Special Revenue Funds.

Changes in long-term debt:

| | Balance at July 1, 2003 | Current Year | | Balance at June 30, 2004 | Current Portion | Long-term balance at June 30, 2004 |
|----------------------------------|----------------------------|-------------------|-------------------|-----------------------------|--------------------|--|
| | | Issued | Retired | | | |
| Governmental activities: | | | | | | |
| General obligation bonds | \$ 27,970,710 | 33,250,000 | 3,069,791 | 58,150,919 | 2,854,424 | 55,296,495 |
| Revenue bonds | 5,685,000 | - | 1,355,000 | 4,330,000 | 1,395,000 | 2,935,000 |
| Purchase agreements | 410,551 | - | 259,648 | 150,903 | 98,638 | 52,265 |
| Unamortized bond premium | 445,100 | 399,222 | 136,276 | 708,046 | - | 708,046 |
| | <u>34,511,361</u> | <u>33,649,222</u> | <u>4,820,715</u> | <u>63,339,868</u> | <u>4,348,062</u> | <u>58,991,806</u> |
| Compensated absences | 2,720,121 | 3,110,155 | 2,944,196 | 2,886,080 | 1,278,471 | 1,607,609 |
| Total governmental activities | <u>37,231,482</u> | <u>36,759,377</u> | <u>7,764,911</u> | <u>66,225,948</u> | <u>5,626,533</u> | <u>60,599,415</u> |
| Business-type activities: | | | | | | |
| General obligation bonds | 3,239,290 | - | 1,012,209 | 2,227,081 | 1,033,576 | 1,193,505 |
| Revenue bonds | 2,505,000 | - | 190,000 | 2,315,000 | 190,000 | 2,125,000 |
| Purchase agreements | 895,530 | - | 517,542 | 377,988 | 377,988 | - |
| State of Alaska extension loans | 6,684,422 | 2,608,479 | 332,959 | 8,959,942 | 411,268 | 8,548,674 |
| Unamortized bond premium | 40,476 | - | 12,482 | 27,994 | - | 27,994 |
| | <u>13,364,718</u> | <u>2,608,479</u> | <u>2,065,192</u> | <u>13,908,005</u> | <u>2,012,832</u> | <u>11,895,173</u> |
| Compensated absences | 2,425,318 | 2,971,833 | 2,809,215 | 2,587,936 | 1,463,129 | 1,124,807 |
| Total business-type activities | <u>15,790,036</u> | <u>5,580,312</u> | <u>4,874,407</u> | <u>16,495,941</u> | <u>3,475,961</u> | <u>13,019,980</u> |
| Total long-term debt | \$ <u>53,021,518</u> | <u>42,339,689</u> | <u>12,639,318</u> | <u>82,721,889</u> | <u>9,102,494</u> | <u>73,619,395</u> |

Bonds

Amounts in the General and Port Debt Service Funds to service the general obligation bonds and port revenue bonds and property purchase agreements as of June 30, 2004 are \$5,019,319 and \$569,757, respectively. The large fund balance in the general obligation debt service fund includes \$4,475,362 of sales tax contributions to be used to fund 30% of the \$12.5M JDHS Reno bond debt service (issued subsequent to the June 30, 2004 financial statement date, on November 5, 2004).

General Obligation Bonds

On October 5, 1999, the voters of the CBJ approved the issuance of \$62.9 million for 15 years in general obligation bonds for the design, construction, and equipping of a new high school and the renovation of the existing Juneau - Douglas High School.

Voters approved the immediate issuance of \$3 million of the general obligation debt for the project design and some demolition costs. The remaining \$59.9 million would only be issued if portions of the project which qualify for the State of Alaska Construction Bond Debt Reimbursement Program are funded by the State at a level of 50 percent or greater.

On June 1, 2000, \$657,000 of the \$3 million authorization was sold in an initial bond offering. The remaining \$2.343 million were sold on December 15, 2000. In November 2003, the projects funded with this \$3M were approved by the State of Alaska under the School Construction Bond Debt Reimbursement program. The approval qualified the debt service on these bonds for 60% reimbursement, beginning with the FY04 debt service.

During the 2001 legislative session, the State approved 70% reimbursement on \$12,955,900 of the \$59.9 million, the \$12,995,900 to be used for the JDHS Renovation project. Local voters approved splitting the \$59.9 million in the October 2, 2001 election so that the \$12,995,900 could be issued separately from the \$59.9 million. The \$12,995,000 were issued March 1, 2002. The debt service on these bonds qualifies for 70% reimbursement under the State of Alaska's School Construction Bond Debt Reimbursement program.

In November 2002, Alaskan voters approved a statewide GO bonding proposal authorizing the State of Alaska to reimburse municipalities in the organized cities and boroughs up to 70 percent of the cost of local school construction projects approved by local voters on or after June 30, 1999, and before January 1, 2005.

Because of this voter approved legislation, the remaining \$46,904,100 of the original \$62.9 million met the reimbursement requirements of the original bond proposition and could now be issued.

NOTES TO BASIC FINANCIAL STATEMENTS

In a special election held on June 3, 2003, CBJ voters approved an additional \$12.6 million to help fund the new high school project. This \$12.6 million brought the total authorized amount of bonds for the new high school and JDHS renovation to \$75.5 million, of which \$59,505,000 remained unissued as of June 30, 2004.

On October 15, 2003, \$20 million of these bonds, qualifying for 60% debt reimbursement, were issued, leaving an unissued amount of \$39,505,000 as of June 30, 2004. (Due to the May 25, 2004 election noted below, the \$39,505,000 authorization was effectively cancelled. Additionally, due to the October 5, 2004 election noted below, \$18.25M of the \$20M has been redirected to school maintenance projects qualifying for 70% debt reimbursement. \$1.75 of the \$20M remains at 60% debt reimbursement.)

On May 25, 2004, a special election was held, adopting an ordinance refraining the City & Borough of Juneau Assembly from inviting or awarding bids for the new high school project funded in whole or in part by bonds approved by the voters in the October 5, 1999 general municipal election until three criteria were met: high school student enrollment must reach 2100, first year operating funds of at least \$1.668M must be identified for the new school, and the design must include the classrooms and features described in the voter information for the 1999 ballot measure. This initiative, approved by the voters, restricted \$49.9M in bond funds approved by the voters in 1999, effectively canceling the high school project.

Due to results of the May 2004 election, a couple issues needed to be addressed regarding the new high school: (1) how to address the existing high school overcrowding problem and (2) what to do with the remaining \$18.25M unspent bond proceeds of the \$20M previously issued. Two propositions were put before the voters in the October 5, 2004 general municipal election to address these two questions. Voter approval in this election provided the following (1) authorization of the issuance of \$54M in general obligation debt for a smaller new high school and (2) the redirection of the \$18.25M unspent 2003A bond proceeds from the original new high school project (effectively cancelled with the May 25, 2004 election) to school maintenance projects district-wide. Both of these propositions will qualify for 70% bond debt reimbursement for the State of Alaska's School Construction Debt Reimbursement program.

On October 1, 2002, the voters of the CBJ approved the issuance of not to exceed \$15 million in general obligation bonds for the purpose of acquiring, constructing and equipping various harbor, utility and park improvements within the CBJ. \$1,000,000 of these bonds were issued in an over-the-counter bond sale January 25, 2003, then on October 15, 2003, \$13,250,000 of these bonds were issued. The remaining \$750,000 authorization will not be issued due to grants awarded in the amount.

On June 3, 2003, a special election was held in which the voters of the CBJ approved the issuance of \$12.5 million in general obligation bonds for the purpose of paying costs of a portion of the renovation of the Juneau Douglas High School. The debt service on these bonds qualify for 70% reimbursement under the State of Alaska's School Construction Bond Debt Reimbursement program. The remaining 30% of the debt service will be funded by sales tax. These bonds were issued on November 1, 2004, subsequent to the June 30, 2004 financial statement date.

On October 7, 2003, the voters of the CBJ approved the issuance of \$6,945,000 in general obligation bonds for the purpose of paying the costs of the Floyd Dryden Middle School Renovation Phase II project and the Harborview Elementary School plumbing piping replacement project. The debt service on these bonds qualify for 70% reimbursement under the State of Alaska's School Construction Bond Debt Reimbursement program. These bonds were issued on November 1, 2004, subsequent to the June 30, 2004 financial statement date.

Revenue Bonds

As of June 30, 2004, the CBJ was in the process of issuing revenue bonds in an amount not to exceed \$31 million to fund the Hospital's Project 2005 - the final phase of a construction and renovation project. These bonds were issued subsequent to the June 30, 2004 financial statement date, on August 26, 2004, in the amount of \$28.845M. The debt service on these bonds is to be funded from Hospital revenues.

Description of Leasing Arrangements**Capital Leases**

CBJ has entered into various leasing arrangements. CBJ has entered into lease agreements for a fire truck. The lease term is seven years and will terminate in fiscal year 2006.

Bartlett Regional Hospital has entered into two leases. The leases are for radiology equipment and magnetic resonance imaging equipment. The two hospital leases are for five-year terms expiring in fiscal year 2005.

NOTES TO BASIC FINANCIAL STATEMENTS

The following is an analysis of equipment leased under capital leases as of June 30, 2004:

| | Enterprise Funds | Internal Service Funds |
|--------------------------------|---------------------|---------------------------|
| Machinery & equipment | \$ 3,655,036 | 620,010 |
| Less: accumulated depreciation | <u>3,548,004</u> | <u>305,348</u> |
| Carrying Value | <u>\$ 107,032</u> | <u>314,662</u> |

The following is a schedule by years of the future minimum lease payments under these capital leases together with the present value of the net minimum lease payments as of June 30, 2004:

| Fiscal year ending June 30: | Enterprise Funds | Internal Service Funds |
|--|---------------------|------------------------------|
| 2005 | \$ 389,980 | 67,024 |
| 2006 | - | 16,965 |
| Total minimum lease payments | <u>389,980</u> | <u>83,989</u> |
| Less: Amount representing interest | <u>11,992</u> | <u>2,750</u> |
| Present value of future minimum lease payments | <u>\$ 377,988</u> | <u>81,239</u> |

Operating Leases

In addition, CBJ leases land, buildings and copier equipment under leases classified as operating leases. All land lease terms range from ten to fifty-five years, building leases range from two to three years and copier leases range from two to three years. In most cases of the land and buildings leases, leases will likely be renewed. In most cases of the copier equipment leases, other leases will likely replace them.

The following is a schedule by years of future minimum rental payments required under operating leases as of June 30, 2004:

| Fiscal year ending June 30: | Amount |
|---------------------------------|---------------------|
| 2005 | \$ 662,455 |
| 2006 | 658,888 |
| 2007 | 501,733 |
| 2008 | 511,614 |
| 2009 | <u>522,414</u> |
| Total minimum payments required | <u>\$ 2,857,104</u> |

Compensated Absences

Employees earn accrued leave based on their length of service. The accrued leave vests as it is earned and is payable to the employee on termination.

The current portion of compensated absences is the portion that is estimated to be utilized in the following fiscal year based upon prior usage patterns.

NOTE 10 - ACCRUED LIABILITIES

Accrued liabilities at June 30, 2004 are as follows:

| | Governmental Activities | Business-type Activities | Totals | | |
|--|----------------------------|-----------------------------|------------------|------------------|------------------|
| | | | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| Accrued salaries, payroll taxes and withholdings | \$ 1,440,536 | 1,017,391 | 2,457,927 | 2,083,177 | 2,087,198 |
| Permit and other deposits | 1,000,266 | - | 1,000,266 | 934,701 | 825,331 |
| Reserve for grant reimbursement | - | - | - | - | 119,129 |
| Reserve for claims liabilities | - | 3,048,679 | 3,048,679 | 2,565,325 | 2,444,248 |
| Totals | <u>\$ 2,440,802</u> | <u>4,066,070</u> | <u>6,506,872</u> | <u>5,583,203</u> | <u>5,475,906</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 - PENSION PLANS

State of Alaska Public Employees' Retirement System

Plan Description

The General Government, School District component unit and Bartlett Regional Hospital contribute to the State of Alaska Public Employees' Retirement System (PERS). PERS is an agent multiple-employer public employee defined benefit retirement system established and administered by the State of Alaska (State) to provide pension, post employment health care, death and disability benefits to eligible employees. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

Each fiscal year, PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P. O. Box 110203, Juneau, Alaska 99811-0203.

Funding Policy and Annual Pension Cost

Employee contribution rates are 7.5% for peace officers and fire fighters and 6.75% for other employees, as required by State Statute. The funding policy for PERS provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due.

An actuarial valuation for the plan is done on a biennial basis.

Annual pension cost and post employment health care (in thousands) for the current year and the related information is as follows:

| Contribution rates: | <u>Employee</u> | <u>Employer</u> | | | | |
|----------------------------|-----------------|-----------------|--|--|--|--|
| | | | | | | |
| General Government | 6.75% | 6.22% | | | | |
| Police and Fire | 7.50% | 6.22% | | | | |
| School District | 6.75% | 7.93% | | | | |
| Bartlett Regional Hospital | 6.75% | 6.13% | | | | |

| | <u>General Government</u> | | <u>School District Component Unit</u> | | <u>Bartlett Regional Hospital</u> | |
|---------------------------|--|-----------------------------------|---|-----------------------------------|---------------------------------------|-----------------------------------|
| | Post | | Post | | Post | |
| | <u>Pension</u> | <u>Employment Health Care</u> | <u>Pension</u> | <u>Employment Health Care</u> | <u>Pension</u> | <u>Employment Health Care</u> |
| Annual pension cost | \$1,159,320 | \$473,525 | \$467,494 | \$200,355 | \$812,568 | \$331,894 |
| Contributions made | \$1,159,320 | \$473,525 | \$467,494 | \$200,355 | \$812,568 | \$331,894 |
| Actuarial Valuation date | 6/30/2003 * | Same | Same | Same | Same | Same |
| Actuarial cost method | Projected unit credit | Same | Same | Same | Same | Same |
| Amortization method | Level Percent- age of pay Fixed 25 | Same | Same | Same | Same | Same |
| Amortization period | years 5yr smoothed | Same | Same | Same | Same | Same |
| Asset valuation method | market | Same | Same | Same | Same | Same |
| Actuarial Assumptions: | | | | | | |
| Inflation rate | 3.50% | Same | Same | Same | Same | Same |
| Investment return | 8.25% | Same | Same | Same | Same | Same |
| Projected salary increase | 5.50% | Same | Same | Same | Same | Same |
| Inflation | 3.50% | Same | Same | Same | Same | Same |
| Productivity and merit | 2.00% | Same | Same | Same | Same | Same |
| Health cost trend | N/A | 12.00% | N/A | 12.00% | N/A | 12.00% |

NOTES TO BASIC FINANCIAL STATEMENTS

The components of annual pension cost (in thousands) as of June 30, 2004 are as follows:

| | <u>General Government</u> | | <u>School District Component Unit</u> | | <u>Bartlett Regional Hospital</u> | |
|--|---------------------------|--|---|--|---------------------------------------|--|
| | <u>Pension</u> | <u>Post Employment Health Care</u> | <u>Pension</u> | <u>Post Employment Health Care</u> | <u>Pension</u> | <u>Post Employment Health Care</u> |
| Annual required contribution (ARC) | \$ 1,159 | 474 | 467 | 200 | 813 | 332 |
| Interest on net pension obligation (NPO) | - | - | - | - | - | - |
| Adjustment to the ARC | - | - | - | - | - | - |
| Annual pension cost (APC) | 1,159 | 474 | 467 | 200 | 813 | 332 |
| Contributions made | (1,159) | (474) | (467) | (200) | (813) | (332) |
| Increase in NPO | - | - | - | - | - | - |
| NPO, beginning of year | - | - | - | - | - | - |
| NPO, end of year | \$ - | - | - | - | - | - |

Three years trend information (in thousands) follows:

| | <u>Year Ending 6/30</u> | <u>Annual Pension Cost (APC)</u> | <u>Percentage of APC Contributed</u> | <u>Net Pension Obligation (NPO)</u> |
|------------------------------------|---------------------------------|--------------------------------------|--|---|
| General Government: | | | | |
| Pension | 2002 | 1,011 | 100% | - |
| | 2003 | 1,080 | 100% | - |
| | 2004 | 1,159 | 100% | - |
| Post employment health care | 2002 | 416 | 100% | - |
| | 2003 | 441 | 100% | - |
| | 2004 | 474 | 100% | - |
| School District: | | | | |
| Pension | 2002 | 430 | 100% | - |
| | 2003 | 490 | 100% | - |
| | 2004 | 467 | 100% | - |
| Post employment health care | 2002 | 176 | 100% | - |
| | 2003 | 200 | 100% | - |
| | 2004 | 200 | 100% | - |
| Bartlett Regional Hospital: | | | | |
| Pension | 2002 | 950 | 100% | - |
| | 2003 | 995 | 100% | - |
| | 2004 | 813 | 100% | - |
| Post employment health care | 2002 | 388 | 100% | - |
| | 2003 | 407 | 100% | - |
| | 2004 | 332 | 100% | - |

The City and Borough of Juneau has determined, in accordance with provisions of GASB 27, that no pension liability (asset) exists to PERS and there was no previously reported liability (asset) to PERS.

NOTES TO BASIC FINANCIAL STATEMENTS

State of Alaska Teachers' Retirement System Plan Description**Plan Description**

As of June 30, 2004, substantially all permanent School District certificated employees participate in the State of Alaska Teachers' Retirement System (TRS), a defined benefit, cost-sharing, multiple-employer public employee retirement system established and administered by the State of Alaska (State). TRS provides pension, post employment health care, death and disability benefits to participants. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

Each fiscal year, TRS issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P. O. Box 110203, Juneau, Alaska 99811-0203.

Funding Policy and Annual Pension Cost

Employees contribute 8.65% of their base salary as required by State statute. The funding policy for TRS provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. During the year ended June 30, 2004, required employee and employer contribution rates were 8.65% and 12.4%, respectively. The amounts contributed to TRS by the CBJ School District during the years ended June 30, 2004, 2003 and 2002 were \$2,436,024, \$2,282,371, and \$2,185,111, respectively, equal to the required employer contributions for each year. The actuarial assumptions for TRS are the same as were reported above for the State of Alaska Public Employees' Retirement System (PERS).

An actuarial valuation for the plan is done on a biennial basis.

In the current year, the CBJ determined in accordance with provisions of GASB 27 that no pension liability (asset) existed to TRS and there was no previously reported liability (asset) to TRS.

Required Supplementary Information

The supplementary information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year information (in thousands) follows:

| | Valuation Year Ended <u>6/30</u> | | Actuarial Value of Plan Assets <u>(a)</u> | Accrued Liability (AAL) <u>(b)</u> | Accrued Liability (UAAL) <u>(b-a)</u> | Funded Ratio <u>(a/b)</u> | Covered Payroll <u>(c)</u> | Percentage of Covered Payroll <u>((b-a)/c)</u> |
|---|---|---|--|---|--|---------------------------------|----------------------------------|---|
| General Government: | | | | | | | | |
| Pension Benefits | 2001 | * | 107,471 | 105,200 | (2,271) | 102% | 21,352 | (11)% |
| | 2002 | | 88,182 | 119,270 | 31,088 | 74% | 23,913 | 130% |
| | 2003 | | 89,530 | 123,264 | 33,734 | 73% | 24,872 | 136% |
| Post Employment Health Care Benefits | 2001 | * | 45,503 | 44,542 | (961) | 102% | 21,352 | (5)% |
| | 2002 | | 53,578 | 72,466 | 18,888 | 74% | 23,913 | 79% |
| | 2003 | | 59,389 | 82,385 | 22,546 | 73% | 24,872 | 91% |
| Total | 2001 | * | 152,974 | 149,742 | (3,232) | 102% | 21,352 | (16)% |
| | 2002 | | 141,760 | 191,736 | 49,976 | 74% | 23,913 | 209% |
| | 2003 | | 148,919 | 205,649 | 56,280 | 73% | 24,872 | 227% |
| School District: | | | | | | | | |
| Pension Benefits | 2001 | * | 26,742 | 27,356 | 614 | 98% | 7,691 | 8% |
| | 2002 | | 22,154 | 31,164 | 9,010 | 71% | 8,243 | 109% |
| | 2003 | | 22,855 | 32,712 | 9,857 | 70% | 8,465 | 116% |
| Post Employment Health Care Benefits | 2001 | * | 11,323 | 11,583 | 260 | 98% | 7,691 | 3% |
| | 2002 | | 13,461 | 18,935 | 5,474 | 71% | 8,243 | 66% |
| | 2003 | | 15,275 | 21,863 | 6,588 | 70% | 8,465 | 78% |
| Total | 2001 | * | 38,065 | 38,939 | 874 | 98% | 7,691 | 11% |
| | 2002 | | 35,615 | 50,099 | 14,484 | 71% | 8,243 | 175% |
| | 2003 | | 38,130 | 54,575 | 16,445 | 70% | 8,465 | 194% |

NOTES TO BASIC FINANCIAL STATEMENTS

| | Actuarial Valuation Year Ended <u>6/30</u> | | Actuarial Value of Plan Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded Actuarial Accrued Liability (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll (b-a)/c) |
|---|--|---|---|---|--|--------------------------|---------------------------|--|
| Bartlett Regional Hospital | | | | | | | | |
| Pension Benefits | 2001 | * | 23,798 | 23,965 | 167 | 99% | 15,344 | 1% |
| | 2002 | | 22,031 | 28,161 | 6,130 | 78% | 15,750 | 39% |
| | 2003 | | 24,875 | 30,627 | 5,752 | 81% | 17,611 | 33% |
| Post Employment Health Care Benefits | 2001 | * | 10,077 | 10,147 | 70 | 99% | 15,344 | 1% |
| | 2002 | | 13,385 | 17,110 | 3,725 | 78% | 15,750 | 24% |
| | 2003 | | 16,625 | 20,470 | 3,845 | 81% | 17,611 | 22% |
| Total | 2001 | * | 33,875 | 34,112 | 237 | 99% | 15,344 | 2% |
| | 2002 | | 35,416 | 45,271 | 9,855 | 78% | 15,750 | 63% |
| | 2003 | | 41,500 | 51,097 | 9,597 | | 17,611 | 55% |

NOTE 12 - NET ASSETS, INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT

The following is a breakdown of the CBJ's net assets, invested in capital assets, net of related debt as of June 30, 2004:

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|--------------------|
| Land | \$ 36,500,884 | 16,814,304 | 53,315,188 |
| Infrastructure in progress | 6,121,230 | - | 6,121,230 |
| Construction in progress | 42,607,610 | 36,945,988 | 79,553,598 |
| Plant and equipment | 211,706,021 | 316,981,201 | 528,687,222 |
| Infrastructure | 178,199,015 | - | 178,199,015 |
| | <u>475,134,760</u> | <u>370,741,493</u> | <u>845,876,253</u> |
| Accumulated depreciation | 204,156,311 | 136,552,925 | 340,709,236 |
| Net capital assets | <u>270,978,449</u> | <u>234,188,568</u> | <u>505,167,017</u> |
| Unexpended bond proceeds | 20,043,379 | - | 20,043,379 |
| Unamortized bond issuance costs | 561,811 | 319,185 | 880,996 |
| Total invested in capital assets | <u>291,583,639</u> | <u>234,507,753</u> | <u>526,091,392</u> |
| Less: | | | |
| Bonds and loans due in less than one year | 4,348,062 | 2,012,832 | 6,360,894 |
| Accrued interest | 664,889 | 232,500 | 897,389 |
| Bonds and loans due in more than one year | 58,991,806 | 11,895,173 | 70,886,979 |
| Total related debt | <u>64,004,757</u> | <u>14,140,505</u> | <u>78,145,262</u> |
| Net assets, invested in capital assets, net of related debt | <u>\$ 227,578,882</u> | <u>220,367,248</u> | <u>447,946,130</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 13 - CONSTRUCTION COMMITMENTS

A summary of capital projects commitments by fund and project type at June 30, 2004, follows:

| <u>Project type</u> | <u>Authorization</u> | <u>Expended to date</u> | <u>Encumbered</u> | <u>Committed</u> | <u>Required future financing</u> |
|------------------------------|------------------------------|---------------------------|-------------------------|--------------------------|----------------------------------|
| Capital Projects Funds: | | | | | |
| Schools | \$ 61,159,483 | 34,691,215 | 1,176,914 | 25,291,354 | - |
| Roads and Sidewalks | 15,626,090 | 10,643,551 | 1,590,384 | 3,402,463 | 10,308 |
| Fire and Safety | 4,424,698 | 1,443,912 | 267,851 | 2,713,988 | 1,053 |
| Community Development | 8,693,301 | 4,945,174 | 298,192 | 3,449,935 | - |
| Parks and Recreation | <u>12,229,007</u> | <u>7,787,767</u> | <u>626,032</u> | <u>3,815,208</u> | <u>-</u> |
| Total Capital Projects Funds | <u>102,132,579</u> | <u>59,511,619</u> | <u>3,959,373</u> | <u>38,672,948</u> | <u>11,361</u> |
| Enterprise Funds: | | | | | |
| Airport | 20,435,507 | 14,906,371 | 1,336,925 | 4,202,529 | 10,318 |
| Hospital | 42,926,708 | 6,368,521 | 755,097 | 35,803,090 | - |
| Harbors | 27,431,231 | 13,460,602 | 856,438 | 13,114,191 | - |
| Port | 11,096,537 | 9,545,016 | 82,442 | 1,554,053 | 84,974 |
| Water | 10,104,089 | 5,946,529 | 577,755 | 3,579,805 | - |
| Sewer | <u>12,620,753</u> | <u>10,598,920</u> | <u>91,116</u> | <u>1,930,717</u> | <u>-</u> |
| Total Enterprise Funds | <u>124,614,825</u> | <u>60,825,959</u> | <u>3,699,773</u> | <u>60,184,385</u> | <u>95,292</u> |
| Total | \$ <u><u>226,747,404</u></u> | <u><u>120,337,578</u></u> | <u><u>7,659,146</u></u> | <u><u>98,857,333</u></u> | <u><u>106,653</u></u> |

NOTE 14 - SALES TAX

CBJ levies a 5% sales tax on the sale of goods, rents and services performed within its taxing boundaries unless specifically exempted. Sales tax levies are approved by ballot proposition for specific operational and capital purposes. State law precludes the dedication of taxes, although it has been the CBJ Assembly policy to use the taxes for the purposes as originally approved by the voters.

Of the 5%, 1% is a permanent sales tax; 3% is a temporary sales tax, subject to renewal by the voters every five years, and a 1% temporary sales tax which began January 1, 2001 and ends December 31, 2005.

Voters renewed the temporary 3% sales tax on October 3, 2000. This tax will remain in effect until June 30, 2007 and is used for capital improvements, budget reserve, youth activities, and general fund operations. The temporary 1% sales tax is for repair, rehabilitation and improvement of schools, expansion and improvement of Bartlett Regional Hospital and construction of a covered ice rink and recreational facility.

NOTE 15 - LITIGATION

CBJ, in the normal course of their activities, is involved in various claims and pending litigation. While the outcome of certain of these matters is not presently determinable, in the opinion of management, CBJ and the School District component unit have adequate insurance coverage and reserves to prevent these matters from having a material adverse effect on the basic financial statements.

NOTE 16 - CONTINGENT LIABILITIES

CBJ and the School District component unit participate in a variety of State and Federal assistance grant programs. These programs are subject to program compliance reviews by the grantors or their representatives. The audits of these programs for and including the year ended June 30, 2004 have not yet been conducted. Accordingly, compliance with applicable grant requirements by CBJ and the School District component unit will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although CBJ and the School District component unit expect any such unrecorded amounts, if any, to be immaterial.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 17 - CONDUIT DEBT

On August 12, 1999, the CBJ participated in a nonrecourse revenue bond issue. The \$18 million proceeds from the issuance of these bonds were used to provide funds to Wildflower Court, Inc., an Alaska nonprofit corporation, to construct and equip a new assisted living and long term care facility. The bonds are special, limited obligations of the CBJ, and do not constitute a debt, liability or general obligation of the CBJ, or a pledge of the faith and credit or the taxing power of the CBJ. The bonds are payable solely from the revenues and proceeds provided by Wildflower Court, Inc.

The principal amount outstanding as of June 30, 2004 for this bond issue is \$17.1 million. The bonds are term bonds with \$1,350,000 maturing December 1, 2004 and the remaining \$16,650,000 maturing December 1, 2025, subject to mandatory redemption prior to maturity as set forth in the official statement. A sinking fund is held by a Trustee to accumulate the required funds needed at each June 1 and December 1 payment dates. The amount held in the sinking fund at June 30, 2004 is \$250,999. The first interest payment was made on December 1, 1999. The first principal payment was made on December 1, 2001.

On August 6, 2001, the CBJ participated in a second nonrecourse revenue bond issue in the amount of \$6.7 million to provide funds to South East Alaska Regional Health Consortium (SEARHC), an Alaska nonprofit corporation, to finance the construction of a healthcare facility. The bonds are special, limited obligations of the CBJ, and do not constitute a debt, liability or general obligation of the CBJ, or a pledge of the faith and credit or the taxing power of the CBJ. The bonds are payable solely from the revenues and proceeds provided by SEARHC.

The \$6.7 million is held as a construction financing loan with a financial institution to which pay requests have been submitted for reimbursement of applicable construction expenditures. The total amount requested under this financing arrangement is \$6,401,816. Loan repayments are to be made as follows: Interest only payments to be paid in monthly installments commencing September 1, 2001, ending on August 1, 2003. Then principal and interest to be paid in monthly installments of \$49,246 commencing on September 1, 2003, and on the first day of each month thereafter. The principal amount outstanding as of June 30, 2004 for this construction loan is \$5,674,522. The construction loan is expected to be paid in full May 5, 2019. The bond matures August 1, 2033.

NOTE 18 - RISK MANAGEMENT

CBJ has a self-insurance/co-insurance program that is accounted for within the Self-insurance Fund. All insurance payments to this Internal Service Fund from other funds are accounted for as external interfund transactions.

CBJ is exposed to various risks of loss from legal liabilities, property damage, business interruption and personnel claims. Under this program, the Risk Management Fund provides coverage that has deductibles up to a maximum of \$500,000 for each worker's compensation claim, \$250,000 for each property claim, \$250,000 for each general liability claim. CBJ purchases commercial insurance for claims in excess of coverage provided by the Fund up to various limits depending on the specific coverage. Settled claims have not exceeded these commercial coverage limits in any of the past three fiscal years.

CBJ provides coverage for medical/dental/vision claims up to maximum annual claims of \$100,000 per employee. Coverage in excess there of is provided by a private stop loss carrier. CBJ also purchases term life coverage for CBJ employees and their dependents.

Unemployment compensation expense is based on actual claims paid by the State of Alaska and reimbursed by CBJ.

All funds of CBJ participate in the risk management program and make payments to the Risk Management Fund based on estimates of the amounts needed to pay prior- and current-year claims.

Claims payables represent estimates of claims to be paid based upon past experience modified for current trends and information. This liability includes reserves for known claims, provision for additional development on known claims, and provision for incurred but not reported claims. The evaluation of pending and ongoing claimants' claims uses established historical information unique to unemployment compensation claims incurred but not paid by the State of Alaska.

NOTES TO BASIC FINANCIAL STATEMENTS

Changes in the Fund's claims liability amount in fiscal years 2004, 2003 and 2002 were:

| | <u>Beginning of Fiscal Year Liability</u> | <u>Current Year Claims and Changes in Estimates</u> | <u>Claim Payments</u> | <u>Balance at Fiscal Year End</u> |
|-----------------------------|---|---|---------------------------|---|
| 2004 | | | | |
| General liability claims | \$ 435,115 | 772,565 | 805,752 | 401,928 |
| Auto claims | 69,464 | 229,118 | 136,141 | 162,441 |
| Property claims | - | 17,155 | 17,155 | - |
| Workers compensation claims | 884,846 | 1,546,981 | 1,184,035 | 1,247,792 |
| Health benefits claims | 1,175,900 | 8,217,576 | 8,156,958 | 1,236,518 |
| | <u>\$ 2,565,325</u> | <u>10,783,395</u> | <u>10,300,041</u> | <u>3,048,679</u> |
| 2003 | | | | |
| General liability claims | \$ 278,544 | 760,866 | 604,295 | 435,115 |
| Auto claims | 127,660 | (78,972) | (20,776) | 69,464 |
| Property claims | - | 44,443 | 44,443 | - |
| Workers compensation claims | 1,072,044 | 552,160 | 739,358 | 884,846 |
| Health benefits claims | 966,000 | 8,014,868 | 7,804,968 | 1,175,900 |
| | <u>\$ 2,444,248</u> | <u>9,293,365</u> | <u>9,172,288</u> | <u>2,565,325</u> |
| 2002 | | | | |
| General liability claims | \$ 562,584 | (104,182) | 179,858 | 278,544 |
| Auto claims | 128,115 | 31,312 | 31,767 | 127,660 |
| Property claims | - | (1,569) | (1,569) | - |
| Workers compensation claims | 523,903 | 1,393,600 | 845,459 | 1,072,044 |
| Health benefits claims | 775,000 | 6,317,616 | 6,126,616 | 966,000 |
| | <u>\$ 1,989,602</u> | <u>7,636,777</u> | <u>7,182,131</u> | <u>2,444,248</u> |



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GOVERNMENTAL FUNDS

The following section contains the following sections:

Non-Major Governmental Funds Combining Schedules:

- Balance Sheet
- Statement of Revenues, Expenditures and Changes in Fund Balance

Individual Fund and Combining by Fund type Schedules and Statements:

- Balance Sheet
- Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
- Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual

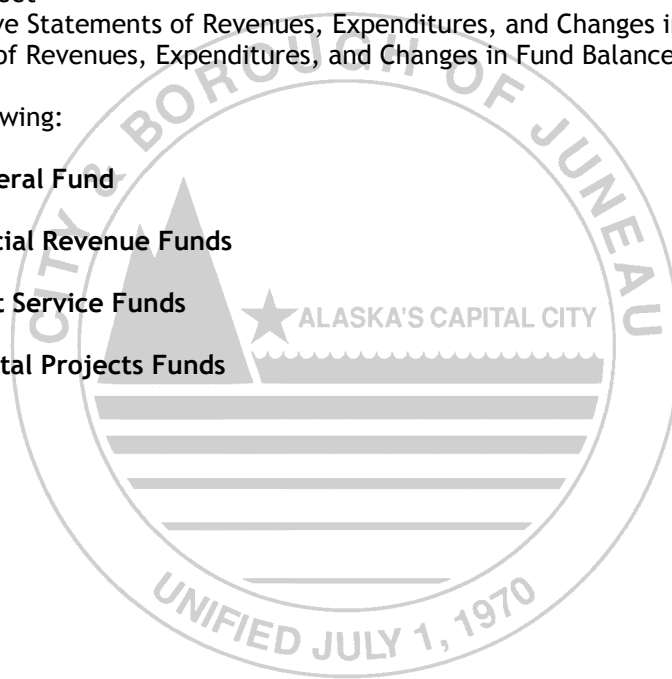
For the following:

General Fund

Special Revenue Funds

Debt Service Funds

Capital Projects Funds



CITY and BOROUGH OF JUNEAU

Non-Major Governmental Funds

Combining Balance Sheet

June 30, 2004

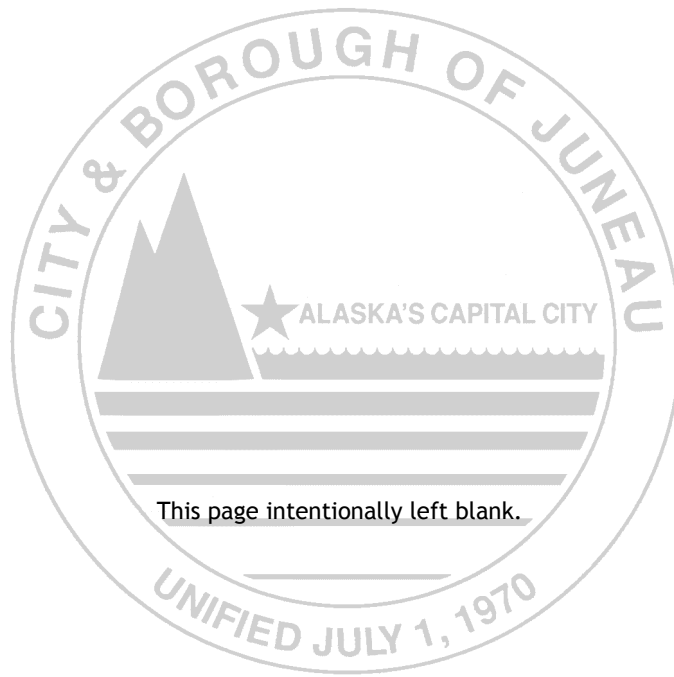
| | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total</u> |
|---|----------------------------|-------------------------|-----------------------------|-------------------|
| ASSETS | | | | |
| Equity in central treasury | \$ 2,696,173 | 5,589,076 | - | 8,285,249 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Accounts | 1,127,693 | - | - | 1,127,693 |
| Taxes | 265,158 | - | - | 265,158 |
| Long-term notes | 1,451,117 | - | - | 1,451,117 |
| Inventories | 594,043 | - | - | 594,043 |
| Equity in joint ventures | 13,282 | - | - | 13,282 |
| Restricted assets: | | | | |
| Equity in central treasury | - | - | 13,004,997 | 13,004,997 |
| Receivables: | | | | |
| State of Alaska | - | - | 409,722 | 409,722 |
| Total assets | \$ 6,147,466 | 5,589,076 | 13,414,719 | 25,151,261 |
| LIABILITIES | | | | |
| Interfund payable to other funds | \$ 1,821,854 | - | - | 1,821,854 |
| Accounts payable | 117,562 | - | - | 117,562 |
| Accrued salaries, payroll taxes and withholding payable | 264,849 | - | - | 264,849 |
| Deferred revenues | 1,347,289 | - | - | 1,347,289 |
| Advance from General Fund | 115,084 | - | - | 115,084 |
| Payable from restricted assets: | | | | |
| Interfund payable to General Fund | - | - | 336,458 | 336,458 |
| Accounts and contracts payable | - | - | 777,293 | 777,293 |
| Deferred revenues | - | - | 3,603 | 3,603 |
| Total liabilities | 3,666,638 | - | 1,117,354 | 4,783,992 |
| FUND BALANCES | | | | |
| Reserved: | | | | |
| Subsequent year expenditures | 296,400 | - | - | 296,400 |
| Encumbrances | 250,886 | - | 2,782,459 | 3,033,345 |
| Long-term notes receivable | 1,189,481 | - | - | 1,189,481 |
| Equity in joint ventures | 13,282 | - | - | 13,282 |
| Unreserved: | | | | |
| Designated: | | | | |
| Compensated absences | 610,012 | - | - | 610,012 |
| Undesignated, reported in: | | | | |
| Special Revenue Funds | 120,767 | - | - | 120,767 |
| Debt Service Funds | - | 5,589,076 | - | 5,589,076 |
| Capital Projects Funds | - | - | 9,514,906 | 9,514,906 |
| Total fund balances | 2,480,828 | 5,589,076 | 12,297,365 | 20,367,269 |
| Total liabilities and fund balances | \$ 6,147,466 | 5,589,076 | 13,414,719 | 25,151,261 |

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2004

| | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total</u> |
|---|----------------------------|-------------------------|-----------------------------|---------------------|
| REVENUES | | | | |
| Taxes | \$ 2,597,396 | - | - | 2,597,396 |
| State sources: | | | | |
| State shared revenue | 4,419 | - | - | 4,419 |
| Grants - other | 120,000 | - | 1,577,575 | 1,697,575 |
| Federal sources | 347,725 | - | 10,779 | 358,504 |
| Local sources | 311,737 | - | - | 311,737 |
| Charges for services | 2,022,640 | - | - | 2,022,640 |
| Contracted services | 331,700 | - | - | 331,700 |
| Licenses, permits and fees | 5,151,829 | - | - | 5,151,829 |
| Interest | 16,782 | - | - | 16,782 |
| Land sales | 847,573 | - | - | 847,573 |
| Rentals | 232,503 | - | - | 232,503 |
| Equity in earnings of AJT Mining Properties, Inc. joint ventures | 103 | - | - | 103 |
| Other | 441,127 | - | - | 441,127 |
| Total revenues | <u>12,425,534</u> | <u>-</u> | <u>1,588,354</u> | <u>14,013,888</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Recreation | 1,641,870 | - | - | 1,641,870 |
| Community development and lands management | 1,339,426 | - | - | 1,339,426 |
| Low-income housing | 2,469 | - | - | 2,469 |
| Public safety | 2,150,693 | - | - | 2,150,693 |
| Public transportation | 3,742,621 | - | - | 3,742,621 |
| Tourism and conventions | 1,434,807 | - | - | 1,434,807 |
| Other | 192,722 | 3,951 | - | 196,673 |
| Debt service: | | | | |
| Principal | 89,823 | 4,424,790 | 32,321 | 4,546,934 |
| Interest | 7,186 | 1,950,904 | 4,499 | 1,962,589 |
| Fiscal agent, bond issuance and letter of credit fees | - | - | 12,352 | 12,352 |
| Capital projects | - | - | 8,133,314 | 8,133,314 |
| Total expenditures | <u>10,601,617</u> | <u>6,379,645</u> | <u>8,182,486</u> | <u>25,163,748</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,823,917</u> | <u>(6,379,645)</u> | <u>(6,594,132)</u> | <u>(11,149,860)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | 4,836,800 | 10,601,562 | 8,444,813 | 23,883,175 |
| Transfers to other funds | (6,668,888) | (12,454,600) | (1,727,309) | (20,850,797) |
| Premium on bonds issued | - | 399,222 | - | 399,222 |
| Bond proceeds | - | 12,450,000 | 800,000 | 13,250,000 |
| Total other financing sources (uses) | <u>(1,832,088)</u> | <u>10,996,184</u> | <u>7,517,504</u> | <u>16,681,600</u> |
| Net change in fund balances | (8,171) | 4,616,539 | 923,372 | 5,531,740 |
| Fund balances at the beginning of year | <u>2,488,999</u> | <u>972,537</u> | <u>11,373,993</u> | <u>14,835,529</u> |
| Fund balances at end of year | <u>\$ 2,480,828</u> | <u>5,589,076</u> | <u>12,297,365</u> | <u>20,367,269</u> |



GENERAL FUND

The General Fund is used to account for all the financial operations of the City and Borough not required to be accounted for in any other fund.





CITY and BOROUGH OF JUNEAU

GENERAL FUND

Comparative Balance Sheets

June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|---------------------|------------------|-------------------|
| ASSETS | | | |
| Equity in central treasury | \$ - | 3,410,819 | 3,056,609 |
| Receivables, net of allowance for doubtful accounts: | | | |
| Accounts | 1,955,533 | 1,581,175 | 1,671,940 |
| Special assessments | 722,914 | 252,836 | 376,675 |
| Taxes | 285,542 | 337,500 | 268,691 |
| State of Alaska | 68,780 | 37,237 | 216,347 |
| Interfund receivable from other funds | 4,474,086 | 2,924,663 | 3,453,355 |
| Inventories | 425,292 | 375,157 | 340,101 |
| Deposits | 511,943 | 508,943 | 465,943 |
| Prepaid items | 22,496 | 20,196 | 9,384 |
| Advance to Special Revenue Fund | 115,084 | 258,110 | 514,101 |
| | <u>8,581,670</u> | <u>9,706,636</u> | <u>10,373,146</u> |
| Total assets | \$ | | |
| LIABILITIES | | | |
| Accounts payable | \$ 608,486 | 390,616 | 430,748 |
| Accrued salaries, payroll taxes and withholdings payable | 648,253 | 547,127 | 593,437 |
| Accrued and other liabilities | 1,000,266 | 934,701 | 825,331 |
| Deferred revenues | 971,320 | 799,044 | 805,031 |
| | <u>3,228,325</u> | <u>2,671,488</u> | <u>2,654,547</u> |
| Total liabilities | | | |
| FUND BALANCE | | | |
| Reserved: | | | |
| Advance to Special Revenue Fund | 115,084 | 258,110 | 514,101 |
| Compensated absences | 1,104,027 | 1,035,868 | 1,117,678 |
| Subsequent year expenditures | 927,800 | 2,249,900 | 2,795,600 |
| Encumbrances | 241,510 | 222,673 | 253,036 |
| Prepaid items | 22,496 | 20,196 | 9,384 |
| Unreserved - undesignated | 2,942,428 | 3,248,401 | 3,028,800 |
| | <u>5,353,345</u> | <u>7,035,148</u> | <u>7,718,599</u> |
| Total fund balance | | | |
| Total liabilities and fund balance | \$ <u>8,581,670</u> | <u>9,706,636</u> | <u>10,373,146</u> |

CITY and BOROUGH OF JUNEAU

GENERAL FUND

Comparative Statements of Revenues, Expenditures,
and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|---------------------|---------------------|--------------------|
| REVENUES | | | |
| Taxes: | | | |
| Property | \$ 17,849,902 | 15,417,289 | 15,030,791 |
| Penalties, interest and discounts | 815,165 | 669,072 | 436,511 |
| State sources: | | | |
| State shared revenue | 305,955 | 500,865 | 487,302 |
| Debt reimbursement | 2,060,509 | 1,626,549 | 2,642,394 |
| Grants - other | 307,203 | 351,591 | 270,250 |
| In lieu of taxes | 35,705 | 45,704 | 50,203 |
| Federal sources: | | | |
| In lieu of taxes | 787,841 | 757,684 | 2,099,168 |
| Licenses, permits and fees | 869,781 | 710,068 | 880,365 |
| Ambulance and air medevac | 552,343 | 455,905 | 466,730 |
| Fines and forfeitures | 40,587 | 42,735 | 44,069 |
| Investment and interest income | 539,881 | 3,057,640 | 2,995,943 |
| Rentals | 1,292 | 1,341 | 1,685 |
| Special assessments | 567,060 | 153,840 | 209,442 |
| Other | 84,027 | 83,785 | 106,039 |
| Total revenues | <u>24,817,251</u> | <u>23,874,068</u> | <u>25,720,892</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Legislative | 2,469,481 | 4,032,270 | 2,400,483 |
| Legal | 1,171,372 | 748,643 | 735,114 |
| Administration | 2,667,931 | 2,595,525 | 2,590,608 |
| Education | 18,404,200 | 18,116,000 | 17,399,600 |
| Finance | 2,070,169 | 1,889,330 | 1,873,637 |
| Engineering | 513,031 | 564,762 | 449,969 |
| Libraries | 1,782,517 | 1,842,077 | 1,735,496 |
| Community development and lands management | 2,168,846 | 2,098,878 | 2,005,966 |
| Public safety | 2,295,400 | 2,117,500 | 1,878,400 |
| Facility maintenance | 1,943,359 | 1,805,557 | 1,825,510 |
| Special assessments | 168,314 | 922,411 | 14,899 |
| Other - Nondepartmental | (59,766) | 89,076 | 15,139 |
| Total expenditures | <u>35,594,854</u> | <u>36,822,029</u> | <u>32,924,821</u> |
| Deficiency of revenues over expenditures | <u>(10,777,603)</u> | <u>(12,947,961)</u> | <u>(7,203,929)</u> |



| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|---------------------|-------------------|------------------|
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from: | | | |
| Special Revenue Funds: | | | |
| Sales Tax | \$ 13,697,800 | 15,999,000 | 15,578,400 |
| Marine Passenger Fee | 925,000 | 975,300 | 1,056,200 |
| Tobacco Excess Tax | 65,000 | 215,000 | - |
| Enterprise Funds: | | | |
| Sewer | 22,718 | 5,346 | - |
| Water | 682 | 1,364 | 56,832 |
| Capital Projects Funds | 50,000 | 50,000 | - |
| Transfers to: | | | |
| Special Revenue Funds: | | | |
| Sales Tax | - | - | (557,100) |
| Mental Health | (129,000) | (129,000) | (310,400) |
| Eaglecrest | (363,100) | (363,100) | (333,100) |
| General Debt Service Fund | (4,372,100) | (3,671,900) | (5,252,000) |
| Enterprise Funds: | | | |
| Bartlett Regional Hospital | (801,200) | (817,500) | (794,200) |
| Sewer | - | - | (25,394) |
| Capital Projects Funds | - | - | (375,000) |
| Total other financing sources (uses) | <u>9,095,800</u> | <u>12,264,510</u> | <u>9,044,238</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | (1,681,803) | (683,451) | 1,840,309 |
| Fund balance at beginning of year | <u>7,035,148</u> | <u>7,718,599</u> | <u>5,878,290</u> |
| Fund balance at end of year | <u>\$ 5,353,345</u> | <u>7,035,148</u> | <u>7,718,599</u> |

CITY and BOROUGH OF JUNEAU

GENERAL FUND

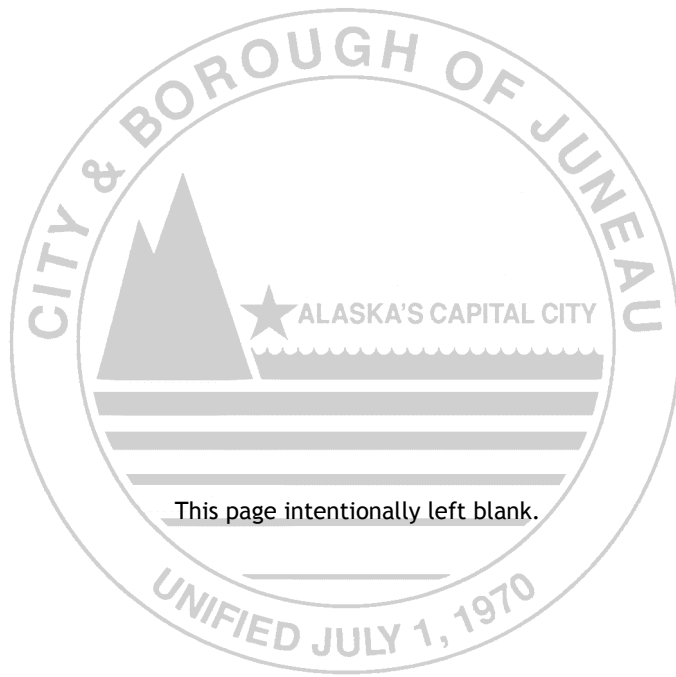
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes: | | | | |
| Property | \$ 17,776,200 | 17,776,200 | 17,849,902 | 73,702 |
| Penalties, interest and discounts | 494,000 | 494,000 | 815,165 | 321,165 |
| State sources: | | | | |
| State shared revenue | 62,500 | 62,500 | 305,955 | 243,455 |
| Debt reimbursement | 1,817,200 | 1,817,200 | 2,060,509 | 243,309 |
| Grants - other | 195,500 | 346,512 | 307,203 | (39,309) |
| In lieu of taxes | 45,000 | 45,000 | 35,705 | (9,295) |
| Federal sources: | | | | |
| In lieu of taxes | 757,700 | 757,700 | 787,841 | 30,141 |
| Licenses, permits and fees | 695,400 | 695,400 | 869,781 | 174,381 |
| Ambulance and air medivac | 519,200 | 519,200 | 552,343 | 33,143 |
| Fines and forfeitures | 47,000 | 47,000 | 40,587 | (6,413) |
| Investment and interest income | 2,592,400 | 2,592,400 | 539,881 | (2,052,519) |
| Rental | 1,200 | 1,200 | 1,292 | 92 |
| Special assessments | 86,900 | 86,900 | 567,060 | 480,160 |
| Other | 85,100 | 85,100 | 84,027 | (1,073) |
| Total revenues | <u>25,175,300</u> | <u>25,326,312</u> | <u>24,817,251</u> | <u>(509,061)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Legislative | 2,569,900 | 2,585,022 | 2,483,088 | 101,934 |
| Legal | 1,249,121 | 1,252,032 | 1,171,477 | 80,555 |
| Administration | 2,695,748 | 2,992,031 | 2,753,884 | 238,147 |
| Education | 18,404,200 | 18,404,200 | 18,404,200 | - |
| Finance | 2,199,243 | 2,251,434 | 2,122,139 | 129,295 |
| Engineering | 603,988 | 633,789 | 537,537 | 96,252 |
| Libraries | 1,835,900 | 1,856,440 | 1,787,575 | 68,865 |
| Community development and lands management | 2,309,000 | 2,345,748 | 2,194,902 | 150,846 |
| Public safety | 2,295,400 | 2,295,400 | 2,295,400 | - |
| Facility maintenance | 2,192,500 | 2,220,864 | 1,977,614 | 243,250 |
| Special assessments | 168,314 | 168,314 | 168,314 | - |
| Other - nondepartmental | 6,872 | 6,872 | 8,393 | (1,521) |
| Total expenditures and encumbrances | <u>36,530,186</u> | <u>37,012,146</u> | <u>35,904,523</u> | <u>1,107,623</u> |
| Excess (deficiency) of revenues over expenditures and encumbrances | <u>(11,354,886)</u> | <u>(11,685,834)</u> | <u>(11,087,272)</u> | <u>598,562</u> |



| OTHER FINANCING SOURCES (USES) | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|------------------------------|---------------------------|----------------------------|---|
| | Original | Final | | |
| Transfers from: | | | | |
| Special Revenue Funds: | | | | |
| Sales Tax | \$ 13,657,800 | 13,697,800 | 13,697,800 | - |
| Marine Passenger Fee | 910,000 | 925,000 | 925,000 | - |
| Tobacco Excise Tax | 65,000 | 65,000 | 65,000 | - |
| Enterprise Fund: | | | | |
| Water | 682 | 682 | 682 | - |
| Sewer | 22,718 | 22,718 | 22,718 | - |
| Capital Projects Funds | - | 50,000 | 50,000 | - |
| Transfers to: | | | | |
| Special Revenue Funds: | | | | |
| Mental Health | (129,000) | (129,000) | (129,000) | - |
| Eaglecrest | (363,100) | (363,100) | (363,100) | - |
| General Debt Service Fund | (4,372,100) | (4,372,100) | (4,372,100) | - |
| Enterprise Funds: | | | | |
| Bartlett Regional Hospital | (801,200) | (801,200) | (801,200) | - |
| Total other financing sources (uses) | <u>8,990,800</u> | <u>9,095,800</u> | <u>9,095,800</u> | <u>-</u> |
| Net change in fund balance | \$ <u><u>(2,364,086)</u></u> | <u><u>(2,590,034)</u></u> | <u><u>(1,991,472)</u></u> | <u><u>598,562</u></u> |
| Fund balance at beginning of year | | | <u>7,035,148</u> | |
| Fund balance at end of year | | | 5,043,676 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 241,510 | |
| Change in liability for compensated absences | | | <u>68,159</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u><u>5,353,345</u></u> | |



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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues from specific sources, including grants, service fees, rental charges and sales taxes, which are designated to finance particular functions and activities. This section contains a combining non-major balance sheet and a combining non-major statement of revenues, expenditures, and changes in fund balance for fiscal year ended June 30, 2004. This section also includes individual three-year comparative statements of revenues, expenditures, and changes in fund balance and budget and actual presentations for all of the following special revenue funds.

Major Special Revenue Funds

Roaded Service Area - To account for revenues and expenditures related to the roaded service area within the City and Borough of Juneau.

Sales Tax - To account for revenues received from tax on the sale of goods and services. Funds are designated for use in specific areas and/or for specific purposes. The component parts are Areawide-General Purpose, Areawide-Recreation, Areawide-Capital Projects, Areawide CIP/Sales Tax Reserve and Liquor Sales.

Non-Major Special Revenue Funds

Hotel Tax - To account for revenues from tax on transient room rentals. Proceeds are used to fund operations of the convention center.

Tobacco Excise Tax - To account for revenues received from excise taxes levied on the imported value of tobacco products. Funds are used specifically for various social service functions.

Capital Transit - To account for revenues and expenditures for the operation of the mass transit bus system.

Community Development Block Grant - To account for revenues and expenditures for the Community Development Block Grants received from the U. S. Federal Government.

Mental Health - To account for revenues and expenditures associated with mental health support and counseling services to children, youth, and adults.

Lands - To account for revenues and expenditures relating to land sales, non-enterprise fund leases, and gravel sales.

Visitor Services - To account for revenues and expenditures for the operation of the convention center.

Library Minor Contributions - To account for revenues designated for specific library expenditures.

Pass-through Grants - To account for revenues received from State and Federal grants. The funds are passed on to specific agencies to fund operations.

Eaglecrest - To account for revenues and expenditures for the operation of a ski area.

Downtown Parking - To account for revenues and expenditures for parking.

Port Development - To account for revenue obligated for major port improvements.

Low-income Housing - To account for a grant received from the State to stimulate low-income housing in the Juneau area.

Fire Service Area - To account for revenues and expenditures related to the fire service area within the City and Borough of Juneau.

Marine Passenger Fee - To account for revenues approved by the voters to mitigate the cost of tourism and tourism development.

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

Combining Balance Sheet

June 30, 2004

| | <u>Hotel Tax</u> | <u>Tobacco Excise Tax</u> | <u>Capital Transit</u> | <u>Community Development Block Grant</u> |
|---|----------------------|-------------------------------|----------------------------|--|
| ASSETS | | | | |
| Equity in central treasury | \$ - | 11,050 | - | 110,422 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Accounts | - | - | 64,344 | - |
| Taxes | 248,282 | - | - | - |
| Long-term notes | - | - | - | 90,862 |
| Inventories | - | - | 306,457 | - |
| Equity in joint ventures | - | - | - | - |
| Total assets | <u>\$ 248,282</u> | <u>11,050</u> | <u>370,801</u> | <u>201,284</u> |
| LIABILITIES | | | | |
| Interfund payable to other funds | \$ 305,954 | - | 201,788 | - |
| Accounts payable | - | - | 16,180 | 440 |
| Accrued salaries, payroll taxes, and withholdings payable | - | - | 113,983 | - |
| Deferred revenues | - | - | - | 89,674 |
| Advance from General Fund | - | - | - | - |
| Total liabilities | <u>305,954</u> | <u>-</u> | <u>331,951</u> | <u>90,114</u> |
| FUND BALANCES (DEFICITS) | | | | |
| Reserved: | | | | |
| Subsequent year expenditures | - | 12,700 | - | - |
| Encumbrances | - | - | 3,420 | - |
| Long-term notes receivable | - | - | - | 1,188 |
| Equity in joint ventures | - | - | - | - |
| Unreserved: | | | | |
| Designated-Compensated absences | - | - | 142,583 | - |
| Undesignated | (57,672) | (1,650) | (107,153) | 109,982 |
| Total fund balances (deficits) | <u>(57,672)</u> | <u>11,050</u> | <u>38,850</u> | <u>111,170</u> |
| Total liabilities and fund balances | <u>\$ 248,282</u> | <u>11,050</u> | <u>370,801</u> | <u>201,284</u> |



| <u>Mental Health</u> | <u>Lands</u> | <u>Visitor Services</u> | <u>Library Minor Contributions</u> | <u>Pass-through Grants</u> | <u>Eaglecrest</u> | <u>Down-town Parking</u> | <u>Port Development</u> |
|----------------------|------------------|-------------------------|------------------------------------|----------------------------|-------------------|--------------------------|-------------------------|
| - | 519,412 | 170,481 | 104,192 | - | - | 492,727 | 67,985 |
| 6,263 | 216,099 | 34,056 | - | - | - | - | 160,358 |
| - | - | - | - | - | - | - | - |
| - | 738,818 | - | - | - | - | - | - |
| - | - | 9,517 | - | - | 265,506 | - | - |
| - | 13,282 | - | - | - | - | - | - |
| <u>6,263</u> | <u>1,487,611</u> | <u>214,054</u> | <u>104,192</u> | <u>-</u> | <u>265,506</u> | <u>492,727</u> | <u>228,343</u> |
| - | - | - | - | - | 889,770 | - | - |
| - | 21,989 | 26,856 | - | - | 8,809 | 3,667 | - |
| - | 10,745 | 14,861 | - | - | 20,078 | - | - |
| - | 1,028,192 | 7,459 | - | - | - | 35,276 | - |
| <u>115,084</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>115,084</u> | <u>1,060,926</u> | <u>49,176</u> | <u>-</u> | <u>-</u> | <u>918,657</u> | <u>38,943</u> | <u>-</u> |
| - | - | 28,600 | - | - | - | - | 193,800 |
| - | 177,486 | 26,454 | - | - | 10,508 | (6,068) | - |
| - | 738,818 | - | - | - | - | - | - |
| - | 13,282 | - | - | - | - | - | - |
| - | 7,469 | 23,301 | - | - | 49,378 | - | - |
| (108,821) | (510,370) | 86,523 | 104,192 | - | (713,037) | 459,852 | 34,543 |
| <u>(108,821)</u> | <u>426,685</u> | <u>164,878</u> | <u>104,192</u> | <u>-</u> | <u>(653,151)</u> | <u>453,784</u> | <u>228,343</u> |
| <u>6,263</u> | <u>1,487,611</u> | <u>214,054</u> | <u>104,192</u> | <u>-</u> | <u>265,506</u> | <u>492,727</u> | <u>228,343</u> |

(Continued)

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

Combining Balance Sheet, continued

June 30, 2004

| | Low- income Housing | Fire Service Area | Marine Passenger Fee | Total |
|---|---------------------------|-------------------------|----------------------------|------------------|
| ASSETS | | | | |
| Equity in central treasury | \$ 460,799 | 759,105 | - | 2,696,173 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Accounts | - | 3,794 | 642,779 | 1,127,693 |
| Taxes | - | 16,876 | - | 265,158 |
| Long-term notes | 621,437 | - | - | 1,451,117 |
| Inventories | - | 12,563 | - | 594,043 |
| Equity in joint ventures | - | - | - | 13,282 |
| Total assets | \$ 1,082,236 | 792,338 | 642,779 | 6,147,466 |
| LIABILITIES | | | | |
| Interfund payable to other funds | \$ - | - | 424,342 | 1,821,854 |
| Accounts payable | - | 39,621 | - | 117,562 |
| Accrued salaries, payroll taxes, and withholdings payable | - | 105,182 | - | 264,849 |
| Deferred revenues | 171,962 | 14,726 | - | 1,347,289 |
| Advance from General Fund | - | - | - | 115,084 |
| Total liabilities | 171,962 | 159,529 | 424,342 | 3,666,638 |
| FUND BALANCES (DEFICITS) | | | | |
| Reserved: | | | | |
| Subsequent year expenditures | - | 25,700 | 35,600 | 296,400 |
| Encumbrances | - | 39,086 | - | 250,886 |
| Long-term notes receivable | 449,475 | - | - | 1,189,481 |
| Equity in joint ventures | - | - | - | 13,282 |
| Unreserved: | | | | |
| Designated-Compensated absences | - | 387,281 | - | 610,012 |
| Undesignated | 460,799 | 180,742 | 182,837 | 120,767 |
| Total fund balances (deficits) | 910,274 | 632,809 | 218,437 | 2,480,828 |
| Total liabilities and fund balances | \$ 1,082,236 | 792,338 | 642,779 | 6,147,466 |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2004

| | Hotel Tax | Tobacco Excise Tax | Capital Transit | Community Development Block Grant |
|---|--------------------|-----------------------|--------------------|--|
| REVENUES | | | | |
| Taxes | \$ 906,280 | - | - | - |
| State sources: | | | | |
| State shared revenue | - | - | - | - |
| Grants - other | - | - | 120,000 | - |
| Federal sources | - | - | - | - |
| Local sources | - | 311,737 | - | - |
| Charges for services | - | - | 659,362 | - |
| Contracted services | - | - | - | - |
| Licenses, permits and fees | - | - | - | - |
| Interest | - | - | - | - |
| Land sales | - | - | - | - |
| Rentals | - | - | - | - |
| Equity in earnings of AJT Mining Properties, Inc. joint ventures | - | - | - | - |
| Other | - | - | 5,123 | - |
| Total revenues | <u>906,280</u> | <u>311,737</u> | <u>784,485</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Recreation | - | - | - | - |
| Community development and lands management | - | - | - | 441 |
| Low-income housing | - | - | - | - |
| Public safety | - | - | - | - |
| Public transportation | - | - | 3,742,621 | - |
| Community projects | - | - | - | - |
| Tourism and conventions | - | - | - | - |
| Other | 12,960 | 4,316 | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>12,960</u> | <u>4,316</u> | <u>3,742,621</u> | <u>441</u> |
| Excess (deficiency) of revenues over expenditures | <u>893,320</u> | <u>307,421</u> | <u>(2,958,136)</u> | <u>(441)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | - | - | 2,547,600 | - |
| Transfers to other funds | (939,800) | (310,500) | - | - |
| Total other financing sources (uses) | <u>(939,800)</u> | <u>(310,500)</u> | <u>2,547,600</u> | <u>-</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and financing uses | (46,480) | (3,079) | (410,536) | (441) |
| Fund balances (deficits) at beginning of year | (11,192) | 14,129 | 449,386 | 111,611 |
| Fund balances (deficits) at end of year | <u>\$ (57,672)</u> | <u>11,050</u> | <u>38,850</u> | <u>111,170</u> |

(Continued)

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, continued

For the fiscal year ended June 30, 2004

| | <u>Mental Health</u> | <u>Lands</u> | <u>Visitor Services</u> | <u>Library Minor Contributions</u> |
|---|--------------------------|------------------|-----------------------------|--|
| REVENUES | | | | |
| Taxes | \$ - | - | - | - |
| State sources: | | | | |
| State shared revenue | - | - | - | - |
| Grants - other | - | - | - | - |
| Federal sources | - | 347,725 | - | - |
| Local sources | - | - | - | - |
| Charges for services | 13,240 | - | - | - |
| Contracted services | - | - | - | - |
| Licenses, permits and fees | - | - | - | - |
| Interest | - | 16,782 | - | - |
| Land sales | - | 790,622 | - | - |
| Rentals | - | 46,090 | 186,413 | - |
| Equity in earnings of AJT Mining Properties, Inc. joint ventures | - | 103 | - | - |
| Other | - | 308,528 | 89,069 | 4,969 |
| Total revenues | <u>13,240</u> | <u>1,509,850</u> | <u>275,482</u> | <u>4,969</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Recreation | - | - | - | - |
| Community development and lands management | - | 1,338,985 | - | - |
| Low-income housing | - | - | - | - |
| Public safety | - | - | - | - |
| Public transportation | - | - | - | - |
| Community projects | - | - | - | - |
| Tourism and conventions | - | - | 1,434,807 | - |
| Other | - | - | - | - |
| Debt service: | | | | |
| Principal | - | 89,823 | - | - |
| Interest | - | 7,186 | - | - |
| Total expenditures | <u>-</u> | <u>1,435,994</u> | <u>1,434,807</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | <u>13,240</u> | <u>73,856</u> | <u>(1,159,325)</u> | <u>4,969</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | 129,000 | 500,000 | 1,036,800 | - |
| Transfers to other funds | - | (225,000) | - | - |
| Total other financing sources (uses) | <u>129,000</u> | <u>275,000</u> | <u>1,036,800</u> | <u>-</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and financing uses | 142,240 | 348,856 | (122,525) | 4,969 |
| Fund balances (deficits) at beginning of year | <u>(251,061)</u> | <u>77,829</u> | <u>287,403</u> | <u>99,223</u> |
| Fund balances (deficits) at end of year | <u>\$ (108,821)</u> | <u>426,685</u> | <u>164,878</u> | <u>104,192</u> |



| <u>Pass-through Grants</u> | <u>Eaglecrest</u> | <u>Down-town Parking</u> | <u>Port Development</u> | <u>Low-income Housing</u> | <u>Fire Service Area</u> | <u>Marine Passenger Fee</u> | <u>Total</u> |
|----------------------------|-------------------|--------------------------|-------------------------|---------------------------|--------------------------|-----------------------------|--------------------|
| - | - | - | - | - | 1,691,116 | - | 2,597,396 |
| - | - | - | - | - | 4,419 | - | 4,419 |
| - | - | - | - | - | - | - | 120,000 |
| - | - | - | - | - | - | - | 347,725 |
| - | - | - | - | - | - | - | 311,737 |
| - | 1,110,423 | 239,615 | - | - | - | - | 2,022,640 |
| - | - | - | - | - | 331,700 | - | 331,700 |
| - | - | - | 1,099,825 | - | - | 4,052,004 | 5,151,829 |
| - | - | - | - | - | - | - | 16,782 |
| - | - | - | - | 56,951 | - | - | 847,573 |
| - | - | - | - | - | - | - | 232,503 |
| - | - | - | - | - | - | - | 103 |
| - | - | - | - | 27,000 | 6,438 | - | 441,127 |
| - | <u>1,110,423</u> | <u>239,615</u> | <u>1,099,825</u> | <u>83,951</u> | <u>2,033,673</u> | <u>4,052,004</u> | <u>12,425,534</u> |
| - | 1,641,870 | - | - | - | - | - | 1,641,870 |
| - | - | - | - | - | - | - | 1,339,426 |
| - | - | - | - | 2,469 | - | - | 2,469 |
| - | - | - | - | - | 2,150,693 | - | 2,150,693 |
| - | - | - | - | - | - | - | 3,742,621 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1,434,807 |
| - | - | 175,446 | - | - | - | - | 192,722 |
| - | - | - | - | - | - | - | 89,823 |
| - | - | - | - | - | - | - | 7,186 |
| - | <u>1,641,870</u> | <u>175,446</u> | <u>-</u> | <u>2,469</u> | <u>2,150,693</u> | <u>-</u> | <u>10,601,617</u> |
| - | (531,447) | 64,169 | 1,099,825 | 81,482 | (117,020) | 4,052,004 | 1,823,917 |
| - | 388,100 | - | - | - | 235,300 | - | 4,836,800 |
| - | - | - | (1,263,800) | - | - | (3,929,788) | (6,668,888) |
| - | <u>388,100</u> | <u>-</u> | <u>(1,263,800)</u> | <u>-</u> | <u>235,300</u> | <u>(3,929,788)</u> | <u>(1,832,088)</u> |
| - | (143,347) | 64,169 | (163,975) | 81,482 | 118,280 | 122,216 | (8,171) |
| - | <u>(509,804)</u> | <u>389,615</u> | <u>392,318</u> | <u>828,792</u> | <u>514,529</u> | <u>96,221</u> | <u>2,488,999</u> |
| - | <u>(653,151)</u> | <u>453,784</u> | <u>228,343</u> | <u>910,274</u> | <u>632,809</u> | <u>218,437</u> | <u>2,480,828</u> |

CITY and BOROUGH OF JUNEAU

Major Special Revenue Funds

ROADED SERVICE AREA

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal year ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|---------------------|-------------------|--------------------|
| REVENUES | | | |
| Property taxes | \$ 10,625,288 | 11,422,680 | 11,257,006 |
| State sources: | | | |
| Safe Communities | - | 753,108 | 755,741 |
| State shared revenue | 504,358 | 153,535 | 158,317 |
| Grants | 22,745 | 34,191 | 8,070 |
| Forest receipts | 806,804 | 797,061 | 790,709 |
| Federal source - grant | - | 1,220 | 179 |
| Licenses, permits and fees | 1,444,477 | 1,198,860 | 1,068,500 |
| Fines and forfeitures | 591,209 | 458,944 | 416,601 |
| Other | 29,546 | 20,380 | 863 |
| Total revenues | <u>14,024,427</u> | <u>14,839,979</u> | <u>14,455,986</u> |
| EXPENDITURES | | | |
| Education | 200,000 | 200,000 | 200,000 |
| Parks and recreation | 2,886,184 | 2,584,531 | 2,218,420 |
| Public safety - police | 8,847,322 | 8,834,298 | 7,859,213 |
| Public works - roads and street maintenance | 3,141,502 | 2,966,795 | 2,918,281 |
| Total expenditures | <u>15,075,008</u> | <u>14,585,624</u> | <u>13,195,914</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,050,581)</u> | <u>254,355</u> | <u>1,260,072</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from Special Revenue Funds: | | | |
| Sales Tax | 2,462,000 | 2,462,000 | 450,000 |
| Marine Passenger Fee | 571,961 | 541,700 | 441,000 |
| Transfers to Special Revenue Funds: | | | |
| Capital Transit | (2,342,600) | (2,589,900) | (2,490,400) |
| Eaglecrest | (25,000) | (25,000) | (25,000) |
| Total other financing sources (uses) | <u>666,361</u> | <u>388,800</u> | <u>(1,624,400)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>(384,220)</u> | <u>643,155</u> | <u>(364,328)</u> |
| Fund balance at beginning of year | <u>3,465,639</u> | <u>2,822,484</u> | <u>3,186,812</u> |
| Fund balance at end of year | <u>\$ 3,081,419</u> | <u>3,465,639</u> | <u>2,822,484</u> |

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|---------------------|--------------------|----------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Property taxes | \$ 10,623,400 | 10,623,400 | 10,625,288 | 1,888 |
| State sources: | | | | |
| State shared revenue | 567,900 | 567,900 | 504,358 | (63,542) |
| Grants | 64,000 | 69,775 | 22,745 | (47,030) |
| Forest receipts | 941,900 | 941,900 | 806,804 | (135,096) |
| Federal source - grant | 10,700 | 10,700 | - | (10,700) |
| Licenses, permits and fees | 1,550,500 | 1,565,500 | 1,444,477 | (121,023) |
| Fines and forfeitures | 544,000 | 544,000 | 591,209 | 47,209 |
| Other | 15,500 | 32,244 | 29,546 | (2,698) |
| Total revenues | <u>14,317,900</u> | <u>14,355,419</u> | <u>14,024,427</u> | <u>(330,992)</u> |
| EXPENDITURES | | | | |
| Education | 200,000 | 200,000 | 200,000 | - |
| Parks and recreation | 3,062,900 | 3,159,249 | 2,938,292 | 220,957 |
| Public safety - police | 9,282,300 | 9,239,981 | 8,928,607 | 311,374 |
| Public works - roads and street maintenance | 3,389,300 | 3,414,961 | 3,181,347 | 233,614 |
| Air pollution | - | - | 3,500 | (3,500) |
| Total expenditures and encumbrances | <u>15,934,500</u> | <u>16,014,191</u> | <u>15,251,746</u> | <u>762,445</u> |
| Excess (deficiency) of revenues over expenditures and encumbrances | <u>(1,616,600)</u> | <u>(1,658,772)</u> | <u>(1,227,319)</u> | <u>431,453</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from Special Revenue Funds: | | | | |
| Sales Tax | 2,462,000 | 2,462,000 | 2,462,000 | - |
| Marine Passenger Fee | 625,700 | 571,961 | 571,961 | - |
| Transfers to Special Revenue Funds: | | | | |
| Capital Transit | (2,342,600) | (2,342,600) | (2,342,600) | - |
| Eaglecrest | (25,000) | (25,000) | (25,000) | - |
| Total other financing sources (uses) | <u>720,100</u> | <u>666,361</u> | <u>666,361</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(896,500)</u> | <u>(992,411)</u> | <u>(560,958)</u> | <u>431,453</u> |
| Fund balance at beginning of year | | | <u>3,465,639</u> | |
| Fund balance at end of year | | | 2,904,681 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 121,832 | |
| Change in liability for compensated absences | | | <u>54,906</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u><u>3,081,419</u></u> | |

CITY and BOROUGH OF JUNEAU

Major Special Revenue Funds

SALES TAX

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|----------------------|---------------------|---------------------|
| REVENUES | | | |
| General sales tax: | | | |
| Areawide 2% | \$ 12,766,755 | 12,085,238 | 11,623,132 |
| Areawide Recreation 1% Prop 2 2001 | 6,383,377 | 6,042,619 | 5,811,567 |
| Areawide Capital Projects 1% | 6,383,377 | 6,042,619 | 5,811,567 |
| Areawide CIP/Sales Tax Reserve 1% | 6,383,377 | 6,042,619 | 5,811,567 |
| Total general sales tax | <u>31,916,886</u> | <u>30,213,095</u> | <u>29,057,833</u> |
| Liquor sales tax - 3% | 743,837 | 629,661 | 592,499 |
| Miscellaneous | 41,100 | 22,920 | 24,079 |
| Total revenues | <u>32,701,823</u> | <u>30,865,676</u> | <u>29,674,411</u> |
| EXPENDITURES - Other | 620,138 | 662,473 | 640,112 |
| Excess of revenues over expenditures | <u>32,081,685</u> | <u>30,203,203</u> | <u>29,034,299</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfer from General Fund | - | - | 557,100 |
| Transfer from Capital Projects | - | 2,500,000 | - |
| Transfers to: | | | |
| General Fund | (13,697,800) | (15,999,000) | (15,578,400) |
| Special Revenue Funds: | | | |
| Fire Service Area | (175,000) | (175,000) | - |
| Roaded Service Area | (2,462,000) | (2,462,000) | (450,000) |
| Capital Projects Funds | (5,796,000) | (9,424,000) | (11,626,500) |
| Enterprise Funds: | | | |
| Bartlett Regional Hospital | (623,300) | (587,900) | (559,900) |
| Capital Projects | (6,224,000) | (2,732,200) | (5,280,000) |
| General Debt Service Fund | (293,100) | (293,500) | (348,300) |
| Total other financing sources (uses) | <u>(29,271,200)</u> | <u>(29,173,600)</u> | <u>(33,286,000)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 2,810,485 | 1,029,603 | (4,251,701) |
| Fund balance at beginning of year | <u>7,238,665</u> | <u>6,209,062</u> | <u>10,460,763</u> |
| Fund balance at end of year | <u>\$ 10,049,150</u> | <u>7,238,665</u> | <u>6,209,062</u> |

SALES TAX

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|---------------------|---------------------|----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| General sales tax: | | | | |
| Areawide 2% | \$ 11,785,000 | 11,785,000 | 12,766,755 | 981,755 |
| Areawide Recreation 1% Prop 2 2001 | 5,892,500 | 5,892,500 | 6,383,377 | 490,877 |
| Areawide Capital Projects 1% | 5,892,500 | 5,892,500 | 6,383,377 | 490,877 |
| Areawide CIP/Sales Tax Reserve 1% | 5,892,500 | 5,892,500 | 6,383,377 | 490,877 |
| Total general sales tax | <u>29,462,500</u> | <u>29,462,500</u> | <u>31,916,886</u> | <u>2,454,386</u> |
| Liquor sales tax - 3% | 635,000 | 635,000 | 743,837 | 108,837 |
| Miscellaneous | 42,900 | 42,900 | 41,100 | (1,800) |
| Total revenues | <u>30,140,400</u> | <u>30,140,400</u> | <u>32,701,823</u> | <u>2,561,423</u> |
| EXPENDITURES - Other | 680,100 | 680,100 | 620,138 | 59,962 |
| Excess of revenues over expenditures | <u>29,460,300</u> | <u>29,460,300</u> | <u>32,081,685</u> | <u>2,621,385</u> |
| OTHER FINANCING USES | | | | |
| Transfers to: | | | | |
| General Fund | (13,657,800) | (13,697,800) | (13,697,800) | - |
| Special Revenue Funds: | | | | |
| Fire Service Area | (175,000) | (175,000) | (175,000) | - |
| Roaded Service Area | (2,462,000) | (2,462,000) | (2,462,000) | - |
| Capital Projects Funds | (5,796,000) | (5,796,000) | (5,796,000) | - |
| Enterprise Funds: | | | | |
| Bartlett Regional Hospital | (623,300) | (623,300) | (623,300) | - |
| Capital Projects | (6,224,000) | (6,224,000) | (6,224,000) | - |
| General Debt Service Fund | (293,100) | (293,100) | (293,100) | - |
| Total other financing uses | <u>(29,231,200)</u> | <u>(29,271,200)</u> | <u>(29,271,200)</u> | <u>-</u> |
| Net change in fund balance | \$ <u>229,100</u> | <u>189,100</u> | 2,810,485 | <u>2,621,385</u> |
| Fund balance at beginning of year | | | <u>7,238,665</u> | |
| Fund balance at end of year | | | \$ <u>10,049,150</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

HOTEL TAX

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|---------------------------|------------------------|------------------------|
| REVENUES - Taxes | \$ 906,280 | 897,011 | 926,630 |
| EXPENDITURES - Other | 12,960 | 13,492 | 17,698 |
| Excess of revenues over expenditures | <u>893,320</u> | <u>883,519</u> | <u>908,932</u> |
| OTHER FINANCING USES - Transfer to Visitor Services Special Revenue Fund | <u>(939,800)</u> | <u>(879,800)</u> | <u>(1,013,600)</u> |
| Excess (deficiency) of revenues over expenditures and other financing uses | (46,480) | 3,719 | (104,668) |
| Fund balance (deficit) at beginning of year | <u>(11,192)</u> | <u>(14,911)</u> | <u>89,757</u> |
| Fund deficit at end of year | \$ <u><u>(57,672)</u></u> | <u><u>(11,192)</u></u> | <u><u>(14,911)</u></u> |

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|-------------------|------------------|--------------------|---|
| | Original | Final | | |
| REVENUES - Taxes | \$ 945,000 | 945,000 | 906,280 | (38,720) |
| EXPENDITURES - Other | 13,800 | 13,800 | 12,960 | 840 |
| Excess of revenues over expenditures | <u>931,200</u> | <u>931,200</u> | <u>893,320</u> | <u>(37,880)</u> |
| OTHER FINANCING USES - Transfer to Visitor Services Special Revenue Fund | <u>(939,800)</u> | <u>(939,800)</u> | <u>(939,800)</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(8,600)</u> | <u>(8,600)</u> | (46,480) | <u>(37,880)</u> |
| Fund deficit at beginning of year | | | <u>(11,192)</u> | |
| Fund deficit at end of year | | | \$ <u>(57,672)</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

TOBACCO EXCISE TAX

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|------------------|------------------|------------------|
| REVENUES - Local sources | \$ 311,737 | 303,889 | 292,819 |
| EXPENDITURES - Other | 4,316 | 4,650 | 2,296 |
| Excess of revenues over expenditures | <u>307,421</u> | <u>299,239</u> | <u>290,523</u> |
| OTHER FINANCING USES | | | |
| Transfers to: | | | |
| General Fund | (65,000) | (215,000) | - |
| Bartlett Regional Hospital Enterprise Fund | <u>(245,500)</u> | <u>(239,500)</u> | <u>(228,100)</u> |
| Total other financing uses | <u>(310,500)</u> | <u>(454,500)</u> | <u>(228,100)</u> |
| Excess (deficiency) of revenues over expenditures and other financing uses | (3,079) | (155,261) | 62,423 |
| Fund balance at beginning of year | <u>14,129</u> | <u>169,390</u> | <u>106,967</u> |
| Fund balance at end of year | <u>\$ 11,050</u> | <u>14,129</u> | <u>169,390</u> |

TOBACCO EXCISE TAX

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|-------------------|------------------|-------------------------|---|
| | Original | Final | | |
| REVENUES - Local sources | \$ 309,000 | 309,000 | 311,737 | 2,737 |
| EXPENDITURES - Other | 4,700 | 4,700 | 4,316 | 384 |
| Excess of revenues over expenditures | <u>304,300</u> | <u>304,300</u> | <u>307,421</u> | <u>3,121</u> |
| OTHER FINANCING USES | | | | |
| Transfers to: | | | | |
| General Fund | (65,000) | (65,000) | (65,000) | - |
| Bartlett Regional Hospital Enterprise Fund | (245,500) | (245,500) | (245,500) | - |
| Total other financing uses | <u>(310,500)</u> | <u>(310,500)</u> | <u>(310,500)</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(6,200)</u> | <u>(6,200)</u> | (3,079) | <u>3,121</u> |
| Fund balance at beginning of year | | | <u>14,129</u> | |
| Fund balance at end of year | | | \$ <u><u>11,050</u></u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

CAPITAL TRANSIT

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|--------------------|--------------------|--------------------|
| REVENUES | | | |
| State sources - Urban Mass Transportation | | | |
| Administration grant | \$ 120,000 | 87,005 | 146,114 |
| Charges for services | 659,362 | 566,487 | 603,212 |
| Rental | - | 450 | 4,050 |
| Bad debt recovery (expense) | 2,838 | (1,784) | - |
| Other | 2,285 | 700 | 576 |
| Total revenues | <u>784,485</u> | <u>652,858</u> | <u>753,952</u> |
| EXPENDITURES | | | |
| Operations | 2,883,183 | 2,562,109 | 2,387,494 |
| Maintenance | 859,438 | 786,122 | 679,959 |
| Total expenditures | <u>3,742,621</u> | <u>3,348,231</u> | <u>3,067,453</u> |
| Deficiency of revenues over expenditures | <u>(2,958,136)</u> | <u>(2,695,373)</u> | <u>(2,313,501)</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers from Special Revenue Funds: | | | |
| Roaded Service Area | 2,342,600 | 2,589,900 | 2,490,400 |
| Marine Passenger Fee | 205,000 | 205,000 | 165,000 |
| Total other financing sources | <u>2,547,600</u> | <u>2,794,900</u> | <u>2,655,400</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | (410,536) | 99,527 | 341,899 |
| Fund balance at beginning of year | <u>449,386</u> | <u>349,859</u> | <u>7,960</u> |
| Fund balance at end of year | <u>\$ 38,850</u> | <u>449,386</u> | <u>349,859</u> |

CAPITAL TRANSIT

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources - Urban Mass | | | | |
| Transportation Administration grant | \$ 84,000 | 84,000 | 120,000 | 36,000 |
| Charges for services | 756,900 | 756,900 | 659,362 | (97,538) |
| Bad debt recovery (expense) | - | - | 2,838 | 2,838 |
| Other | 3,000 | 3,000 | 2,285 | (715) |
| Total revenues | <u>843,900</u> | <u>843,900</u> | <u>784,485</u> | <u>(59,415)</u> |
| EXPENDITURES | | | | |
| Operations | 2,714,500 | 2,848,901 | 2,905,929 | (57,028) |
| Maintenance | 879,900 | 880,037 | 859,722 | 20,315 |
| Total expenditures and encumbrances | <u>3,594,400</u> | <u>3,728,938</u> | <u>3,765,651</u> | <u>(36,713)</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(2,750,500)</u> | <u>(2,885,038)</u> | <u>(2,981,166)</u> | <u>(96,128)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from Special Revenue Funds: | | | | |
| Roaded Service Area | 2,342,600 | 2,342,600 | 2,342,600 | - |
| Marine Passenger Fee | 205,000 | 205,000 | 205,000 | - |
| Total other financing sources | <u>2,547,600</u> | <u>2,547,600</u> | <u>2,547,600</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (202,900)</u> | <u>(337,438)</u> | <u>(433,566)</u> | <u>(96,128)</u> |
| Fund balance at beginning of year | | | <u>449,386</u> | |
| Fund balance at end of year | | | 15,820 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 3,420 | |
| Change in liability for compensated absences | | | <u>19,610</u> | |
| Fund balance at end of year - GAAP basis | | | <u>\$ 38,850</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

COMMUNITY DEVELOPMENT BLOCK GRANT

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|-------------------|----------------|----------------|
| REVENUES | | | |
| Community Development Block Grant | \$ - | - | 198,000 |
| Bad debt recovery | - | 5,000 | - |
| Total revenues | <u>-</u> | <u>5,000</u> | <u>198,000</u> |
| EXPENDITURES | | | |
| Community development and lands management | <u>441</u> | <u>-</u> | <u>198,000</u> |
| Excess (deficiency) of revenues over expenditures | (441) | 5,000 | - |
| Fund balance at beginning of year | <u>111,611</u> | <u>106,611</u> | <u>106,611</u> |
| Fund balance at end of year | <u>\$ 111,170</u> | <u>111,611</u> | <u>106,611</u> |

COMMUNITY DEVELOPMENT BLOCK GRANT

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget - positive (negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Community Development Block Grant | \$ - | 378,420 | - | (378,420) |
| EXPENDITURES - Community development and lands management | - | 378,420 | 441 | 377,979 |
| Excess (deficiency) of revenues over expenditures | \$ - | - | (441) | (441) |
| Fund balance at beginning of year | | | 111,611 | |
| Fund balance at end of year | | | \$ 111,170 | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

MENTAL HEALTH

Comparative Statements of Revenues, Expenditures, and Changes in Fund Deficit

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|--------------------------------|-----------------------------|-----------------------------|
| REVENUES | | | |
| Charges for Services - Clinic fees | \$ - | 119,129 | - |
| Bad debt recovery | 13,240 | 6,043 | 19,429 |
| Total revenues | <u>13,240</u> | <u>125,172</u> | <u>19,429</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers from: | | | |
| General Fund | 129,000 | 129,000 | 310,400 |
| Chemical Dependency Special Revenue Fund | - | 126,923 | - |
| Total other financing sources | <u>129,000</u> | <u>255,923</u> | <u>310,400</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | 142,240 | 381,095 | 329,829 |
| Fund deficit at beginning of year | <u>(251,061)</u> | <u>(632,156)</u> | <u>(961,985)</u> |
| Fund deficit at end of year | <u><u>\$ (108,821)</u></u> | <u><u>(251,061)</u></u> | <u><u>(632,156)</u></u> |

Schedule of Revenues, Expenditures, and Changes in Fund Deficit - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|------------------------------------|-------------------|----------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Charges for Services - Clinic fees | \$ 5,000 | 5,000 | - | (5,000) |
| Bad debt recovery | - | - | 13,240 | 13,240 |
| Total revenues | <u>5,000</u> | <u>5,000</u> | 13,240 | 8,240 |
| OTHER FINANCING SOURCES - | | | | |
| Transfer from General Fund | <u>129,000</u> | <u>129,000</u> | 129,000 | - |
| Net change in fund balance | <u>\$ 134,000</u> | <u>134,000</u> | 142,240 | <u>8,240</u> |
| Fund deficit at beginning of year | | | <u>(251,061)</u> | |
| Fund deficit at end of year | | | <u>\$ (108,821)</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

LANDS

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|-------------------|------------------|------------------|
| REVENUES | | | |
| State Sources - DNR | | | |
| national coast wetlands | \$ - | 553,000 | - |
| Federal Sources - USFS | | | |
| raptor center land | 347,725 | - | - |
| Interest | 16,782 | 46,666 | 110,978 |
| Land sales | 790,622 | 139,254 | 391,753 |
| Rentals | 46,090 | 44,289 | 44,460 |
| Equity in earnings of AJT Mining Properties, Inc. | | | |
| joint ventures | 103 | 131 | 190 |
| Gravel sales - Lemon Creek gravel pit | 349,325 | 158,062 | 203,952 |
| Bad debt recovery (expense) | (40,797) | (13,695) | 11,930 |
| Total revenues | <u>1,509,850</u> | <u>927,707</u> | <u>763,263</u> |
| EXPENDITURES | | | |
| Land management | 277,802 | 269,823 | 238,771 |
| Land acquisition | 812,746 | 847,051 | 169,599 |
| Land management response | 7,097 | 26,917 | 10,032 |
| Land selection | 7,493 | 6,934 | 148,100 |
| Lease maintenance | 10,639 | 20,391 | 16,378 |
| Lemon Creek gravel pit | 301,082 | 205,047 | 176,014 |
| Miscellaneous property examinations | 1,129 | 8,794 | 5,904 |
| Foreclosures and LID payments | 18,006 | 8,569 | 33,340 |
| Other | - | 4,875 | 837 |
| Total expenditures | <u>1,435,994</u> | <u>1,398,401</u> | <u>798,975</u> |
| Excess (deficiency) of revenues over expenditures | <u>73,856</u> | <u>(470,694)</u> | <u>(35,712)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from Capital Projects Fund | 500,000 | - | 455,000 |
| Transfers to Capital Projects Fund | (225,000) | - | (1,027,000) |
| Total other financing sources (uses) | <u>275,000</u> | <u>-</u> | <u>(572,000)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 348,856 | (470,694) | (607,712) |
| Fund balance at beginning of year | <u>77,829</u> | <u>548,523</u> | <u>1,156,235</u> |
| Fund balance at end of year | <u>\$ 426,685</u> | <u>77,829</u> | <u>548,523</u> |

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Federal Sources - USFS | | | | |
| raptor center land | \$ - | 347,725 | 347,725 | - |
| Interest | 243,300 | 243,300 | 16,782 | (226,518) |
| Land sales | 508,700 | 508,700 | 790,622 | 281,922 |
| Rentals | 44,300 | 44,300 | 46,090 | 1,790 |
| Equity in earnings of AJT Mining Properties, Inc. | | | | |
| joint ventures | 100 | 100 | 103 | 3 |
| Gravel sales - Lemon Creek gravel pit | 288,000 | 288,000 | 349,325 | 61,325 |
| Bad debt recovery (expense) | - | - | (40,797) | (40,797) |
| Total revenues | <u>1,084,400</u> | <u>1,432,125</u> | <u>1,509,850</u> | <u>77,725</u> |
| EXPENDITURES | | | | |
| Land management | 278,300 | 293,200 | 279,066 | 14,134 |
| Land acquisition | - | 847,725 | 813,302 | 34,423 |
| Land management response | 25,000 | 30,898 | 7,684 | 23,214 |
| Land selection | 150,000 | 150,000 | 95,422 | 54,578 |
| Lease maintenance | 9,400 | 9,400 | 10,639 | (1,239) |
| Lemon Creek gravel pit | 325,200 | 370,886 | 383,096 | (12,210) |
| Miscellaneous property examinations | 30,000 | 25,000 | 1,129 | 23,871 |
| Foreclosures and LID payments | 20,000 | 20,000 | 18,006 | 1,994 |
| Total expenditures and encumbrances | <u>837,900</u> | <u>1,747,109</u> | <u>1,608,344</u> | <u>138,765</u> |
| Excess (deficiency) of revenues over expenditures and encumbrances | <u>246,500</u> | <u>(314,984)</u> | <u>(98,494)</u> | <u>216,490</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer from Capital Projects Funds | - | 500,000 | 500,000 | - |
| Transfers to Capital Projects Funds | (200,000) | (225,000) | (225,000) | - |
| Total other financing sources (uses) | <u>(200,000)</u> | <u>275,000</u> | <u>275,000</u> | <u>-</u> |
| Net change in fund balance | \$ <u>46,500</u> | <u>(39,984)</u> | 176,506 | <u>216,490</u> |
| Fund balance at beginning of year | | | <u>77,829</u> | |
| Fund balance at end of year | | | 254,335 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 177,486 | |
| Change in liability for compensated absences | | | <u>(5,136)</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u>426,685</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

VISITOR SERVICES

Comparative Statements of Revenues, Expenditures, and Change in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|--------------------|--------------------|--------------------|
| REVENUES | | | |
| Rental income | \$ 186,413 | 244,726 | 166,487 |
| Concessions | 29,876 | 47,447 | 36,824 |
| Other | 59,193 | 69,885 | 55,172 |
| Total revenues | <u>275,482</u> | <u>362,058</u> | <u>258,483</u> |
| EXPENDITURES | | | |
| Operations | 677,007 | 668,546 | 558,054 |
| Visitor information | 757,800 | 725,800 | 800,000 |
| Total expenditures | <u>1,434,807</u> | <u>1,394,346</u> | <u>1,358,054</u> |
| Deficiency of revenues over expenditures | <u>(1,159,325)</u> | <u>(1,032,288)</u> | <u>(1,099,571)</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers from Special Revenue Funds: | | | |
| Hotel Tax | 939,800 | 879,800 | 1,013,600 |
| Marine Passenger Fee | 97,000 | 97,000 | 97,000 |
| Total other financing sources | <u>1,036,800</u> | <u>976,800</u> | <u>1,110,600</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | (122,525) | (55,488) | 11,029 |
| Fund balance at beginning of year | <u>287,403</u> | <u>342,891</u> | <u>331,862</u> |
| Fund balance at end of year | <u>\$ 164,878</u> | <u>287,403</u> | <u>342,891</u> |

VISITOR SERVICES

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Rental income | \$ 195,300 | 195,300 | 186,413 | (8,887) |
| Concessions | 37,700 | 37,700 | 29,876 | (7,824) |
| Other | 59,100 | 59,100 | 59,193 | 93 |
| Total revenues | <u>292,100</u> | <u>292,100</u> | <u>275,482</u> | <u>(16,618)</u> |
| EXPENDITURES | | | | |
| Operations | 679,900 | 716,378 | 692,577 | 23,801 |
| Visitor information | 757,800 | 757,800 | 757,800 | - |
| Total expenditures and encumbrances | <u>1,437,700</u> | <u>1,474,178</u> | <u>1,450,377</u> | <u>23,801</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(1,145,600)</u> | <u>(1,182,078)</u> | <u>(1,174,895)</u> | <u>7,183</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from Special Revenue Funds: | | | | |
| Hotel Tax | 939,800 | 939,800 | 939,800 | - |
| Marine Passenger Fee | 97,000 | 97,000 | 97,000 | - |
| Total other financing sources | <u>1,036,800</u> | <u>1,036,800</u> | <u>1,036,800</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(108,800)</u> | <u>(145,278)</u> | (138,095) | <u>7,183</u> |
| Fund balance at beginning of year | | | <u>287,403</u> | |
| Fund balance at end of year | | | 149,308 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 26,454 | |
| Change in liability for compensated absences | | | <u>(10,884)</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u>164,878</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

LIBRARY MINOR CONTRIBUTIONS

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--------------------------------------|-------------------|---------------|---------------|
| REVENUES - Donations | \$ 4,969 | 4,868 | 8,343 |
| EXPENDITURES - Materials | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over expenditures | 4,969 | 4,868 | 8,343 |
| Fund balance at beginning of year | <u>99,223</u> | <u>94,355</u> | <u>86,012</u> |
| Fund balance at end of year | <u>\$ 104,192</u> | <u>99,223</u> | <u>94,355</u> |

LIBRARY MINOR CONTRIBUTIONS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget - positive (negative)</u> |
|---|-------------------------|--------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES - Donations | \$ 6,700 | 6,700 | 4,969 | (1,731) |
| EXPENDITURES - Materials | <u>6,700</u> | <u>6,700</u> | <u>-</u> | <u>6,700</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | <u>-</u> | 4,969 | <u>4,969</u> |
| Fund balance at beginning of year | | | <u>99,223</u> | |
| Fund balance at end of year | | | \$ <u>104,192</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

PASS-THROUGH GRANTS

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|-------------|---------------|---------------|
| REVENUES | | | |
| State grants and entitlement | \$ - | 60,710 | 57,120 |
| EXPENDITURES | | | |
| Community projects - pass-through grants: | | | |
| Juneau Alliance for Mental Health, Inc. (JAMHI) | - | 2,905 | 2,944 |
| AWARE | - | 13,943 | 14,133 |
| REACH, Inc. | - | 7,262 | 7,361 |
| Wildflower Court | - | 15,976 | 12,955 |
| Juneau Youth Services, Inc. | - | 9,876 | 9,716 |
| Gastineau Manor | - | 10,748 | 10,011 |
| Total expenditures | <u>-</u> | <u>60,710</u> | <u>57,120</u> |
| Excess of revenues over expenditures | - | - | - |
| Fund balance at beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> |

PASS-THROUGH GRANTS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|------------------|-------|--------|---|
| | Original | Final | | |
| REVENUES - State grants and entitlement | \$ - | - | - | - |
| EXPENDITURES | | | | |
| Community projects - pass-through grants: | | | | |
| Juneau Alliance for Mental Health, Inc. (JAMHI) | - | - | - | - |
| AWARE | - | - | - | - |
| REACH, Inc. | - | - | - | - |
| Wildflower Court | - | - | - | - |
| Juneau Youth Services, Inc. | - | - | - | - |
| Gastineau Manor | - | - | - | - |
| Total expenditures | - | - | - | - |
| Excess of revenues over expenditures | \$ - | - | - | - |
| Fund balance at beginning of year | | | - | |
| Fund balance at end of year | | | \$ - | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

EAGLECREST

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|---------------------|------------------|------------------|
| REVENUES | | | |
| Charges for services: | | | |
| Ski tickets | \$ 668,341 | 275,930 | 580,832 |
| Ski school fees | 109,986 | 48,099 | 114,456 |
| Other | 332,096 | 146,864 | 365,826 |
| Total revenues | <u>1,110,423</u> | <u>470,893</u> | <u>1,061,114</u> |
| EXPENDITURES | | | |
| Ski area operations | 1,247,292 | 1,060,138 | 1,190,035 |
| Ski school operations | 151,640 | 95,692 | 127,017 |
| Ski area maintenance | 242,938 | 243,425 | 279,864 |
| Total expenditures | <u>1,641,870</u> | <u>1,399,255</u> | <u>1,596,916</u> |
| Deficiency of revenues over expenditures | <u>(531,447)</u> | <u>(928,362)</u> | <u>(535,802)</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers from: | | | |
| General Fund | 363,100 | 363,100 | 333,100 |
| Roaded Service Area Special Revenue Fund | 25,000 | 25,000 | 25,000 |
| Total other financing sources | <u>388,100</u> | <u>388,100</u> | <u>358,100</u> |
| Deficiency of revenues and other financing sources over expenditures | <u>(143,347)</u> | <u>(540,262)</u> | <u>(177,702)</u> |
| Fund balance (deficit) at beginning of the year | <u>(509,804)</u> | <u>30,458</u> | <u>208,160</u> |
| Fund balance (deficit) at end of year | <u>\$ (653,151)</u> | <u>(509,804)</u> | <u>30,458</u> |

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|------------------|------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Charges for services: | | | | |
| Ski tickets | \$ 846,600 | 846,600 | 668,341 | (178,259) |
| Ski school fees | 117,000 | 117,000 | 109,986 | (7,014) |
| Other | 383,000 | 383,000 | 332,096 | (50,904) |
| Total revenues | <u>1,346,600</u> | <u>1,346,600</u> | <u>1,110,423</u> | <u>(236,177)</u> |
| EXPENDITURES | | | | |
| Ski area operations | 1,304,300 | 1,304,300 | 1,262,844 | 41,456 |
| Ski school operations | 127,200 | 127,200 | 151,640 | (24,440) |
| Ski area maintenance | 257,300 | 257,300 | 242,938 | 14,362 |
| Total expenditures and encumbrances | <u>1,688,800</u> | <u>1,688,800</u> | <u>1,657,422</u> | <u>31,378</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(342,200)</u> | <u>(342,200)</u> | <u>(546,999)</u> | <u>(204,799)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from: | | | | |
| General Fund | 363,100 | 363,100 | 363,100 | - |
| Roaded Service Area Special Revenue Fund | 25,000 | 25,000 | 25,000 | - |
| Total other financing sources | <u>388,100</u> | <u>388,100</u> | <u>388,100</u> | <u>-</u> |
| Net change in fund balance (deficit) | \$ <u>45,900</u> | <u>45,900</u> | (158,899) | <u>(204,799)</u> |
| Fund deficit at beginning of year | | | (509,804) | |
| Fund deficit at end of year | | | (668,703) | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 10,508 | |
| Change in liability for compensated absences | | | <u>5,044</u> | |
| Fund deficit at end of year - GAAP basis | | | \$ <u>(653,151)</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

DOWNTOWN PARKING

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|-------------------|------------------|----------------|
| REVENUES - Charges for parking | \$ 239,615 | 226,289 | 204,612 |
| EXPENDITURES | | | |
| Salaries and fringe benefits | 14,806 | 15,329 | 10,983 |
| Utilities | 22,768 | 20,996 | 22,617 |
| Contractual services | 26,018 | 26,507 | 24,869 |
| Maintenance services | 69,318 | 49,272 | 55,742 |
| Other | 42,536 | 42,760 | 36,602 |
| Total expenditures | <u>175,446</u> | <u>154,864</u> | <u>150,813</u> |
| Excess of revenues over expenditures | 64,169 | 71,425 | 53,799 |
| OTHER FINANCING USES | | | |
| Transfer to Capital Projects Funds | <u>-</u> | <u>(200,000)</u> | <u>-</u> |
| Excess (deficiency) of revenues and other financing uses over expenditures | 64,169 | (128,575) | 53,799 |
| Fund balance at beginning of year | <u>389,615</u> | <u>518,190</u> | <u>464,391</u> |
| Fund balance at end of year | <u>\$ 453,784</u> | <u>389,615</u> | <u>518,190</u> |

DOWNTOWN PARKING

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|------------------|---------|------------|---|
| | Original | Final | | |
| REVENUES - Charges for parking | \$ 264,000 | 264,000 | 239,615 | (24,385) |
| EXPENDITURES | | | | |
| Salaries and fringe benefits | 18,200 | 18,200 | 14,806 | 3,394 |
| Utilities | 22,700 | 22,700 | 22,768 | (68) |
| Contractual services | 34,100 | 34,100 | 26,018 | 8,082 |
| Maintenance services | 46,800 | 46,800 | 69,318 | (22,518) |
| Other | 44,800 | 44,800 | 42,536 | 2,264 |
| Total expenditures | 166,600 | 166,600 | 175,446 | (8,846) |
| Excess of revenues over expenditures | \$ 97,400 | 97,400 | 64,169 | (33,231) |
| Fund balance at beginning of year | | | 389,615 | |
| Fund balance at end of year | | | \$ 453,784 | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

PORT DEVELOPMENT

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|--------------------------|-----------------------|-----------------------|
| REVENUES - Port fees | \$ <u>1,099,825</u> | <u>1,051,938</u> | <u>1,464,446</u> |
| OTHER FINANCING USES | | | |
| Transfers to: | | | |
| Debt Service Funds: | | | |
| General | - | - | (948,100) |
| Port | (1,138,800) | (90,000) | - |
| Enterprise Funds Capital Projects | (125,000) | (900,000) | (1,150,000) |
| Total other financing uses | <u>(1,263,800)</u> | <u>(990,000)</u> | <u>(2,098,100)</u> |
| Excess (deficiency) of revenues over other financing uses | (163,975) | 61,938 | (633,654) |
| Fund balance at beginning of year | <u>392,318</u> | <u>330,380</u> | <u>964,034</u> |
| Fund balance at end of year | \$ <u><u>228,343</u></u> | <u><u>392,318</u></u> | <u><u>330,380</u></u> |

PORT DEVELOPMENT

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|-----------------------------------|---------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES - Port fees | \$ 1,061,200 | 1,061,200 | 1,099,825 | 38,625 |
| OTHER FINANCING USES | | | | |
| Transfers to: | | | | |
| Port Debt Service Fund | (1,138,800) | (1,138,800) | (1,138,800) | - |
| Enterprise Funds Capital Projects | (125,000) | (125,000) | (125,000) | - |
| Total other financing uses | <u>(1,263,800)</u> | <u>(1,263,800)</u> | <u>(1,263,800)</u> | - |
| Net change in fund balance | \$ <u>(202,600)</u> | <u>(202,600)</u> | (163,975) | <u>38,625</u> |
| Fund balance at beginning of year | | | <u>392,318</u> | |
| Fund balance at end of year | | | \$ <u>228,343</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

LOW-INCOME HOUSING

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|-------------------|----------------|------------------|
| REVENUES | | | |
| Loan repayments | \$ 56,951 | 18,979 | 15,816 |
| Rehabilitation Loans | 27,000 | - | - |
| Less: bad debt expense | - | (79) | - |
| Total revenues | <u>83,951</u> | <u>18,900</u> | <u>15,816</u> |
| EXPENDITURES | | | |
| Affordable Housing Permit | 210 | 5,800 | 9,217 |
| Contingency | 1,800 | 5,332 | 50,000 |
| Gastineau Human Services Loan | - | - | 200,000 |
| Juneau Housing Trust Loan | - | - | 37,952 |
| Thane Road Campground grant | 459 | 676 | 2,970 |
| Total expenditures | <u>2,469</u> | <u>11,808</u> | <u>300,139</u> |
| Excess (deficiency) of revenues over expenditures | 81,482 | 7,092 | (284,323) |
| Fund balance at beginning of year | <u>828,792</u> | <u>821,700</u> | <u>1,106,023</u> |
| Fund balance at end of year | <u>\$ 910,274</u> | <u>828,792</u> | <u>821,700</u> |

LOW-INCOME HOUSING

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|------------------|----------|------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Loan repayments | \$ - | - | 56,951 | 56,951 |
| Rehabilitation Loans | - | - | 27,000 | 27,000 |
| Total revenues | - | - | 83,951 | 83,951 |
| EXPENDITURES | | | | |
| Affordable Housing Permit | - | - | 210 | (210) |
| Contingency | - | 9,668 | 1,800 | 7,868 |
| Thane Road Campground grant | - | 458 | 459 | (1) |
| Total expenditures | - | 10,126 | 2,469 | 7,657 |
| Excess (deficiency) of revenues over expenditures and encumbrances | \$ - | (10,126) | 81,482 | 91,608 |
| Fund balance at beginning of year | | | 828,792 | |
| Fund balance at end of year | | | \$ 910,274 | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

FIRE SERVICE AREA

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|-------------------|------------------|------------------|
| REVENUES | | | |
| Property taxes | \$ 1,691,116 | 1,794,303 | 1,771,662 |
| State shared revenue - entitlement | 4,419 | 8,118 | 10,203 |
| Contracted services - fire | 331,700 | 323,800 | 307,100 |
| Other | 6,438 | 12,233 | 29,693 |
| Total revenues | <u>2,033,673</u> | <u>2,138,454</u> | <u>2,118,658</u> |
| EXPENDITURES | | | |
| Fire protection services | <u>2,150,693</u> | <u>2,353,428</u> | <u>2,128,434</u> |
| Deficiency of revenues over expenditures | (117,020) | (214,974) | (9,776) |
| OTHER FINANCING SOURCES | | | |
| Transfers from Special Revenue Funds: | | | |
| Sales Tax | 175,000 | 175,000 | - |
| Marine Passenger Fee | 60,300 | 59,300 | 46,800 |
| Total other financing sources | <u>235,300</u> | <u>234,300</u> | <u>46,800</u> |
| Excess of revenues and other financing sources over expenditures | 118,280 | 19,326 | 37,024 |
| Fund balance at beginning of year | <u>514,529</u> | <u>495,203</u> | <u>458,179</u> |
| Fund balance at end of year | <u>\$ 632,809</u> | <u>514,529</u> | <u>495,203</u> |

FIRE SERVICE AREA

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Property taxes | \$ 1,688,800 | 1,688,800 | 1,691,116 | 2,316 |
| State shared revenue - entitlement | 3,400 | 3,400 | 4,419 | 1,019 |
| Contracted services - fire | 331,700 | 331,700 | 331,700 | - |
| Other | 11,500 | 11,500 | 6,438 | (5,062) |
| Total revenues | <u>2,035,400</u> | <u>2,035,400</u> | <u>2,033,673</u> | <u>(1,727)</u> |
| EXPENDITURES | | | | |
| Fire protection services | <u>2,400,400</u> | <u>2,413,933</u> | <u>2,221,345</u> | <u>192,588</u> |
| Deficiency of revenues over expenditures and encumbrances | (365,000) | (378,533) | (187,672) | 190,861 |
| OTHER FINANCING SOURCES | | | | |
| Transfers from Special Revenue Funds: | | | | |
| Sales Tax | 175,000 | 175,000 | 175,000 | - |
| Marine Passenger Fee | 60,300 | 60,300 | 60,300 | - |
| Total other financing sources | <u>235,300</u> | <u>235,300</u> | <u>235,300</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(129,700)</u> | <u>(143,233)</u> | 47,628 | <u>190,861</u> |
| Fund balance at beginning of year | | | <u>514,529</u> | |
| Fund balance at end of year | | | 562,157 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 39,086 | |
| Change in liability for compensated absences | | | <u>31,566</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u>632,809</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

MARINE PASSENGER FEE

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

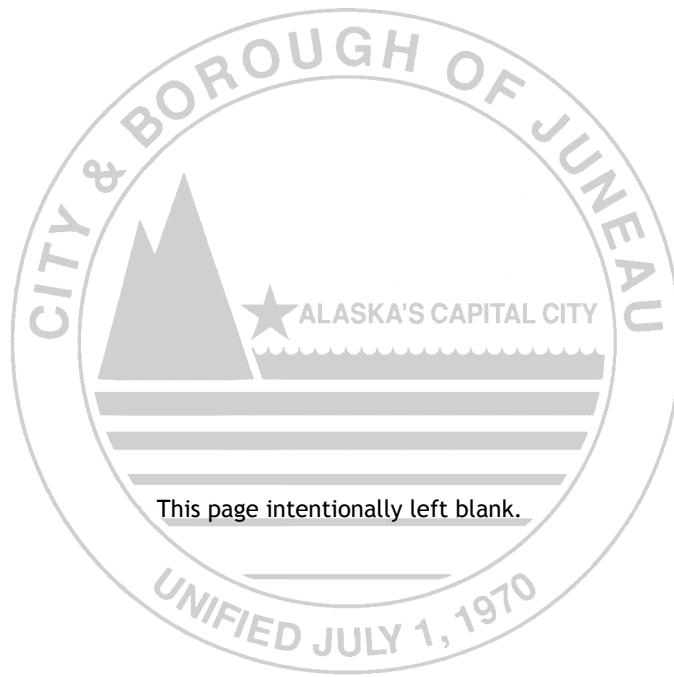
| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|--------------------|--------------------|--------------------|
| REVENUES - Marine passenger fees | \$ 4,052,004 | 3,638,816 | 3,393,475 |
| OTHER FINANCING USES | | | |
| Transfers to: | | | |
| General Fund | (925,000) | (975,300) | (1,056,200) |
| Special Revenue Funds: | | | |
| Capital Transit | (205,000) | (205,000) | (165,000) |
| Visitor Services | (97,000) | (97,000) | (97,000) |
| Roaded Service Area | (571,961) | (541,700) | (441,000) |
| Fire Service Area | (60,300) | (59,300) | (46,800) |
| Dock Enterprise Fund | (29,106) | - | - |
| Capital Projects Funds | (1,719,221) | (1,705,900) | (1,691,000) |
| Port Debt Service | (322,200) | - | - |
| Total other financing uses | <u>(3,929,788)</u> | <u>(3,584,200)</u> | <u>(3,497,000)</u> |
| Excess (deficiency) of revenues over other financing uses | 122,216 | 54,616 | (103,525) |
| Fund balance at beginning of year | <u>96,221</u> | <u>41,605</u> | <u>145,130</u> |
| Fund balance at end of year | <u>\$ 218,437</u> | <u>96,221</u> | <u>41,605</u> |

MARINE PASSENGER FEE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

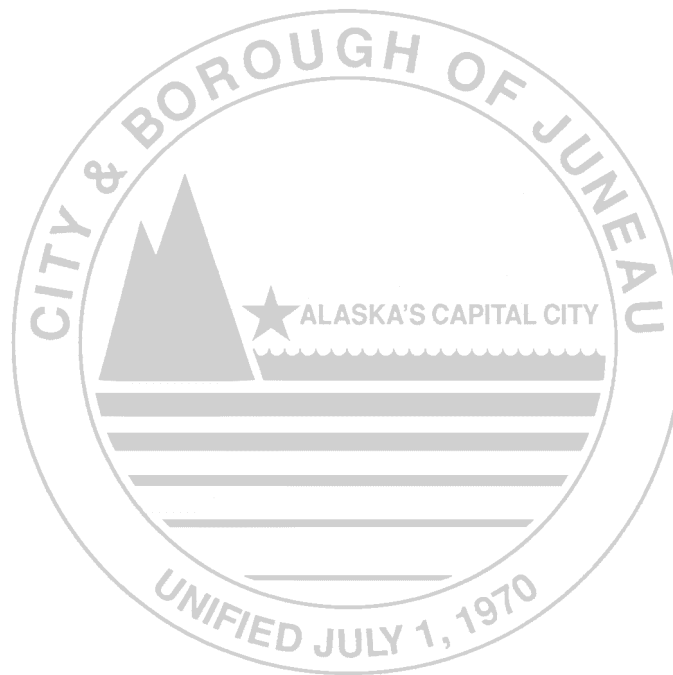
| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|-----------------------------------|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES - Marine passenger fees | \$ 3,858,400 | 3,858,400 | 4,052,004 | 193,604 |
| OTHER FINANCING USES | | | | |
| Transfers to: | | | | |
| General Fund | (910,000) | (925,000) | (925,000) | - |
| Special Revenue Funds: | | | | |
| Capital Transit | (205,000) | (205,000) | (205,000) | - |
| Visitor Services | (97,000) | (97,000) | (97,000) | - |
| Roaded Service Area | (625,700) | (571,961) | (571,961) | - |
| Fire Service Area | (60,300) | (60,300) | (60,300) | - |
| Dock Enterprise Fund | - | (29,106) | (29,106) | - |
| Capital Projects Funds | (1,638,000) | (1,719,221) | (1,719,221) | - |
| Port Debt Service | (322,200) | (322,200) | (322,200) | - |
| Total other financing uses | <u>(3,858,200)</u> | <u>(3,929,788)</u> | <u>(3,929,788)</u> | - |
| Net change in fund balance | \$ <u>200</u> | <u>(71,388)</u> | 122,216 | <u>193,604</u> |
| Fund balance at beginning of year | | | <u>96,221</u> | |
| Fund balance at end of year | | | \$ <u>218,437</u> | |



NON-MAJOR DEBT SERVICE FUNDS

General Debt Service - To account for the payment of principal, interest and fiscal charges on all general obligation debt and property purchase agreements, except for the debt and property purchase agreements attributable to the Proprietary Fund Types. Revenues are from interest earned on unspent bond proceeds.

Port Debt Service - To account for the payment of principal, interest and fiscal charges on the 2003 Series A Steamship Wharf/Marine Park Revenue bonds. This bond issue includes a provision that requires the CBJ maintain a separate debt service fund during the life of the issue. The debt service on these bonds is paid with a combination of Port Development Fees (75%) and Marine Passenger Fees (25%). Each source of payment is fully obligated to pay the outstanding debt service.



CITY and BOROUGH OF JUNEAU

DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2004

| | <u>General</u> | <u>Port</u> | <u>Total</u> |
|---|----------------------------|-----------------------|-------------------------|
| ASSETS | | | |
| Equity in central treasury | \$ <u>5,019,319</u> | <u>569,757</u> | <u>5,589,076</u> |
| Total assets | \$ <u><u>5,019,319</u></u> | <u><u>569,757</u></u> | <u><u>5,589,076</u></u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities - accounts payable | \$ - | - | - |
| Fund balances - unreserved - designated for debt service | <u>5,019,319</u> | <u>569,757</u> | <u>5,589,076</u> |
| Total liabilities and fund balances | \$ <u><u>5,019,319</u></u> | <u><u>569,757</u></u> | <u><u>5,589,076</u></u> |

DEBT SERVICE FUNDS

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2004

| | <u>General</u> | <u>Port</u> | <u>Total</u> |
|---|---------------------|--------------------|--------------------|
| REVENUE - Investment and interest income | \$ - | - | - |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principal on bonds | 3,069,790 | 1,355,000 | 4,424,790 |
| Interest on bonds | 1,793,254 | 157,650 | 1,950,904 |
| Fiscal agent and letter of credit fees | 3,951 | - | 3,951 |
| Total expenditures | <u>4,866,995</u> | <u>1,512,650</u> | <u>6,379,645</u> |
| Deficiency of revenue over expenditures | <u>(4,866,995)</u> | <u>(1,512,650)</u> | <u>(6,379,645)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from: | | | |
| General Fund | 4,372,100 | - | 4,372,100 |
| Special Revenue Funds: | | | |
| Sales Tax | 293,100 | - | 293,100 |
| Port Development | - | 1,138,800 | 1,138,800 |
| Marine Passenger Fee | - | 322,200 | 322,200 |
| Capital Projects Funds | 4,475,362 | - | 4,475,362 |
| Transfers to Enterprise Funds: | | | |
| Airport | (250,000) | - | (250,000) |
| Bartlett Regional Hospital | (4,600) | - | (4,600) |
| Harbor | (9,250,000) | - | (9,250,000) |
| Water | (2,950,000) | - | (2,950,000) |
| Premium on bonds issued | 399,222 | - | 399,222 |
| Proceeds from bonds | 12,450,000 | - | 12,450,000 |
| Total other financing sources (uses) | <u>9,535,184</u> | <u>1,461,000</u> | <u>10,996,184</u> |
| Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses | 4,668,189 | (51,650) | 4,616,539 |
| Fund balance at beginning of year | <u>351,130</u> | <u>621,407</u> | <u>972,537</u> |
| Fund balance at end of year | <u>\$ 5,019,319</u> | <u>569,757</u> | <u>5,589,076</u> |

CITY and BOROUGH OF JUNEAU

GENERAL DEBT SERVICE FUND

Comparative Statements of Revenue, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|---------------------|--------------------|--------------------|
| REVENUE - Investment and interest income | \$ - | - | - |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principal on bonds | 3,069,790 | 2,853,771 | 5,202,492 |
| Interest on bonds | 1,793,254 | 1,281,770 | 1,180,100 |
| Fiscal agent and letter of credit fees | 3,951 | 49,671 | 7,558 |
| Total expenditures | <u>4,866,995</u> | <u>4,185,212</u> | <u>6,390,150</u> |
| Deficiency of revenue over expenditures | <u>(4,866,995)</u> | <u>(4,185,212)</u> | <u>(6,390,150)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from: | | | |
| General Fund | 4,372,100 | 3,671,900 | 5,252,000 |
| Special Revenue Funds: | | | |
| Sales Tax | 293,100 | 293,500 | 348,300 |
| Port Development | - | - | 948,100 |
| Bartlett Regional Hospital Enterprise Fund | - | 37,400 | - |
| Capital Projects Funds | 4,475,362 | - | - |
| Transfers to Enterprise Funds: | | | |
| Airport | (250,000) | (850,000) | - |
| Bartlett Regional Hospital | (4,600) | - | - |
| Harbor | (9,250,000) | - | - |
| Water | (2,950,000) | - | - |
| Premium on bonds issued | 399,222 | - | 180,382 |
| Proceeds of bonds | 12,450,000 | 850,000 | - |
| Proceeds of refunding bonds | - | 2,663,634 | - |
| Payment to refunded bond escrow agent | - | (2,618,206) | - |
| Total other financing sources (uses) | <u>9,535,184</u> | <u>4,048,228</u> | <u>6,728,782</u> |
| Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses | 4,668,189 | (136,984) | 338,632 |
| Fund balance at beginning of year | <u>351,130</u> | <u>488,114</u> | <u>149,482</u> |
| Fund balance at end of year | \$ <u>5,019,319</u> | <u>351,130</u> | <u>488,114</u> |

GENERAL DEBT SERVICE FUND

Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|--------------------|---------------------|---|
| | Original | Final | | |
| REVENUE - Investment and interest income | \$ - | - | - | - |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal on bonds | 3,069,800 | 3,069,800 | 3,069,790 | 10 |
| Interest on bonds | 1,885,600 | 1,885,600 | 1,793,254 | 92,346 |
| Fiscal agent and letter of credit fees | 5,200 | 5,200 | 3,951 | 1,249 |
| Total expenditures | <u>4,960,600</u> | <u>4,960,600</u> | <u>4,866,995</u> | <u>93,605</u> |
| Deficiency of revenue over expenditures | <u>(4,960,600)</u> | <u>(4,960,600)</u> | <u>(4,866,995)</u> | <u>93,605</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from: | | | | |
| General Fund | 4,372,100 | 4,372,100 | 4,372,100 | - |
| Special Revenue Funds: | | | | |
| Sales Tax | 293,100 | 293,100 | 293,100 | - |
| Capital Projects Funds | - | 4,475,362 | 4,475,362 | - |
| Transfers to Enterprise Funds: | | | | |
| Airport | - | (250,000) | (250,000) | - |
| Bartlett Regional Hospital | (4,600) | (4,600) | (4,600) | - |
| Harbor | - | (9,250,000) | (9,250,000) | - |
| Water | - | (2,950,000) | (2,950,000) | - |
| Premium on bonds issued | - | 399,222 | 399,222 | - |
| Proceeds of bonds | - | 12,450,000 | 12,450,000 | - |
| Total other financing sources (uses) | <u>4,660,600</u> | <u>9,535,184</u> | <u>9,535,184</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (300,000)</u> | <u>4,574,584</u> | <u>4,668,189</u> | <u>93,605</u> |
| Fund balance at beginning of year | | | <u>351,130</u> | |
| Fund balance at end of year | | | <u>\$ 5,019,319</u> | |

CITY and BOROUGH OF JUNEAU

PORT DEBT SERVICE FUND

Statement of Revenue, Expenditures, and Changes in Fund Balance

For the fiscal year ended June 30, 2004 and 2003

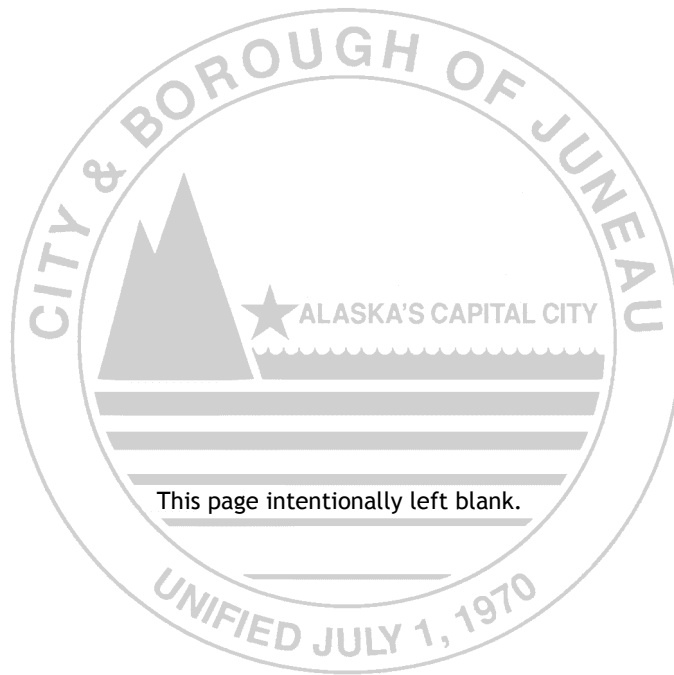
| | <u>2004</u> | <u>2003</u> |
|---|--------------------------|-----------------------|
| REVENUE - Investment and interest income | \$ - | - |
| EXPENDITURES | | |
| Debt service: | | |
| Principal on bonds | 1,355,000 | - |
| Interest on bonds | 157,650 | 37,093 |
| Total expenditures | <u>1,512,650</u> | <u>37,093</u> |
| Deficiency of revenue over expenditures | <u>(1,512,650)</u> | <u>(37,093)</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers from Special Revenue Funds: | | |
| Port Development | 1,138,800 | 90,000 |
| Marine Passenger Fee | 322,200 | - |
| Transfers to Dock Enterprise Fund | - | (5,275,410) |
| Premium on bonds issued | - | 158,910 |
| Proceeds on Port Bond | - | 5,685,000 |
| Total other financing sources (uses) | <u>1,461,000</u> | <u>658,500</u> |
| Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses | (51,650) | 621,407 |
| Fund balance at beginning of year | <u>621,407</u> | - |
| Fund balance at end of year | \$ <u><u>569,757</u></u> | <u><u>621,407</u></u> |

PORT DEBT SERVICE FUND

Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUE - Investment and interest income | \$ - | - | - | - |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal on bonds | 1,355,000 | 1,355,000 | 1,355,000 | - |
| Interest on bonds | 157,700 | 157,700 | 157,650 | 50 |
| Total expenditures | <u>1,512,700</u> | <u>1,512,700</u> | <u>1,512,650</u> | <u>50</u> |
| Deficiency of revenue over expenditures | <u>(1,512,700)</u> | <u>(1,512,700)</u> | <u>(1,512,650)</u> | <u>50</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from Special Revenue Funds: | | | | |
| Port Development | 1,138,800 | 1,138,800 | 1,138,800 | - |
| Marine Passenger Fee | 322,200 | 322,200 | 322,200 | - |
| Total other financing sources | <u>1,461,000</u> | <u>1,461,000</u> | <u>1,461,000</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(51,700)</u> | <u>(51,700)</u> | (51,650) | <u>50</u> |
| Fund balance at beginning of year | | | <u>621,407</u> | |
| Fund balance at end of year | | | \$ <u>569,757</u> | |



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CAPITAL PROJECT FUNDS

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Major Capital Projects Funds

Schools - To account for capital improvement projects for construction, major maintenance and renovation of school buildings.

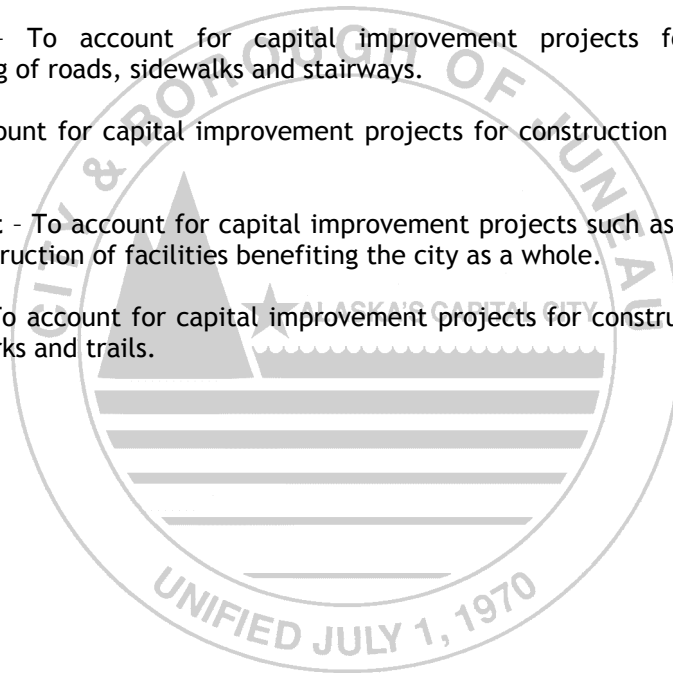
Non-Major Capital Project Funds

Roads and Sidewalks - To account for capital improvement projects for improvements, repair, reconstruction, and paving of roads, sidewalks and stairways.

Fire and Safety - To account for capital improvement projects for construction and major maintenance of fire and police stations.

Community Development - To account for capital improvement projects such as environmental studies and city wide plans, and construction of facilities benefiting the city as a whole.

Parks and Recreation - To account for capital improvement projects for construction and rehabilitation of recreational facilities, parks and trails.



NON-MAJOR CAPITAL PROJECTS FUNDS

Combining Balance Sheet

June 30, 2004

| | <u>Roads and Sidewalks</u> | <u>Fire and Safety</u> | <u>Community Development</u> |
|-------------------------------------|--------------------------------|----------------------------|----------------------------------|
| ASSETS | | | |
| Equity in central treasury | \$ 5,510,301 | 197,734 | 3,397,209 |
| Receivables: | | | |
| State of Alaska | <u>2,700</u> | <u>147,450</u> | <u>91,344</u> |
| Total assets | <u>\$ 5,513,001</u> | <u>345,184</u> | <u>3,488,553</u> |
| LIABILITIES | | | |
| Interfund payable to other funds | \$ 2,122 | 164,410 | 80,871 |
| Accounts payable | 496,136 | 39,976 | 104,379 |
| Deferred revenue | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>498,258</u> | <u>204,386</u> | <u>185,250</u> |
| FUND BALANCES | | | |
| Reserved for encumbrances | 1,590,384 | 267,851 | 298,192 |
| Unreserved - undesignated | <u>3,424,359</u> | <u>(127,053)</u> | <u>3,005,111</u> |
| Total fund balances | <u>5,014,743</u> | <u>140,798</u> | <u>3,303,303</u> |
| Total liabilities and fund balances | <u>\$ 5,513,001</u> | <u>345,184</u> | <u>3,488,553</u> |



| <u>Parks and Recreation</u> | <u>Total</u> |
|-----------------------------|-------------------|
| 3,899,753 | 13,004,997 |
| <u>168,228</u> | <u>409,722</u> |
| <u>4,067,981</u> | <u>13,414,719</u> |
| 89,055 | 336,458 |
| 136,802 | 777,293 |
| <u>3,603</u> | <u>3,603</u> |
| <u>229,460</u> | <u>1,117,354</u> |
| 626,032 | 2,782,459 |
| <u>3,212,489</u> | <u>9,514,906</u> |
| <u>3,838,521</u> | <u>12,297,365</u> |
| <u>4,067,981</u> | <u>13,414,719</u> |

CITY AND BOROUGH OF JUNEAU

NON-MAJOR CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2004

| | <u>Roads and Sidewalks</u> | <u>Fire and Safety</u> | <u>Community Development</u> |
|--|--------------------------------|----------------------------|----------------------------------|
| REVENUES | | | |
| State sources | \$ - | 387,633 | 731,764 |
| Federal sources | - | 10,779 | - |
| Total revenues | <u>-</u> | <u>398,412</u> | <u>731,764</u> |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principle | - | - | - |
| Interest | | | |
| Bond issuance costs | - | - | 10,109 |
| Capital outlay | 4,031,036 | 533,868 | 1,690,521 |
| Total expenditures | <u>4,031,036</u> | <u>533,868</u> | <u>1,700,630</u> |
| Deficiency of revenues over expenditures | <u>(4,031,036)</u> | <u>(135,456)</u> | <u>(968,866)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| General obligation bond proceeds | - | - | 655,000 |
| Transfers from other funds | 5,031,788 | 45,000 | 1,366,329 |
| Transfers to other funds | (673,163) | - | (524,450) |
| Total other financing sources (uses) | <u>4,358,625</u> | <u>45,000</u> | <u>1,496,879</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | <u>327,589</u> | <u>(90,456)</u> | <u>528,013</u> |
| Fund balances at beginning of year | <u>4,687,154</u> | <u>231,254</u> | <u>2,775,290</u> |
| Fund balances at end of year | <u>\$ 5,014,743</u> | <u>140,798</u> | <u>3,303,303</u> |



| <u>Parks and Recreation</u> | <u>Total</u> |
|-----------------------------|--------------------|
| 458,178 | 1,577,575 |
| - | 10,779 |
| <u>458,178</u> | <u>1,588,354</u> |
| 32,321 | 32,321 |
| 4,499 | 4,499 |
| 2,243 | 12,352 |
| 1,877,889 | 8,133,314 |
| <u>1,916,952</u> | <u>8,182,486</u> |
| <u>(1,458,774)</u> | <u>(6,594,132)</u> |
| 145,000 | 800,000 |
| 2,001,696 | 8,444,813 |
| <u>(529,696)</u> | <u>(1,727,309)</u> |
| <u>1,617,000</u> | <u>7,517,504</u> |
| 158,226 | 923,372 |
| <u>3,680,295</u> | <u>11,373,993</u> |
| <u>3,838,521</u> | <u>12,297,365</u> |



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ENTERPRISE FUNDS

Enterprise Funds are part of the Proprietary Fund Type category and, as such, are accounted for on the accrual basis of accounting. Revenues are recognized when they are earned and their expenses are recognized when they are incurred.

The Enterprise Funds are operated and financed in a manner similar to private business. The intent of the governing body is to provide goods and services to the general public on a continuing basis and be financed or recovered primarily through user charges. The acquisition and improvement of the facilities have been financed from existing cash resources, issuance of revenue and general obligation bonds, and state and federal grant funds.

Major Enterprise Funds

Juneau International Airport - To account for operations, maintenance, capital improvements and expansion of the Juneau International Airport. Its major revenues consist of property leases, airport user fees, fuel flowage fees, service charges, concessions and short-term rental agreements.

Bartlett Regional Hospital - To account for the health care services provided by the city owned and operated hospital.

Areawide Water Utility - To account for the provision of water treatment and distribution to the residents and commercial users of the City and Borough.

Areawide Sewer Utility - To account for provision of collection and treatment of wastewater to the residents and commercial users of the City and Borough.

Boat Harbors - To account for operations, maintenance and capital improvement to the four City-owned boat harbors and numerous launch ramps.

Non-Major Enterprise Funds

Dock - To account for operations, maintenance and capital improvements of the City-owned docks, which are heavily used by over 500 cruise ships during the summer months.

Waste Management - To account for hazardous waste disposal and recycling programs provided to the residents of the City and Borough.

CITY AND BOROUGH OF JUNEAU

NON-MAJOR ENTERPRISE FUNDS

Combining Statement of Net Assets

June 30, 2004

| | <u>Dock</u> | <u>Waste Management</u> | <u>Total</u> |
|---|----------------------|-----------------------------|-------------------|
| ASSETS | | | |
| Current assets: | | | |
| Equity in central treasury | \$ 1,287,405 | 682,524 | 1,969,929 |
| Receivables, net of allowance for doubtful accounts: | | | |
| Accounts | 241,437 | 77,092 | 318,529 |
| Total current assets | <u>1,528,842</u> | <u>759,616</u> | <u>2,288,458</u> |
| Non-current assets: | | | |
| Restricted assets: | | | |
| Equity in central treasury | 1,602,271 | - | 1,602,271 |
| Receivables: | | | |
| Federal government | 78,105 | - | 78,105 |
| Bond issuance costs | 62,748 | - | 62,748 |
| Capital assets: | | | |
| Land | 611,496 | - | 611,496 |
| Buildings and improvements | 21,730,782 | 300,000 | 22,030,782 |
| Machinery, equipment and fixtures | 109,565 | 182,566 | 292,131 |
| Construction work in progress | 2,231,381 | - | 2,231,381 |
| Less accumulated depreciation | (6,594,295) | (89,558) | (6,683,853) |
| Total capital assets (net of accumulated depreciation) | <u>18,088,929</u> | <u>393,008</u> | <u>18,481,937</u> |
| Total noncurrent assets | <u>19,832,053</u> | <u>393,008</u> | <u>20,225,061</u> |
| Total assets | <u>21,360,895</u> | <u>1,152,624</u> | <u>22,513,519</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 4,635 | 76,848 | 81,483 |
| Accrued salaries, payroll taxes and withholdings payable | 16,413 | - | 16,413 |
| Accrued annual leave and compensation time | 1,453 | - | 1,453 |
| Total current liabilities | <u>22,501</u> | <u>76,848</u> | <u>99,349</u> |
| Non-current liabilities: | | | |
| Restricted liabilities: | | | |
| Interfund payable to General Fund | 46,635 | - | 46,635 |
| Accounts and contracts payable | 141,370 | - | 141,370 |
| Accrued annual leave and compensation time | 1,980 | - | 1,980 |
| Total non-current liabilities | <u>189,985</u> | <u>-</u> | <u>189,985</u> |
| Total liabilities | 212,486 | 76,848 | 289,334 |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 18,151,677 | 393,008 | 18,544,685 |
| Restricted: | | | |
| Capital projects | 1,492,371 | - | 1,492,371 |
| Unrestricted | <u>1,504,361</u> | <u>682,768</u> | <u>2,187,129</u> |
| Total net assets | <u>\$ 21,148,409</u> | <u>1,075,776</u> | <u>22,224,185</u> |

NON-MAJOR ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses, and Changes in Net Assets

For the fiscal year ended June 30, 2004

| | <u>Dock</u> | <u>Waste Management</u> | <u>Total</u> |
|--|----------------------|-----------------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,143,661 | 731,621 | 1,875,282 |
| Buildings and land rentals or sales | 426,743 | - | 426,743 |
| Total operating revenues | <u>1,570,404</u> | <u>731,621</u> | <u>2,302,025</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 463,783 | 42,711 | 506,494 |
| Contracted services | 25,822 | 645,317 | 671,139 |
| Materials and utilities | 193,272 | 8,632 | 201,904 |
| Other | 190,701 | 40,767 | 231,468 |
| | <u>873,578</u> | <u>737,427</u> | <u>1,611,005</u> |
| Depreciation | 897,837 | 22,731 | 920,568 |
| Total operating expenses | <u>1,771,415</u> | <u>760,158</u> | <u>2,531,573</u> |
| Operating income (loss) | (201,011) | (28,537) | (229,548) |
| NONOPERATING INCOME | | | |
| Interest income | 20,565 | 6,049 | 26,614 |
| Amortization of bond issuance costs | (41,832) | - | (41,832) |
| Gain (loss) on disposal of assets | (98,986) | - | (98,986) |
| Total nonoperating income | <u>(120,253)</u> | <u>6,049</u> | <u>(114,204)</u> |
| Net income (loss) before contributions and transfers | (321,264) | (22,488) | (343,752) |
| Capital contributions | 78,105 | - | 78,105 |
| Transfers in | 506,823 | - | 506,823 |
| Transfers out | (30,000) | - | (30,000) |
| Change in net assets | <u>233,664</u> | <u>(22,488)</u> | <u>211,176</u> |
| Total net assets - beginning | <u>20,914,745</u> | <u>1,098,264</u> | <u>22,013,009</u> |
| Total net assets - ending | <u>\$ 21,148,409</u> | <u>1,075,776</u> | <u>22,224,185</u> |

CITY AND BOROUGH OF JUNEAU

NON-MAJOR ENTERPRISE FUNDS

Combining Statement of Cash Flows

For the fiscal year ended June 30, 2004

| | <u>Dock</u> | <u>Waste Management</u> | <u>Total</u> |
|--|---------------------|-----------------------------|------------------|
| Increase (decrease) in cash and cash equivalents: | | | |
| Cash flows from operating activities: | | | |
| Cash received from customers | \$ 1,522,445 | 707,444 | 2,229,889 |
| Cash payments to suppliers for goods and services | (175,520) | (627,034) | (802,554) |
| Cash payments to employees for services | (443,937) | (42,711) | (486,648) |
| Cash payments for interfund exchange transactions | (262,438) | (29,175) | (291,613) |
| Net cash provided by operating activities | <u>640,550</u> | <u>8,524</u> | <u>649,074</u> |
| Cash flows from investing activities: | | | |
| Earnings from invested proceeds | <u>20,565</u> | <u>6,049</u> | <u>26,614</u> |
| Cash flows from noncapital financing activities: | | | |
| Transfers to other funds | (30,000) | - | (30,000) |
| Transfers from other funds | 506,823 | - | 506,823 |
| Net cash provided by noncapital financing activities | <u>476,823</u> | <u>-</u> | <u>476,823</u> |
| Cash flows from capital and related financing activities: | | | |
| Cash paid for bond issuance costs | (104,580) | - | (104,580) |
| Cash received from contributed capital | 78,105 | - | 78,105 |
| Cash paid for acquisition and construction of capital assets | (889,862) | - | (889,862) |
| Net cash used by capital and related financing activities | <u>(916,337)</u> | <u>-</u> | <u>(916,337)</u> |
| Net increase (decrease) in cash and cash equivalents: | <u>221,601</u> | <u>14,573</u> | <u>236,174</u> |
| Cash and cash equivalents at beginning of year | <u>2,668,075</u> | <u>667,951</u> | <u>3,336,026</u> |
| Cash and cash equivalents at end of year | <u>\$ 2,889,676</u> | <u>682,524</u> | <u>3,572,200</u> |

(Continued)



| | <u>Dock</u> | <u>Waste Management</u> | <u>Total</u> |
|---|--------------------------|-----------------------------|-----------------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | |
| Operating income (loss) | \$ (201,011) | (28,537) | (229,548) |
| Adjustments to reconcile net operating income (loss) to net cash provided by operating activities: | | | |
| Depreciation | 897,837 | 22,731 | 920,568 |
| Change in assets and liabilities: | | | |
| (Increase) decrease in accounts receivable | 30,146 | (24,177) | 5,969 |
| (Increase) decrease in due from Federal government | (78,105) | - | (78,105) |
| Increase (decrease) in accounts payable | (28,163) | 38,507 | 10,344 |
| Increase (decrease) in accrued salaries payable | 16,413 | - | 16,413 |
| Increase in accrued annual leave and compensation time | 3,433 | - | 3,433 |
| Total adjustments | <u>841,561</u> | <u>37,061</u> | <u>878,622</u> |
| Net cash provided (used) by operating activities | \$ <u>640,550</u> | <u>8,524</u> | <u>649,074</u> |

CITY AND BOROUGH OF JUNEAU

Major Enterprise Funds

JUNEAU INTERNATIONAL AIRPORT

Comparative Statements of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|----------------------|--------------------|--------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Landing fees | \$ 1,016,159 | 969,847 | 1,004,799 |
| Tie-down and parking fees | 107,446 | 112,496 | 97,103 |
| Fuel flowage fee | 195,118 | 152,073 | 130,853 |
| Other | 71,103 | 112,288 | 68,275 |
| Building and land rentals | 2,132,316 | 2,319,631 | 2,243,034 |
| Total operating revenues | <u>3,522,142</u> | <u>3,666,335</u> | <u>3,544,064</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 1,558,625 | 1,403,189 | 1,352,500 |
| Contracted services | 663,913 | 1,077,609 | 954,673 |
| Materials and utilities | 686,144 | 720,022 | 759,691 |
| Other | 431,250 | 422,658 | 425,231 |
| | <u>3,339,932</u> | <u>3,623,478</u> | <u>3,492,095</u> |
| Depreciation | 2,779,311 | 2,499,371 | 2,146,803 |
| Total operating expenses | <u>6,119,243</u> | <u>6,122,849</u> | <u>5,638,898</u> |
| Operating loss | <u>(2,597,101)</u> | <u>(2,456,514)</u> | <u>(2,094,834)</u> |
| NONOPERATING INCOME (EXPENSES) | | | |
| Investment and interest income | 17,566 | 91,659 | 88,910 |
| State shared revenue - fuel tax | 82,015 | 86,724 | 85,897 |
| Federal operating grants | 157,256 | 197,683 | 129,731 |
| Amortization of bond issuance costs | (629) | - | (470) |
| Gain on disposal of capital assets | 19,998 | 30,334 | - |
| Net nonoperating income | <u>276,206</u> | <u>406,400</u> | <u>304,068</u> |
| Net loss before capital contributions and transfers | (2,320,895) | (2,050,114) | (1,790,766) |
| Capital contributions | 5,447,414 | 3,000,670 | 2,266,576 |
| Transfers in | 250,000 | 1,154,000 | 280,000 |
| Transfer out | - | - | (4,200) |
| Change in net assets | <u>3,376,519</u> | <u>2,104,556</u> | <u>751,610</u> |
| Total net assets - beginning | <u>51,846,711</u> | <u>49,742,155</u> | <u>48,990,545</u> |
| Total net assets - ending | <u>\$ 55,223,230</u> | <u>51,846,711</u> | <u>49,742,155</u> |

JUNEAU INTERNATIONAL AIRPORT

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|--------------------|------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Landing fees | \$ 970,000 | 970,000 | 1,016,159 | 46,159 |
| Tie-down and parking fees | 102,500 | 102,500 | 107,446 | 4,946 |
| Fuel flowage fee | 130,000 | 130,000 | 195,118 | 65,118 |
| Other | 117,800 | 117,800 | 71,103 | (46,697) |
| Building and land rentals | 2,291,600 | 2,291,600 | 2,132,316 | (159,284) |
| Total operating revenues | <u>3,611,900</u> | <u>3,611,900</u> | <u>3,522,142</u> | <u>(89,758)</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 1,615,200 | 1,615,700 | 1,558,625 | 57,075 |
| Contracted services | 811,400 | 870,290 | 693,502 | 176,788 |
| Materials and utilities | 855,500 | 861,272 | 691,454 | 169,818 |
| Capital outlay | 170,000 | 175,667 | 78,126 | 97,541 |
| Other | 456,500 | 457,417 | 431,250 | 26,167 |
| Total operating expenses | <u>3,908,600</u> | <u>3,980,346</u> | <u>3,452,957</u> | <u>527,389</u> |
| Operating loss | <u>(296,700)</u> | <u>(368,446)</u> | <u>69,185</u> | <u>437,631</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Investment and interest income | 59,400 | 59,400 | 17,566 | (41,834) |
| State shared revenue - Fuel tax | 80,000 | 80,000 | 82,015 | 2,015 |
| Federal operating grants | 102,500 | 102,500 | 157,256 | 54,756 |
| Amortization of bond issuance costs | - | - | (629) | (629) |
| Gain on disposal of capital assets | - | - | 19,998 | 19,998 |
| Net nonoperating income | <u>241,900</u> | <u>241,900</u> | <u>276,206</u> | <u>34,306</u> |
| Change in net assets (Non-GAAP) | <u>\$ (54,800)</u> | <u>(126,546)</u> | <u>345,391</u> | <u>471,937</u> |
| Encumbrance adjustment | | | 34,899 | |
| Capitalization of assets | | | 78,126 | |
| Depreciation expense | | | (2,779,311) | |
| Transfers in for capital projects | | | 250,000 | |
| Capital contributions | | | 5,447,414 | |
| Change in net assets | | | <u>\$ 3,376,519</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.

CITY AND BOROUGH OF JUNEAU

Major Enterprise Funds

BARTLETT REGIONAL HOSPITAL

Comparative Statements of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|----------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services - patient | \$ 51,682,527 | 47,380,337 | 43,164,011 |
| Building and land rentals | 7,847 | 8,897 | 16,211 |
| Total operating revenues | <u>51,690,374</u> | <u>47,389,234</u> | <u>43,180,222</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 27,592,342 | 26,490,146 | 23,842,632 |
| Contracted services | 10,329,207 | 9,937,639 | 8,950,277 |
| Materials and utilities | 7,257,051 | 6,677,694 | 6,213,096 |
| Other | 2,368,470 | 2,027,339 | 1,482,723 |
| | <u>47,547,070</u> | <u>45,132,818</u> | <u>40,488,728</u> |
| Depreciation | 2,825,358 | 2,862,413 | 2,817,444 |
| Total operating expenses | <u>50,372,428</u> | <u>47,995,231</u> | <u>43,306,172</u> |
| Operating income (loss) | <u>1,317,946</u> | <u>(605,997)</u> | <u>(125,950)</u> |
| NONOPERATING INCOME (EXPENSES) | | | |
| Investment and interest income | 82,561 | 324,520 | 406,384 |
| State source revenue | - | 72,619 | 82,453 |
| Amortization of bond issuance costs | (19,009) | - | - |
| Interest expense | (106,687) | (211,328) | (327,932) |
| Gain (loss) on disposal of capital assets | 11,093 | (15,706) | 7,765 |
| Net nonoperating income (expenses) | <u>(32,042)</u> | <u>170,105</u> | <u>168,670</u> |
| Net income (loss) before contributions and transfers | 1,285,904 | (435,892) | 42,720 |
| Capital contributions | 1,114,592 | 58,391 | - |
| Transfers in | 7,062,600 | 4,116,900 | 6,332,200 |
| Transfers out | - | (37,400) | - |
| Change in net assets | <u>9,463,096</u> | <u>3,701,999</u> | <u>6,374,920</u> |
| Total net assets - beginning | <u>38,318,210</u> | <u>34,616,211</u> | <u>28,241,291</u> |
| Total net assets - ending | <u>\$ 47,781,306</u> | <u>38,318,210</u> | <u>34,616,211</u> |

BARTLETT REGIONAL HOSPITAL

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal years ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|--------------------|--------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services - patient | \$ 47,475,700 | 49,245,100 | 51,682,527 | 2,437,427 |
| Building and land rentals | 9,100 | 9,100 | 7,847 | (1,253) |
| Total operating revenues | <u>47,484,800</u> | <u>49,254,200</u> | <u>51,690,374</u> | <u>2,436,174</u> |
| OPERATING EXPENSES | | | | |
| Administration: | | | | |
| Hospital board | 548,300 | 548,300 | 855,412 | (307,112) |
| Administration | 4,665,700 | 4,665,700 | 4,615,692 | 50,008 |
| Admitting and accounting | 3,445,200 | 3,445,200 | 3,319,401 | 125,799 |
| Health care: | | | | |
| Nursing | 15,248,600 | 15,848,600 | 15,939,943 | (91,343) |
| Professional | 15,964,500 | 17,179,500 | 17,293,841 | (114,341) |
| General services | 5,598,400 | 5,598,400 | 5,522,781 | 75,619 |
| Capital outlay | 463,000 | 463,000 | 2,731,173 | (2,268,173) |
| Debt principal | 1,632,500 | 1,632,500 | 1,362,509 | 269,991 |
| Reserves | 1,500,000 | 1,500,000 | 1,500,000 | - |
| Total operating expenses | <u>49,066,200</u> | <u>50,881,200</u> | <u>53,140,752</u> | <u>(2,259,552)</u> |
| Operating loss | <u>(1,581,400)</u> | <u>(1,627,000)</u> | <u>(1,450,378)</u> | <u>176,622</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Investment and interest income | 216,000 | 216,000 | 82,561 | (133,439) |
| Amortization of bond issuance costs | - | - | (19,009) | (19,009) |
| Interest expense | (157,700) | (157,700) | (106,687) | 51,013 |
| Net nonoperating income (expenses) | <u>58,300</u> | <u>58,300</u> | <u>(43,135)</u> | <u>(101,435)</u> |
| Loss before other sources (uses) | <u>(1,523,100)</u> | <u>(1,568,700)</u> | <u>(1,493,513)</u> | <u>75,187</u> |
| OTHER SOURCES (USES) - Transfers from: | | | | |
| General Fund | 801,200 | 801,200 | 801,200 | - |
| Special Revenue Funds: | | | | |
| Sales Tax | 623,300 | 623,300 | 623,300 | - |
| Tobacco Excise Tax | 245,500 | 245,500 | 245,500 | - |
| General Debt Service Fund | 4,600 | 4,600 | 4,600 | - |
| Total other sources (uses) | <u>1,674,600</u> | <u>1,674,600</u> | <u>1,674,600</u> | <u>-</u> |
| Change in net assets (Non-GAAP) | \$ <u>151,500</u> | <u>105,900</u> | 181,087 | <u>75,187</u> |
| Reserves | | | 1,500,000 | |
| Capitalization of assets | | | 2,731,173 | |
| Depreciation expense | | | (2,825,358) | |
| Principal payments on loans | | | 1,362,509 | |
| Gain on disposal of capital assets | | | 11,093 | |
| Transfers in for capital projects | | | 5,388,000 | |
| Capital contributions | | | 1,114,592 | |
| Change in net assets | | | \$ <u>9,463,096</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.

CITY AND BOROUGH OF JUNEAU

Major Enterprise Funds

AREAWIDE WATER UTILITY

Comparative Statement of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|----------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Water fees | \$ 3,037,821 | 2,694,636 | 2,622,378 |
| Other | 11,960 | 11,283 | 7,481 |
| Total operating revenues | <u>3,049,781</u> | <u>2,705,919</u> | <u>2,629,859</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 1,026,399 | 1,090,677 | 1,076,751 |
| Contracted services | 49,824 | 92,496 | 67,516 |
| Materials and utilities | 341,079 | 457,742 | 400,540 |
| Other | 444,686 | 417,639 | 428,497 |
| | <u>1,861,988</u> | <u>2,058,554</u> | <u>1,973,304</u> |
| Depreciation | 2,055,368 | 2,425,244 | 2,373,708 |
| Total operating expenses | <u>3,917,356</u> | <u>4,483,798</u> | <u>4,347,012</u> |
| Operating loss | (867,575) | (1,777,879) | (1,717,153) |
| NONOPERATING INCOME (EXPENSES) | | | |
| Investment and interest income | 54,561 | 288,792 | 272,163 |
| Amortization of bond issuance costs | (5,370) | - | - |
| Interest expense | (83,619) | (86,032) | (66,140) |
| Net nonoperating income (expenses) | <u>(34,428)</u> | <u>202,760</u> | <u>206,023</u> |
| Net loss before contributions and transfers | (902,003) | (1,575,119) | (1,511,130) |
| Capital contributions | 622,841 | 138,145 | 195,915 |
| Transfer in | 3,025,000 | 357 | - |
| Transfers out | (682) | (245,281) | (136,832) |
| Change in net assets | 2,745,156 | (1,681,898) | (1,452,047) |
| Total net assets - beginning | <u>61,306,700</u> | <u>62,988,598</u> | <u>64,440,645</u> |
| Total net assets - ending | <u>\$ 64,051,856</u> | <u>61,306,700</u> | <u>62,988,598</u> |

AREAWIDE WATER UTILITY

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal years ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Water fees | \$ 2,566,900 | 2,566,900 | 3,037,821 | 470,921 |
| Other | 12,000 | 12,000 | 11,960 | (40) |
| Total operating revenues | <u>2,578,900</u> | <u>2,578,900</u> | <u>3,049,781</u> | <u>470,881</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 1,116,400 | 1,116,400 | 1,026,399 | 90,001 |
| Contracted services | 115,000 | 120,831 | 55,562 | 65,269 |
| Materials and utilities | 475,400 | 476,288 | 367,644 | 108,644 |
| Other | 443,700 | 443,700 | 444,816 | (1,116) |
| | <u>2,150,500</u> | <u>2,157,219</u> | <u>1,894,421</u> | <u>262,798</u> |
| Capital outlay | 40,000 | 40,000 | - | 40,000 |
| Debt principal | 156,800 | 156,800 | 156,750 | 50 |
| Replacement reserve | 200,000 | 200,000 | - | 200,000 |
| Total operating expenses | <u>2,547,300</u> | <u>2,554,019</u> | <u>2,051,171</u> | <u>502,848</u> |
| Operating income (loss) | <u>31,600</u> | <u>24,881</u> | <u>998,610</u> | <u>973,729</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Contributions for water extensions | 50,000 | 50,000 | 152,450 | 102,450 |
| Investment and interest income | 198,000 | 198,000 | 54,561 | (143,439) |
| Water extension additions | (173,300) | (173,460) | (150,359) | 23,101 |
| Amortization of bond issuance costs | - | - | (5,370) | (5,370) |
| Interest expense | (80,500) | (80,500) | (83,619) | (3,119) |
| Net nonoperating income (expenses) | <u>(5,800)</u> | <u>(5,960)</u> | <u>(32,337)</u> | <u>(26,377)</u> |
| Net income (loss) before other uses | 25,800 | 18,921 | 966,273 | 947,352 |
| OTHER USES | | | | |
| Transfer to Capital Projects Funds | (130,300) | - | - | - |
| Change in net assets (Non-GAAP) | <u>\$ (104,500)</u> | <u>18,921</u> | <u>966,273</u> | <u>947,352</u> |
| Encumbrance adjustment | | | 64,015 | |
| Capitalization of assets | | | 118,777 | |
| Depreciation expense | | | (2,055,368) | |
| Principal payments on loans | | | 156,750 | |
| Capital contributions from other sources | | | 470,391 | |
| Transfers in | | | 3,025,000 | |
| Transfers out | | | (682) | |
| Change in net assets | | | <u>\$ 2,745,156</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.

CITY AND BOROUGH OF JUNEAU

Major Enterprise Funds

AREAWIDE SEWER UTILITY

Comparative Statement of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|----------------------|--------------------|--------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Sewer fees | \$ 6,671,358 | 5,420,755 | 5,136,461 |
| Other | 166,368 | 23,137 | 12,905 |
| Total operating revenues | <u>6,837,726</u> | <u>5,443,892</u> | <u>5,149,366</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 2,827,563 | 2,638,628 | 2,199,406 |
| Contracted services | 215,337 | 236,526 | 265,334 |
| Materials and utilities | 1,329,003 | 1,276,102 | 1,133,821 |
| Other | 783,031 | 799,336 | 723,582 |
| | <u>5,154,934</u> | <u>4,950,592</u> | <u>4,322,143</u> |
| Depreciation | 2,330,447 | 2,254,523 | 2,146,804 |
| Total operating expenses | <u>7,485,381</u> | <u>7,205,115</u> | <u>6,468,947</u> |
| Operating loss | <u>(647,655)</u> | <u>(1,761,223)</u> | <u>(1,319,581)</u> |
| NONOPERATING INCOME (EXPENSES) | | | |
| Investment and interest income | 47,769 | 176,239 | 180,399 |
| Interest expense | (240,145) | (143,502) | (162,541) |
| Net nonoperating income (expenses) | <u>(192,376)</u> | <u>32,737</u> | <u>17,858</u> |
| Net loss before contributions and transfers | (840,031) | (1,728,486) | (1,301,723) |
| Capital contributions | 269,849 | 136,555 | 1,665,953 |
| Transfers in | 810,000 | 55,000 | - |
| Transfers out | (22,718) | (5,346) | 279,594 |
| Change in net assets | <u>217,100</u> | <u>(1,542,277)</u> | <u>643,824</u> |
| Total net assets - beginning | <u>55,484,338</u> | <u>57,026,615</u> | <u>56,382,791</u> |
| Total net assets - ending | <u>\$ 55,701,438</u> | <u>55,484,338</u> | <u>57,026,615</u> |

AREAWIDE SEWER UTILITY

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal years ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|---------------------|------------------|-------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Sewer fees | \$ 5,408,600 | 5,408,600 | 6,671,358 | 1,262,758 |
| Other | 13,000 | 13,000 | 166,368 | 153,368 |
| Total operating revenues | <u>5,421,600</u> | <u>5,421,600</u> | <u>6,837,726</u> | <u>1,416,126</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 2,938,500 | 2,938,500 | 2,827,563 | 110,937 |
| Contracted services | 221,800 | 360,486 | 286,471 | 74,015 |
| Materials and utilities | 1,375,200 | 1,392,401 | 1,330,515 | 61,886 |
| Other | 888,100 | 917,732 | 786,086 | 131,646 |
| | <u>5,423,600</u> | <u>5,609,119</u> | <u>5,230,635</u> | <u>378,484</u> |
| Capital outlay | 253,800 | 295,125 | 129,937 | 165,188 |
| Debt principal | 408,400 | 408,400 | 369,735 | 38,665 |
| Total operating expenses | <u>6,085,800</u> | <u>6,312,644</u> | <u>5,730,307</u> | <u>582,337</u> |
| Operating income (loss) | <u>(664,200)</u> | <u>(891,044)</u> | <u>1,107,419</u> | <u>1,998,463</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Contributions for sewer extensions | - | - | 45,650 | 45,650 |
| Investment and interest income | 91,100 | 91,100 | 47,769 | (43,331) |
| Sewer extension additions | - | - | (28,435) | (28,435) |
| Interest expense | (165,100) | (165,100) | (240,145) | (75,045) |
| Net nonoperating income (expenses) | <u>(74,000)</u> | <u>(74,000)</u> | <u>(175,161)</u> | <u>(101,161)</u> |
| Change in net assets (Non-GAAP) | \$ <u>(738,200)</u> | <u>(965,044)</u> | 932,258 | <u>1,897,302</u> |
| Encumbrance adjustment | | | 176,933 | |
| Capitalization of assets | | | 57,140 | |
| Depreciation expense | | | (2,330,447) | |
| Principal payments on loans | | | 369,735 | |
| Capital contributions | | | 224,199 | |
| Transfer in for capital projects | | | 810,000 | |
| Transfer out for special assessments | | | (22,718) | |
| Change in net assets | | | <u>\$ 217,100</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.

CITY AND BOROUGH OF JUNEAU

Major Enterprise Funds

BOAT HARBORS

Comparative Statement of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|----------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Stall rents | \$ 507,994 | 506,912 | 522,486 |
| Mooring fees | 501,743 | 531,332 | 424,136 |
| Wait list administration fees | 20,837 | 9,831 | 14,896 |
| Other | 556,955 | 470,501 | 381,284 |
| Total operating revenues | <u>1,587,529</u> | <u>1,518,576</u> | <u>1,342,802</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 994,315 | 910,674 | 735,250 |
| Contracted services | 73,814 | 68,551 | 46,700 |
| Materials and utilities | 389,649 | 356,446 | 336,639 |
| Other | 305,611 | 324,757 | 247,366 |
| | <u>1,763,389</u> | <u>1,660,428</u> | <u>1,365,955</u> |
| Depreciation | 901,992 | 681,663 | 389,191 |
| Total operating expenses | <u>2,665,381</u> | <u>2,342,091</u> | <u>1,755,146</u> |
| Operating loss | <u>(1,077,852)</u> | <u>(823,515)</u> | <u>(412,344)</u> |
| NONOPERATING INCOME (EXPENSES) | | | |
| Investment and interest income | 29,519 | 57,158 | 101,201 |
| State source - raw fish tax | 221,435 | 218,549 | 189,555 |
| Amortization of bond issuance costs | (3,574) | - | - |
| Loss on disposal of capital assets | (161,147) | - | - |
| Net nonoperating income (expenses) | <u>86,233</u> | <u>275,707</u> | <u>290,756</u> |
| Net loss before contributions and transfers | (991,619) | (547,808) | (121,588) |
| Capital contributions | 1,908,356 | 5,560,248 | - |
| Transfers in | 9,379,000 | 106,200 | 921,500 |
| Transfers out | - | (140,000) | - |
| Change in net assets | <u>10,295,737</u> | <u>4,978,640</u> | <u>799,912</u> |
| Total net assets - beginning | <u>18,191,071</u> | <u>13,212,431</u> | <u>12,412,519</u> |
| Total net assets - ending | <u>\$ 28,486,808</u> | <u>18,191,071</u> | <u>13,212,431</u> |

BOAT HARBORS

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|---------------------|------------------|----------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Stall rents | \$ 529,000 | 529,000 | 507,994 | (21,006) |
| Mooring fees | 475,000 | 475,000 | 501,743 | 26,743 |
| Wait list administration fees | 15,000 | 15,000 | 20,837 | 5,837 |
| Other | 451,400 | 451,400 | 556,955 | 105,555 |
| Total operating revenues | <u>1,470,400</u> | <u>1,470,400</u> | <u>1,587,529</u> | <u>117,129</u> |
| EXPENSES | | | | |
| Salaries and fringe benefits | 938,500 | 938,500 | 994,315 | (55,815) |
| Contracted services | 212,900 | 212,900 | 76,468 | 136,432 |
| Materials and utilities | 362,000 | 362,000 | 390,558 | (28,558) |
| Capital outlay | 100,000 | 101,213 | 27,291 | 73,922 |
| Other | 325,800 | 327,420 | 305,689 | 21,731 |
| Total operating expenses | <u>1,939,200</u> | <u>1,942,033</u> | <u>1,794,321</u> | <u>147,712</u> |
| Operating loss | <u>(468,800)</u> | <u>(471,633)</u> | <u>(206,792)</u> | <u>264,841</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Investment and interest income | 97,100 | 97,100 | 29,519 | (67,581) |
| State sources - raw fish tax | 250,000 | 250,000 | 221,435 | (28,565) |
| Amortization of bond issuance costs | - | - | (3,574) | (3,574) |
| Loss on disposal of capital assets | - | - | (161,147) | (161,147) |
| Net nonoperating income (expenses) | <u>347,100</u> | <u>347,100</u> | <u>86,233</u> | <u>(260,867)</u> |
| Change in net assets (Non-GAAP) | \$ <u>(121,700)</u> | <u>(124,533)</u> | (120,559) | <u>3,974</u> |
| Encumbrance adjustment | | | 5,759 | |
| Capitalization of fixed assets | | | 25,173 | |
| Depreciation expense | | | (901,992) | |
| Capital contributions | | | 1,908,356 | |
| Transfers in for capital projects | | | 9,379,000 | |
| Change in net assets | | | \$ <u>10,295,737</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.

CITY AND BOROUGH OF JUNEAU

Non-Major Enterprise Funds

DOCK

Comparative Statements of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|----------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Mooring fees | \$ 543,736 | 498,804 | 472,212 |
| Lightering fees | 25,500 | 22,214 | 13,216 |
| Maintenance fee | 542,500 | 511,536 | 102,421 |
| Transfer bridge fees | 31,925 | 39,620 | 34,656 |
| Dock leases and other fees | 426,743 | 416,323 | 401,302 |
| Total operating revenues | <u>1,570,404</u> | <u>1,488,497</u> | <u>1,023,807</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 463,783 | 439,101 | 466,439 |
| Contracted services | 25,822 | 25,544 | 11,266 |
| Materials and utilities | 193,272 | 149,948 | 164,792 |
| Other | 190,701 | 161,472 | 117,444 |
| | <u>873,578</u> | <u>776,065</u> | <u>759,941</u> |
| Depreciation | 897,837 | 753,397 | 586,860 |
| Total operating expenses | <u>1,771,415</u> | <u>1,529,462</u> | <u>1,346,801</u> |
| Operating loss | (201,011) | (40,965) | (322,994) |
| NONOPERATING INCOME (EXPENSES) | | | |
| Investment and interest income | 20,565 | 45,836 | 73,216 |
| Amortization of bond issuance costs | (41,832) | - | - |
| Loss on disposal of capital assets | (98,986) | - | - |
| Net nonoperating income (expenses) | <u>(120,253)</u> | <u>45,836</u> | <u>73,216</u> |
| Net income (loss) before contributions and transfers | (321,264) | 4,871 | (249,778) |
| Capital Contributions | 78,105 | - | - |
| Transfers in | 506,823 | 6,700,410 | 1,188,000 |
| Transfers out | (30,000) | (6,505) | - |
| Change in net assets | <u>233,664</u> | <u>6,698,776</u> | <u>938,222</u> |
| Total net assets - beginning | <u>20,914,745</u> | <u>14,215,969</u> | <u>13,277,747</u> |
| Total net assets - ending | <u>\$ 21,148,409</u> | <u>20,914,745</u> | <u>14,215,969</u> |

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|---------------------|------------------|-------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Mooring fees | \$ 475,000 | 475,000 | 543,736 | 68,736 |
| Lightering fees | 17,000 | 17,000 | 25,500 | 8,500 |
| Maintenance fee | - | - | 542,500 | 542,500 |
| Transfer bridge fees | 35,000 | 35,000 | 31,925 | (3,075) |
| Dock leases and other fees | 408,600 | 437,706 | 426,743 | (10,963) |
| Total operating revenues | <u>935,600</u> | <u>964,706</u> | <u>1,570,404</u> | <u>605,698</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 523,100 | 545,188 | 463,783 | 81,405 |
| Contracted services | 205,400 | 209,700 | 26,662 | 183,038 |
| Materials and utilities | 195,500 | 200,986 | 195,472 | 5,514 |
| Capital outlay | 25,000 | 25,000 | 10,157 | 14,843 |
| Other | 182,300 | 182,649 | 190,988 | (8,339) |
| Total operating expenses | <u>1,131,300</u> | <u>1,163,523</u> | <u>887,062</u> | <u>276,461</u> |
| Operating income (loss) | (195,700) | (198,817) | 683,342 | 882,159 |
| NONOPERATING INCOME (EXPENSES) | | | | |
| Investment and interest income | 59,400 | 59,400 | 20,565 | (38,835) |
| Amortization of bond issuance costs | - | - | (41,832) | (41,832) |
| Net nonoperating income (expenses) | <u>59,400</u> | <u>59,400</u> | <u>(21,267)</u> | <u>(80,667)</u> |
| Change in net assets (Non-GAAP) | \$ <u>(136,300)</u> | <u>(139,417)</u> | 662,075 | <u>801,492</u> |
| Encumbrance adjustment | | | 3,327 | |
| Depreciation expense | | | (897,837) | |
| Capitalization of fixed assets | | | 10,157 | |
| Loss on disposal of capital assets | | | (98,986) | |
| Capital contributions | | | 78,105 | |
| Transfers in for capital projects | | | 506,823 | |
| Transfers out for capital projects | | | (30,000) | |
| Change in net assets | | | <u>\$ 233,664</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.

CITY AND BOROUGH OF JUNEAU**Non-Major Enterprise Funds****WASTE MANAGEMENT****Comparative Statements of Revenues, Expenses, and Changes in Net Assets***For the fiscal years ended June 30, 2004, 2003 and 2002*

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|----------------------------|-------------------------|-------------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Hazardous waste utility fees | \$ <u>731,621</u> | <u>564,969</u> | <u>561,236</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 42,711 | 22,716 | 26,409 |
| Contracted services | 645,317 | 447,499 | 400,964 |
| Materials and utilities | 8,632 | 12,255 | 17,727 |
| Other | <u>40,767</u> | <u>32,047</u> | <u>14,485</u> |
| | 737,427 | 514,517 | 459,585 |
| Depreciation | <u>22,731</u> | <u>22,731</u> | <u>22,731</u> |
| Total operating expenses | <u>760,158</u> | <u>537,248</u> | <u>482,316</u> |
| Operating income (loss) | (28,537) | 27,721 | 78,920 |
| NONOPERATING INCOME - Investment and interest income | <u>6,049</u> | <u>41,246</u> | <u>34,429</u> |
| Change in net assets | (22,488) | 68,967 | 113,349 |
| Total net assets - beginning | <u>1,098,264</u> | <u>1,029,297</u> | <u>915,948</u> |
| Total net assets - ending | \$ <u><u>1,075,776</u></u> | <u><u>1,098,264</u></u> | <u><u>1,029,297</u></u> |

WASTE MANAGEMENT

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------|------------------|-----------------|--------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Hazardous waste utility fees | \$ 790,500 | 790,500 | 731,621 | (58,879) |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 41,500 | 41,500 | 42,711 | (1,211) |
| Contracted services | 647,600 | 721,047 | 705,313 | 15,734 |
| Materials and utilities | 18,900 | 18,900 | 8,632 | 10,268 |
| Other | 46,000 | 46,000 | 40,767 | 5,233 |
| Total operating expenses | <u>754,000</u> | <u>827,447</u> | <u>797,423</u> | <u>30,024</u> |
| Operating income (loss) | 36,500 | (36,947) | (65,802) | (28,855) |
| NONOPERATING INCOME | | | | |
| Investment and interest income | <u>23,800</u> | <u>23,800</u> | <u>6,049</u> | <u>(17,751)</u> |
| Change in net assets (Non-GAAP) | \$ <u>60,300</u> | <u>(13,147)</u> | (59,753) | <u>(46,606)</u> |
| Encumbrance adjustment | | | 59,996 | |
| Depreciation expense | | | (22,731) | |
| Change in net assets | | | \$ <u>(22,488)</u> | |

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.



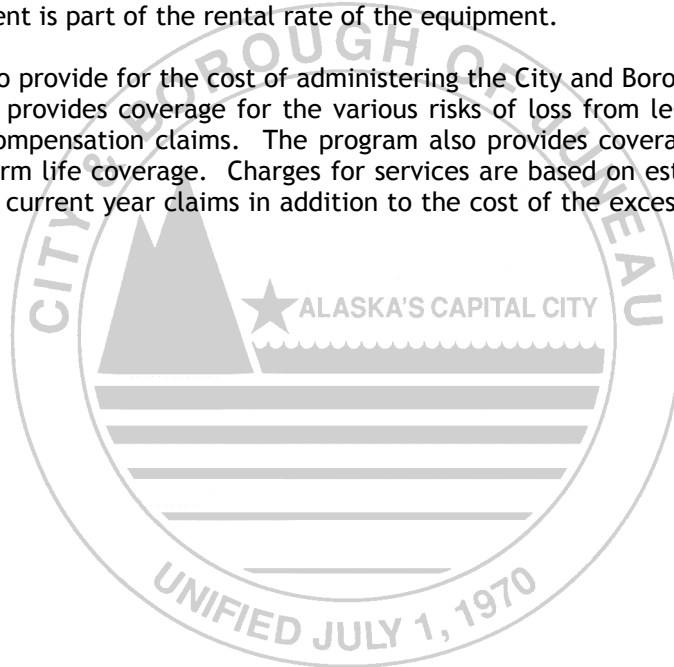
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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a governmental unit, or to other governmental units, on a cost-reimbursement basis.

Central Equipment Service Fund - To provide for the maintenance, repair and purchase of vehicles and electronics for City and Borough services. Revenues are from rental charges from user departments within the City and Borough. Expenses include labor, materials, supplies and services. Replacement of equipment is part of the rental rate of the equipment.

Self-insurance Fund - To provide for the cost of administering the City and Borough's Risk Management Program. This program provides coverage for the various risks of loss from legal liabilities, property damage and workers' compensation claims. The program also provides coverage for medical, dental and vision claims and term life coverage. Charges for services are based on estimates of the amounts needed to pay prior and current year claims in addition to the cost of the excess and special insurance policy premiums.





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CITY and BOROUGH OF JUNEAU

Internal Service Funds

Combining Statement of Net Assets

June 30, 2004

with comparative total amounts for 2003 and 2002

| | Central Equipment Service | Self- insurance | Totals | | |
|---|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| | | | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Equity in central treasury | \$ 2,295,910 | 3,088,875 | 5,384,785 | 4,757,730 | 5,803,539 |
| Receivables - other | 169,626 | 20,820 | 190,446 | 183,202 | 108,084 |
| Inventories | 273,952 | - | 273,952 | 273,650 | 260,527 |
| Prepaid items - insurance | - | 1,984 | 1,984 | 2,407 | 134,367 |
| Total current assets | <u>2,739,488</u> | <u>3,111,679</u> | <u>5,851,167</u> | <u>5,216,989</u> | <u>6,306,517</u> |
| Capital assets: | | | | | |
| Buildings and improvements | 17,828 | - | 17,828 | 17,828 | 17,828 |
| Machinery, equipment and fixtures | 12,822,840 | 19,105 | 12,841,945 | 12,108,555 | 11,759,086 |
| Less accumulated depreciation | <u>(7,664,381)</u> | <u>(18,166)</u> | <u>(7,682,547)</u> | <u>(7,032,891)</u> | <u>(6,761,172)</u> |
| Net property, plant and equipment | <u>5,176,287</u> | <u>939</u> | <u>5,177,226</u> | <u>5,093,492</u> | <u>5,015,742</u> |
| Total assets | <u>7,915,775</u> | <u>3,112,618</u> | <u>11,028,393</u> | <u>10,310,481</u> | <u>11,322,259</u> |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 33,072 | 162,396 | 195,468 | 253,480 | 821,070 |
| Contracts payable - current | 64,459 | - | 64,459 | 137,713 | 131,669 |
| Accrued salaries, payroll taxes and withholdings payable | 14,685 | 11,889 | 26,574 | 21,987 | 24,041 |
| Accrued annual leave and compensation time | 10,248 | 8,792 | 19,040 | 30,504 | 27,947 |
| Accrued and other liabilities | 906 | 3,048,679 | 3,049,585 | 2,567,678 | 2,447,983 |
| Total current liabilities | <u>123,370</u> | <u>3,231,756</u> | <u>3,355,126</u> | <u>3,011,362</u> | <u>3,452,710</u> |
| Long-term liabilities: | | | | | |
| Accrued annual leave and compensation time | 31,761 | 27,249 | 59,010 | 41,611 | 38,075 |
| Long-term contracts payable | 16,780 | - | 16,780 | 81,030 | 218,330 |
| Total long-term liabilities | <u>48,541</u> | <u>27,249</u> | <u>75,790</u> | <u>122,641</u> | <u>256,405</u> |
| Total liabilities | <u>171,911</u> | <u>3,259,005</u> | <u>3,430,916</u> | <u>3,134,003</u> | <u>3,709,115</u> |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt | 5,094,142 | 939 | 5,095,081 | 4,872,396 | 4,662,008 |
| Unrestricted | <u>2,649,722</u> | <u>(147,326)</u> | <u>2,502,396</u> | <u>2,304,082</u> | <u>2,951,136</u> |
| Total net assets | <u>\$ 7,743,864</u> | <u>(146,387)</u> | <u>7,597,477</u> | <u>7,176,478</u> | <u>7,613,144</u> |

CITY and BOROUGH OF JUNEAU

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Net Assets

For the fiscal year ended June 30, 2004

with comparative total amounts for 2003 and 2002

| | Central Equipment Services | Self- insurance | Totals | | |
|--|----------------------------------|--------------------|-------------------|-------------------|--------------------|
| | | | 2004 | 2003 | 2002 |
| OPERATING REVENUES - Charges for services | \$ 2,012,588 | 12,931,024 | 14,943,612 | 12,830,025 | 9,355,208 |
| OPERATING EXPENSES | | | | | |
| Salaries and fringe benefits | 335,210 | 279,110 | 614,320 | 576,474 | 523,650 |
| Contracted services | 6,146 | 286,147 | 292,293 | 460,789 | 225,146 |
| Materials and utilities | 236,830 | - | 236,830 | 209,211 | 205,511 |
| Insurance premiums | - | 10,122,153 | 10,122,153 | 9,440,276 | 7,820,943 |
| Claims | - | 2,024,911 | 2,024,911 | 1,161,384 | 1,193,525 |
| Other: | | | | | |
| Gasoline and oil | 351,158 | - | 351,158 | 347,122 | 293,409 |
| Miscellaneous | 103,722 | 71,782 | 175,504 | 191,016 | 166,397 |
| | <u>1,033,066</u> | <u>12,784,103</u> | <u>13,817,169</u> | <u>12,386,272</u> | <u>10,428,581</u> |
| Depreciation | 889,437 | 209 | 889,646 | 857,472 | 724,262 |
| Total operating expenses | <u>1,922,503</u> | <u>12,784,312</u> | <u>14,706,815</u> | <u>13,243,744</u> | <u>11,152,843</u> |
| Operating income (loss) | <u>90,085</u> | <u>146,712</u> | <u>236,797</u> | <u>(413,719)</u> | <u>(1,797,635)</u> |
| NONOPERATING INCOME (EXPENSES) | | | | | |
| State equipment grant | 159,135 | - | 159,135 | - | 82,851 |
| Investment and interest income | 19,866 | - | 19,866 | 138,655 | 166,263 |
| Interest expense | (5,649) | - | (5,649) | (11,952) | (17,040) |
| Gain on disposal of assets | 10,850 | - | 10,850 | 41,350 | 19,000 |
| Net nonoperating income (expenses) | <u>184,202</u> | <u>-</u> | <u>184,202</u> | <u>168,053</u> | <u>251,074</u> |
| Income (loss) before transfer | 274,287 | 146,712 | 420,999 | (245,666) | (1,546,561) |
| Transfer out | - | - | - | (191,000) | - |
| Change in net assets | 274,287 | 146,712 | 420,999 | (436,666) | (1,546,561) |
| Total net assets - beginning | <u>7,469,577</u> | <u>(293,099)</u> | <u>7,176,478</u> | <u>7,613,144</u> | <u>9,159,705</u> |
| Total net assets - ending | <u>\$ 7,743,864</u> | <u>(146,387)</u> | <u>7,597,477</u> | <u>7,176,478</u> | <u>7,613,144</u> |

Internal Service Funds

Combining Statement of Cash Flows

For the fiscal year ended June 30, 2004
with comparative total amounts for 2003 and 2002

| | Central Equipment Service | Self- insurance | Totals | | |
|--|---------------------------------|--------------------|------------------|--------------------|--------------------|
| | | | 2004 | 2003 | 2002 |
| Increase (decrease) in cash and cash equivalents: | | | | | |
| Cash flows from operating activities: | | | | | |
| Cash received from users | \$ 1,842,962 | 13,093,406 | 14,936,368 | 12,754,907 | 9,247,124 |
| Cash payments to suppliers for goods and services | (698,211) | (12,080,622) | (12,778,833) | (12,138,856) | (8,853,091) |
| Cash payments to employees for services | (329,928) | (273,870) | (603,798) | (572,435) | (519,954) |
| Net cash provided (used) by operating activities | <u>814,823</u> | <u>738,914</u> | <u>1,553,737</u> | <u>43,616</u> | <u>(125,921)</u> |
| Cash flows from investing activities - | | | | | |
| Earnings from invested proceeds | <u>19,866</u> | - | <u>19,866</u> | <u>138,655</u> | <u>166,263</u> |
| Cash flows from noncapital financing activities - | | | | | |
| Transfers to other funds | <u>-</u> | <u>-</u> | <u>-</u> | <u>(191,000)</u> | <u>166,263</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Cash received from disposal of capital assets | 12,736 | - | 12,736 | 77,567 | 19,000 |
| Cash received from state capital grant | 159,135 | - | 159,135 | - | 82,851 |
| Cash paid for the acquisition of capital assets | (975,267) | - | (975,267) | (971,439) | (1,464,406) |
| Principal paid on long-term contracts | (137,504) | - | (137,504) | (131,256) | (128,013) |
| Interest paid on long-term contracts | (5,648) | - | (5,648) | (11,952) | (16,578) |
| Net cash used by capital and related financing activities | <u>(946,548)</u> | <u>-</u> | <u>(946,548)</u> | <u>(1,037,080)</u> | <u>(1,507,146)</u> |
| Net increase (decrease) in cash and cash equivalents | (111,859) | 738,914 | 627,055 | (1,045,809) | (1,466,804) |
| Cash and cash equivalents at beginning of year | <u>2,407,769</u> | <u>2,349,961</u> | <u>4,757,730</u> | <u>5,803,539</u> | <u>7,270,343</u> |
| Cash and cash equivalents at end of year | <u>\$ 2,295,910</u> | <u>3,088,875</u> | <u>5,384,785</u> | <u>4,757,730</u> | <u>5,803,539</u> |
| Reconciliation of operating income to net cash provided (used) by operating activities: | | | | | |
| Operating income (loss) | \$ 90,085 | 146,712 | 236,797 | (413,719) | (1,797,635) |
| Adjustments to reconcile net operating income (loss) to net cash provided by operating activities: | | | | | |
| Depreciation | 889,437 | 209 | 889,646 | 857,472 | 724,262 |
| Change in assets and liabilities: | | | | | |
| (Increase) decrease in receivable - other | (169,626) | 162,382 | (7,244) | (75,118) | (108,084) |
| (Increase) decrease in inventories | (302) | - | (302) | (13,123) | (7,526) |
| (Increase) decrease in prepaid expenses | 2,407 | (1,984) | 423 | 131,960 | (17,963) |
| Increase (decrease) in accounts payable | (1,013) | (56,999) | (58,012) | (567,590) | 622,683 |
| Increase (decrease) in accrued salaries payable | 2,588 | 1,999 | 4,587 | (2,054) | 4,372 |
| Increase (decrease) in accrued annual leave and compensation payable | 2,694 | 3,241 | 5,935 | 6,093 | (676) |
| Increase (decrease) in accrued and other liabilities | (1,447) | 483,354 | 481,907 | 119,695 | 454,646 |
| Total adjustments | <u>724,738</u> | <u>592,202</u> | <u>1,316,940</u> | <u>457,335</u> | <u>1,671,714</u> |
| Net cash provided (used) by operating activities | <u>\$ 814,823</u> | <u>738,914</u> | <u>1,553,737</u> | <u>43,616</u> | <u>(125,921)</u> |

CITY AND BOROUGH OF JUNEAU

Internal Service Funds

CENTRAL EQUIPMENT SERVICES

Comparative Statements of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|----------------------------|-------------------------|-------------------------|
| OPERATING REVENUES - Charges for services | \$ 2,012,588 | 1,851,653 | 1,844,880 |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 335,210 | 309,510 | 280,627 |
| Contracted services | 6,146 | 7,490 | 6,668 |
| Materials and utilities | 236,830 | 209,211 | 205,511 |
| Other: | | | |
| Gasoline and oil | 351,158 | 347,122 | 293,409 |
| Miscellaneous | 103,722 | 118,442 | 103,585 |
| | <u>1,033,066</u> | <u>991,775</u> | <u>889,800</u> |
| Depreciation | 889,437 | 857,263 | 723,607 |
| Total operating expenses | <u>1,922,503</u> | <u>1,849,038</u> | <u>1,613,407</u> |
| Operating income | <u>90,085</u> | <u>2,615</u> | <u>231,473</u> |
| NONOPERATING INCOME (EXPENSES) | | | |
| State equipment grant | 159,135 | - | 82,851 |
| Investment and interest income | 19,866 | 138,655 | 166,263 |
| Interest expense | (5,649) | (11,952) | (17,040) |
| Gain on disposal of capital assets | 10,850 | 41,350 | 19,000 |
| Net nonoperating income | <u>184,202</u> | <u>168,053</u> | <u>251,074</u> |
| Income before transfer | 274,287 | 170,668 | 482,547 |
| Transfer out | - | (191,000) | - |
| Change in net assets | <u>274,287</u> | <u>(20,332)</u> | <u>482,547</u> |
| Total net assets - beginning | <u>7,469,577</u> | <u>7,489,909</u> | <u>7,007,362</u> |
| Total net assets - ending | \$ <u><u>7,743,864</u></u> | <u><u>7,469,577</u></u> | <u><u>7,489,909</u></u> |

CENTRAL EQUIPMENT SERVICES

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|------------------|-------------------|---|
| | Original | Final | | |
| OPERATING REVENUES - Charges for services | \$ 1,995,700 | 1,984,700 | 2,012,588 | 27,888 |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 321,200 | 321,200 | 335,210 | (14,010) |
| Contracted services | 9,700 | 10,878 | 6,171 | 4,707 |
| Materials and utilities | 188,200 | 191,024 | 240,291 | (49,267) |
| Other: | | | | |
| Gasoline and oil | 318,300 | 318,300 | 439,082 | (120,782) |
| Miscellaneous | 118,800 | 128,800 | 104,138 | 24,662 |
| Capital outlay | 1,726,400 | 2,289,824 | 1,319,738 | 970,086 |
| Debt principal | - | - | 137,504 | (137,504) |
| Total operating expenses | <u>2,682,600</u> | <u>3,260,026</u> | <u>2,582,134</u> | <u>677,892</u> |
| Operating loss | (686,900) | (1,275,326) | (569,546) | 705,780 |
| NONOPERATING INCOME (EXPENSES) | | | | |
| State equipment grant | - | 191,000 | 159,135 | (31,865) |
| Investment and interest income | 110,900 | 110,900 | 19,866 | (91,034) |
| Interest expense-capital leases | - | - | (5,649) | (5,649) |
| Gain on disposal of capital assets | 25,000 | 25,000 | 12,736 | (12,264) |
| Net nonoperating income | <u>135,900</u> | <u>326,900</u> | <u>186,088</u> | <u>(140,812)</u> |
| Change in net assets (Non-GAAP) | \$ <u>(551,000)</u> | <u>(948,426)</u> | (383,458) | <u>564,968</u> |
| Encumbrance adjustment | | | 436,297 | |
| Capitalization of assets | | | 975,267 | |
| Net book value of assets disposed | | | (1,886) | |
| Depreciation expense | | | (889,437) | |
| Principal paid on debt | | | 137,504 | |
| Equity Transfer Out | | | - | |
| Change in net assets | | | \$ <u>274,287</u> | |

CITY AND BOROUGH OF JUNEAU

Internal Service Funds

SELF-INSURANCE

Comparative Statements of Revenues, Expenses, and Changes in Net Assets

For the fiscal years ended June 30, 2004, 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|----------------------------|-------------------------|-----------------------|
| OPERATING REVENUES - Charges for services | \$ 12,931,024 | 10,978,372 | 7,510,328 |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 279,110 | 266,964 | 243,023 |
| Contracted services | 286,147 | 453,299 | 218,478 |
| Insurance premiums | 10,122,153 | 9,440,276 | 7,820,943 |
| Claims | 2,024,911 | 1,161,384 | 1,193,525 |
| Other | 71,782 | 72,574 | 62,812 |
| | <u>12,784,103</u> | <u>11,394,497</u> | <u>9,538,781</u> |
| Depreciation | 209 | 209 | 655 |
| Total operating expenses | <u>12,784,312</u> | <u>11,394,706</u> | <u>9,539,436</u> |
| Change in net assets | 146,712 | (416,334) | (2,029,108) |
| Total net assets - beginning | <u>(293,099)</u> | <u>123,235</u> | <u>2,152,343</u> |
| Total net assets - ending | \$ <u><u>(146,387)</u></u> | <u><u>(293,099)</u></u> | <u><u>123,235</u></u> |

SELF-INSURANCE

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the fiscal year ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| OPERATING REVENUES - Charges for services | \$ 11,881,200 | 11,881,200 | 12,931,024 | 1,049,824 |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 314,600 | 316,119 | 279,110 | 37,009 |
| Contracted services | 253,200 | 263,200 | 336,147 | (72,947) |
| Insurance premiums | 9,783,600 | 9,783,600 | 10,122,153 | (338,553) |
| Claims | 627,700 | 627,700 | 2,024,911 | (1,397,211) |
| Other | 83,100 | 83,100 | 71,782 | 11,318 |
| Total operating expenses | <u>11,062,200</u> | <u>11,073,719</u> | <u>12,834,103</u> | <u>(1,760,384)</u> |
| Change in net assets (Non-GAAP) | \$ <u>819,000</u> | <u>807,481</u> | 96,921 | <u>(710,560)</u> |
| Encumbrance adjustment | | | 50,000 | |
| Depreciation expense | | | <u>(209)</u> | |
| Change in net assets | | | \$ <u>146,712</u> | |



FIDUCIARY FUNDS

Agency Funds

The Agency Funds are used to report resources held by the City and Borough in a purely custodial capacity (assets equal liabilities). These funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Mental Health Payee - To account for monies received from state sources to be used for housing and food for individuals deemed incapable of handling these monies themselves.

Senior Citizens Housing - To account for monies received from state sources to be used for qualifying senior citizens to acquire housing.

Golf Club - To account for monies received from private sources to be used toward the future construction of the Juneau Golf Course by an independent party.

Sister City - To account for monies received from private sources to be used to promote relationships between Juneau and her sister cities.

Museum Grant - To account for monies received from private sources to be granted to local organizations and individuals to promote historical projects.

Juneau Public Library Endowment - To account for monies received from private sources to be granted to local organizations to promote the local library infrastructure.

Agency Funds

Combining Statement of Fiduciary Assets and Liabilities

June 30, 2004

with comparative total amounts for 2003 and 2002

| | <u>Mental Health Payee</u> | <u>Senior Citizens Housing</u> | <u>Golf Club</u> | <u>Sister City</u> |
|-------------------------------|------------------------------------|--|----------------------|------------------------|
| ASSETS | | | | |
| Equity in central treasury | \$ 1,353 | 11,899 | 11,843 | 1,173 |
| Plant and equipment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 1,353</u> | <u>11,899</u> | <u>11,843</u> | <u>1,173</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | - | - | - |
| Accrued and other liabilities | <u>1,353</u> | <u>11,899</u> | <u>11,843</u> | <u>1,173</u> |
| Total liabilities | <u>\$ 1,353</u> | <u>11,899</u> | <u>11,843</u> | <u>1,173</u> |



| <u>Museum Grant</u> | <u>Juneau Public Library Endowment</u> | <u>Totals</u> | | |
|-------------------------|--|----------------|----------------|----------------|
| | | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| 17,274 | 865,865 | 909,407 | 899,374 | 845,254 |
| - | 7,588 | 7,588 | 7,588 | 7,588 |
| <u>17,274</u> | <u>873,453</u> | <u>916,995</u> | <u>906,962</u> | <u>852,842</u> |
| - | - | - | - | - |
| <u>17,274</u> | <u>873,453</u> | <u>916,995</u> | <u>906,962</u> | <u>852,842</u> |
| <u>17,274</u> | <u>873,453</u> | <u>916,995</u> | <u>906,962</u> | <u>852,842</u> |

CITY and BOROUGH OF JUNEAU

Agency Funds

Combining Statement of Changes in Fiduciary Assets and Liabilities

For the fiscal year ended June 30, 2004

| | Assets | | | Balance at June 30, 2004 |
|---|----------------------------|----------|----------|-----------------------------|
| | Balance at July 1, 2003 | Increase | Decrease | |
| Mental Health Payee: | | | | |
| Equity in central treasury | \$ 1,346 | 7 | - | 1,353 |
| Accrued and other liabilities | - | - | - | - |
| Total Mental Health Payee | 1,346 | 7 | - | 1,353 |
| Senior Citizens Housing: | | | | |
| Equity in central treasury | 11,899 | - | - | 11,899 |
| Accrued and other liabilities | - | - | - | - |
| Total Senior Citizens Housing | 11,899 | - | - | 11,899 |
| Golf Club: | | | | |
| Equity in central treasury | 11,768 | 75 | - | 11,843 |
| Accrued and other liabilities | - | - | - | - |
| Total Golf Club | 11,768 | 75 | - | 11,843 |
| Sister City: | | | | |
| Equity in central treasury | 1,465 | 8 | 300 | 1,173 |
| Accrued and other liabilities | - | - | - | - |
| Total Sister City | 1,465 | 8 | 300 | 1,173 |
| Museum Grant: | | | | |
| Equity in central treasury | 12,508 | 5,003 | 237 | 17,274 |
| Accrued and other liabilities | - | - | - | - |
| Total Museum Grant | 12,508 | 5,003 | 237 | 17,274 |
| Juneau Public Library Endowment: | | | | |
| Equity in central treasury | 860,388 | 5,477 | - | 865,865 |
| Plant and equipment | 7,588 | - | - | 7,588 |
| Accrued and other liabilities | - | - | - | - |
| Total Juneau Public Library Endowment | 867,976 | 5,477 | - | 873,453 |
| Total Agency Funds | \$ 906,962 | 10,570 | 537 | 916,995 |



Liabilities

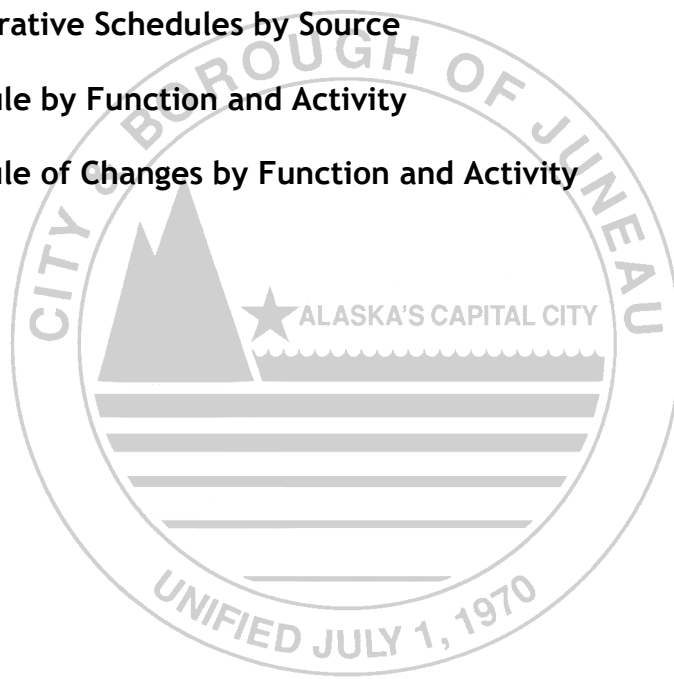
| <u>Balance at July 1, 2003</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance at June 30, 2004</u> |
|------------------------------------|-----------------|-----------------|-------------------------------------|
| - | - | - | - |
| 1,346 | 7 | - | 1,353 |
| <u>1,346</u> | <u>7</u> | <u>-</u> | <u>1,353</u> |
| - | - | - | - |
| 11,899 | - | - | 11,899 |
| <u>11,899</u> | <u>-</u> | <u>-</u> | <u>11,899</u> |
| - | - | - | - |
| 11,768 | 75 | - | 11,843 |
| <u>11,768</u> | <u>75</u> | <u>-</u> | <u>11,843</u> |
| - | - | - | - |
| 1,465 | 8 | 300 | 1,173 |
| <u>1,465</u> | <u>8</u> | <u>300</u> | <u>1,173</u> |
| - | - | - | - |
| 12,508 | 5,003 | 237 | 17,274 |
| <u>12,508</u> | <u>5,003</u> | <u>237</u> | <u>17,274</u> |
| - | - | - | - |
| - | - | - | - |
| 867,976 | 5,477 | - | 873,453 |
| <u>867,976</u> | <u>5,477</u> | <u>-</u> | <u>873,453</u> |
| <u>906,962</u> | <u>10,570</u> | <u>537</u> | <u>916,995</u> |

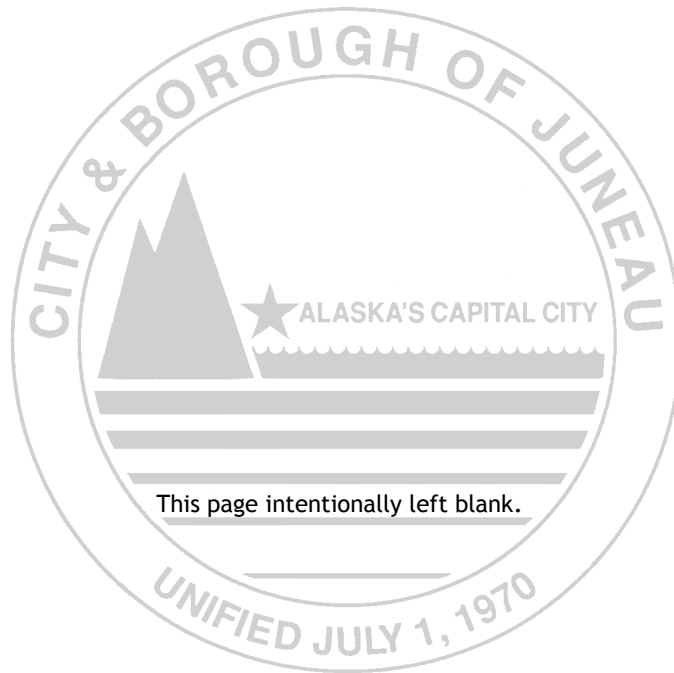


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CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

- Comparative Schedules by Source
- Schedule by Function and Activity
- Schedule of Changes by Function and Activity





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Capital Assets Used in the Operation of Governmental Funds

Comparative Schedules By Source

June 30, 2004

with comparative total amounts for 2003 and 2002

| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|-----------------------|--------------------|--------------------|
| Governmental fund capital assets: | | | |
| Land | \$ 36,500,884 | 35,647,034 | 33,195,696 |
| Buildings and improvements | 173,843,569 | 171,644,619 | 163,502,060 |
| Machinery, equipment and fixtures | 25,021,784 | 23,688,514 | 23,334,103 |
| Infrastructure | 178,199,015 | 172,468,062 | 159,450,311 |
| Construction in progress | 48,728,840 | 39,810,807 | 37,271,673 |
| | <u>462,294,092</u> | <u>443,259,036</u> | <u>416,753,843</u> |
| Total governmental fund capital assets | \$ <u>462,294,092</u> | <u>443,259,036</u> | <u>416,753,843</u> |
| Investment in governmental fund capital assets by source: | | | |
| General fund | \$ 4,268,856 | 4,400,402 | 4,290,823 |
| Special revenue funds | 5,177,002 | 5,283,449 | 4,558,491 |
| Capital projects funds | 354,397,322 | 335,295,686 | 310,365,792 |
| Donations | 98,450,912 | 98,279,499 | 97,538,737 |
| | <u>462,294,092</u> | <u>443,259,036</u> | <u>416,753,843</u> |
| Total governmental fund capital assets | \$ <u>462,294,092</u> | <u>443,259,036</u> | <u>416,753,843</u> |

Note: This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in Central Equipment Service Internal Service Fund are excluded from the above amounts. The capital assets of the Central Equipment Service Internal Service Fund are included as governmental activities in the Statement of Net Assets.

Capital Assets Used in the Operation of Governmental Funds

Schedule By Function and Activity

As of June 30, 2004, 2003 and 2002

| | <u>Land</u> | <u>Buildings and improvements</u> | <u>Machinery, equipment and fixtures</u> |
|---------------------------------|----------------------|---|--|
| Legislative | \$ - | 2,215,696 | 29,933 |
| Legal | - | - | 19,514 |
| Administration: | | | |
| Manager | - | - | 17,483 |
| Personnel/Clerk | - | - | 26,298 |
| Management Information Systems | - | - | 2,640,759 |
| Lands | 13,314,041 | 781,242 | 98,823 |
| Education | 4,999,157 | 101,950,178 | 5,331,992 |
| Community development | 3,900,000 | 6,218,320 | 114,127 |
| Finance | - | 40,400 | 191,938 |
| Engineering | - | 4,184 | 63,795 |
| Library | 94,544 | 6,229,773 | 1,821,235 |
| Social services | 7,400 | 208,431 | 65,575 |
| Recreation: | | | |
| Parks and Landscape Maintenance | 8,432,035 | 11,159,713 | 385,401 |
| Eaglecrest | - | 4,750,629 | 2,367,062 |
| Parks and Recreation | - | 8,768,014 | 572,692 |
| Public safety: | | | |
| Police | 920,812 | 8,348,924 | 2,330,085 |
| Fire | 642,315 | 10,290,796 | 1,565,159 |
| Public works: | | | |
| Building Maintenance | - | 1,089,709 | 23,228 |
| Downtown Parking | - | 387,927 | 30,767 |
| Streets | 1,592,579 | 4,290,199 | 147,458 |
| Public transportation | - | 665,502 | 6,842,045 |
| Tourism and conventions | 2,598,001 | 6,443,932 | 336,415 |
| Construction work in progress | - | - | - |
| | <u>\$ 36,500,884</u> | <u>173,843,569</u> | <u>25,021,784</u> |

Note: This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in Central Equipment Service Internal Service Fund are excluded from the above amounts. The capital assets of the Central Equipment Service Internal Service Fund are included as governmental activities in the Statement of Net Assets.



| Infrastructure | Construction work in progress | Totals | | |
|--------------------|-------------------------------------|--------------------|--------------------|--------------------|
| | | 2004 | 2003 | 2002 |
| - | - | 2,245,629 | 2,245,628 | 2,245,628 |
| - | - | 19,514 | 19,514 | 19,514 |
| - | - | 17,483 | 17,483 | 17,483 |
| - | - | 26,298 | 26,298 | 16,677 |
| - | - | 2,640,759 | 2,635,072 | 2,549,301 |
| 36,728 | - | 14,230,834 | 13,463,548 | 13,430,690 |
| - | - | 112,281,327 | 110,361,203 | 109,571,802 |
| - | - | 10,232,447 | 10,232,447 | 10,224,473 |
| - | - | 232,338 | 213,971 | 207,758 |
| - | - | 67,979 | 67,979 | 67,979 |
| - | - | 8,145,552 | 8,136,923 | 8,136,923 |
| - | - | 281,406 | 281,406 | 1,292,836 |
| 95,929 | - | 20,073,078 | 19,225,009 | 13,695,761 |
| - | - | 7,117,691 | 7,113,029 | 5,931,754 |
| - | - | 9,340,706 | 9,313,877 | 5,566,149 |
| - | - | 11,599,821 | 10,721,056 | 10,877,058 |
| - | - | 12,498,270 | 12,518,931 | 11,567,584 |
| - | - | 1,112,937 | 1,112,937 | 1,112,937 |
| 745,676 | - | 1,164,370 | 418,694 | 418,694 |
| 177,320,682 | - | 183,350,918 | 178,345,564 | 165,447,350 |
| - | - | 7,507,547 | 7,990,135 | 8,110,890 |
| - | - | 9,378,348 | 8,987,525 | 8,972,929 |
| - | 48,728,840 | 48,728,840 | 39,810,807 | 37,271,673 |
| <u>178,199,015</u> | <u>48,728,840</u> | <u>462,294,092</u> | <u>443,259,036</u> | <u>416,753,843</u> |

Capital Assets Used in the Operation of Governmental Funds

Schedule of Changes By Function and Activity

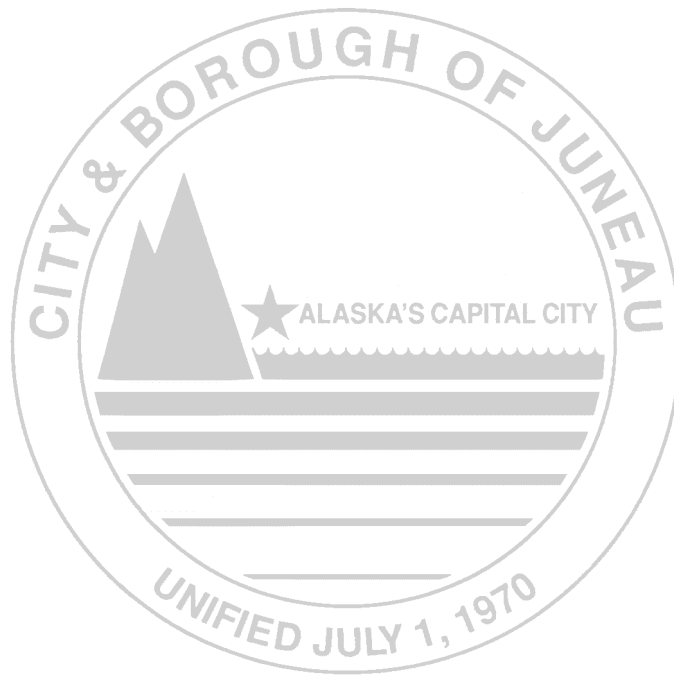
For the fiscal year ended June 30, 2004

| | Beginning Balances | Additions | Deductions | Ending Balances |
|---|-----------------------|-------------------|------------------|--------------------|
| All Asset Types | | | | |
| Legislative | \$ 2,245,628 | 20,949 | - | 2,266,577 |
| Legal | 49,532 | 988 | - | 50,520 |
| Administration: | | | | |
| Manager | 17,483 | - | - | 17,483 |
| Personnel/Clerk | 26,298 | - | - | 26,298 |
| Management Information Systems | 2,635,072 | 5,687 | - | 2,640,759 |
| Lands | 13,591,665 | 800,386 | - | 14,392,051 |
| Education | 132,562,914 | 14,044,385 | 777,442 | 145,829,857 |
| Community development | 12,426,301 | 10,811 | 455,490 | 11,981,622 |
| Finance | 213,971 | 18,367 | - | 232,338 |
| Engineering | 67,979 | - | - | 67,979 |
| Library | 8,181,573 | 266,185 | - | 8,447,758 |
| Social services | 281,406 | - | - | 281,406 |
| Recreation: | | | | |
| Parks and Landscape Maintenance | 21,520,056 | 1,683,201 | 965,297 | 22,237,960 |
| Eaglecrest | 7,268,015 | 276,322 | 4,661 | 7,539,676 |
| Parks and Recreation | 9,784,351 | 380,631 | 11,829 | 10,153,153 |
| Public safety: | | | | |
| Police | 12,509,230 | 1,242,209 | 878,765 | 12,872,674 |
| Fire | 12,563,580 | 428,616 | 20,661 | 12,971,535 |
| Public works: | | | | |
| Building Maintenance | 1,155,663 | - | 42,727 | 1,112,936 |
| Downtown Parking | 1,651,496 | 964,024 | 745,676 | 1,869,844 |
| Streets | 184,213,907 | 6,615,504 | 3,001,129 | 187,828,282 |
| Public transportation | 8,417,088 | 840,476 | 586,788 | 8,670,776 |
| Community projects | 2,529,718 | 353,823 | 1,760,367 | 1,123,174 |
| Tourism and conventions | 9,346,110 | 688,981 | 355,657 | 9,679,434 |
| Total governmental funds capital assets | \$ <u>443,259,036</u> | <u>28,641,545</u> | <u>9,606,489</u> | <u>462,294,092</u> |

Note: This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in Central Equipment Service Internal Service Fund are excluded from the above amounts. The capital assets of the Central Equipment Service Internal Service Fund are included as governmental activities in the Statement of Net Assets.

ADDITIONAL INFORMATION

These schedules provide additional fiscal data considered valuable in meeting other informational needs and in providing a better understanding of the finances of the City and Borough.



CITY AND BOROUGH OF JUNEAU

Current Capital Projects by Category

Year ended June 30, 2004

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Project encumbrances</u> | <u>Remaining project commitment</u> | <u>Required future financing</u> | <u>Percent expended</u> |
|--|-----------------------|-----------------------|-----------------------------|-----------------------------|-------------------------------------|----------------------------------|-------------------------|
| CAPITAL PROJECTS FUNDS | | | | | | | |
| Schools: | | | | | | | |
| Juneau schools roofing | 454-37 | \$ 455,000 | 407,892 | - | 47,108 | - | 90% |
| New High School/Dimond Park | 454-66 | 23,185,448 | 4,914,462 | 44,158 | 18,226,828 | - | 21% |
| Dzantik'i Heeni site improvements | 454-67 | 404,473 | 359,084 | 40,237 | 5,152 | - | 99% |
| ADA upgrades - Marie Drake | 454-68 | 682,796 | 120,728 | 526,426 | 35,642 | - | 95% |
| Auke Bay Elem roof replacement | 454-69 | 774,030 | 705,118 | 47,599 | 21,313 | - | 97% |
| Marie Drake/Harborview roof repair | 454-70 | 1,190,000 | 1,136,959 | - | 53,041 | - | 96% |
| JDHS/Gastineau Elem heat/vent | 454-71 | 179,820 | 175,959 | - | 3,861 | - | 98% |
| JDHS aux gym/Floyd Dryden gym floor | 454-72 | 358,678 | 317,738 | - | 40,940 | - | 89% |
| Floyd Dryden renovations | 454-73 | 5,385,000 | 4,767,864 | 98,967 | 518,169 | - | 90% |
| School district major maintenance | 454-75 | 201,067 | 78,374 | - | 122,693 | - | 39% |
| JDHS renovation | 454-76 | 22,906,140 | 21,440,053 | 55,399 | 1,410,688 | - | 94% |
| Riverbend site improvements | 454-77 | 261,678 | 74,760 | 19,604 | 167,314 | - | 36% |
| Floyd Dryden drive reconstruction | 454-78 | 40,010 | 38,969 | - | 1,041 | - | 97% |
| MRCs road reconstruction | 454-79 | 20,000 | 18,189 | 1,811 | - | - | 100% |
| JDHS Renovation II | 454-80 | 4,579,019 | 37,150 | 283,974 | 4,257,895 | - | 7% |
| DZ Improvements | 454-81 | 400,000 | 81,608 | 58,739 | 259,653 | - | 35% |
| High School Planning | 454-82 | 136,324 | 16,308 | - | 120,016 | - | 12% |
| Total Schools | | <u>61,159,483</u> | <u>34,691,215</u> | <u>1,176,914</u> | <u>25,291,354</u> | <u>-</u> | <u>59%</u> |
| Roads and sidewalks: | | | | | | | |
| Valley shop fence/lights/landscape | 412-55 | 50,000 | 37,872 | - | 12,128 | - | 76% |
| Mendenhall Blvd reconstruction | 412-72 | 1,980,000 | 1,978,353 | 9,633 | - | (7,986) | 100% |
| Engineer evaluation-Gold Creek bridges | 412-74 | 95,000 | 68,067 | 100 | 26,833 | - | 72% |
| Lena access road extension | 412-79 | 3,477,000 | 2,970,444 | 106,599 | 399,957 | - | 88% |
| Street main shop design - new location | 412-81 | 1,085,000 | 18,946 | - | 1,066,054 | - | 2% |
| Riverwood Sub drainage improv I | 412-87 | 1,075,000 | 1,062,700 | 12,300 | - | - | 100% |
| Downtown covered sidewalks | 412-90 | 55,000 | - | - | 55,000 | - | - |
| Columbia Blvd Reconstruction | 412-92 | 1,609,000 | 1,542,255 | 29,581 | 37,164 | - | 98% |
| Pavement maintenance and rehab | 412-94 | 223,984 | 172,169 | - | 51,815 | - | 77% |
| Highlands Reconstruction III | 412-95 | 1,812,661 | 1,812,661 | (0) | 0 | - | 100% |
| Retaining Walls | 412-96 | 97,382 | 2,512 | - | 94,870 | - | 3% |
| Stairways & Sidewalks | 412-97 | 150,000 | 10,063 | 5,082 | 134,855 | - | 10% |
| Goldbelt Avenue Reconstruction | 412-98 | 1,418,428 | 301,489 | 1,043,436 | 73,503 | - | 95% |
| Seward/2nd Street Reconstruction | 412-99 | 1,040,000 | 288,644 | 70,355 | 681,001 | - | 35% |
| Aspen Avenue/Duck Creek Exiting | 422-01 | 200,000 | 20,033 | 10,173 | 169,794 | - | 15% |
| Riverside Drive Improvements | 422-02 | 90,000 | - | - | 90,000 | - | - |
| Decoy Blvd Reconstruction | 422-03 | 500,000 | 268,021 | 214,892 | 17,087 | - | 97% |
| Pavement Management | 422-04 | 611,635 | 37,720 | 88,033 | 485,882 | - | 21% |
| S Franklin Street Wide/Load Zone | 422-05 | 30,000 | 23,480 | - | 6,520 | - | 78% |
| West Ninth Street LID | 422-06 | 26,000 | 28,122 | 200 | - | (2,322) | 109% |
| Total Roads and sidewalks | | <u>15,626,090</u> | <u>10,643,551</u> | <u>1,590,384</u> | <u>3,402,463</u> | <u>(10,308)</u> | <u>78%</u> |
| Fire and safety: | | | | | | | |
| Critical incident command vehicle | 413-04 | 70,000 | - | - | 70,000 | - | - |
| Integrated computer record system | 413-06 | 756,493 | 757,426 | 120 | - | (1,053) | 100% |
| Explosive ordinance safety | 413-15 | 62,000 | 59,575 | - | 2,425 | - | 96% |
| Thane Road fire service improvements | 413-17 | 35,000 | 32,023 | - | 2,977 | - | 91% |
| Modernizing Police equipment | 413-18 | 1,086,900 | 381,219 | 19,645 | 686,036 | - | 37% |
| New Police Station Site Improvements | 413-19 | 113,838 | 74,633 | 3,529 | 35,676 | - | 69% |
| Police Station Fire Suppression | 413-20 | 50,000 | - | - | 50,000 | - | - |
| Hag Fire Training Ctr-Fac Needs Asm | 413-21 | 15,000 | 5,808 | - | 9,192 | - | 39% |
| First Responder Preparedness | 413-22 | 673,467 | 132,899 | 144,557 | 396,011 | - | 41% |
| Metro Med Response | 413-23 | 600,000 | 329 | 100,000 | 499,671 | - | 17% |
| Homeland Security Grant Program | 413-24 | 962,000 | - | - | 962,000 | - | - |
| Total Fire and safety | | <u>4,424,698</u> | <u>1,443,912</u> | <u>267,851</u> | <u>2,713,988</u> | <u>(1,053)</u> | <u>39%</u> |

(Continued)

Current Capital Projects by Category

Year ended June 30, 2004

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Project encum- brances</u> | <u>Remaining project commitment</u> | <u>Required future financing</u> | <u>Percent ex- pended</u> |
|---|---------------------------|---------------------------|---------------------------------|---------------------------------------|---|--|-----------------------------------|
| Community development: | | | | | | | |
| Energy efficiency improvements | 374-30 | 228,223 | 143,997 | - | 84,226 | - | 63% |
| Juneau wetlands mitigation bank | 374-42 | 27,627 | 2,713 | - | 24,914 | - | 10% |
| Mendenhall River hydrology | 374-48 | 208,250 | 161,217 | 40,675 | 6,358 | - | 97% |
| Muni bldg and JPD telephone system | 374-54 | 136,000 | 130,679 | - | 5,321 | - | 96% |
| Bus passenger shelters | 374-63 | 234,000 | 108,552 | 23,355 | 102,093 | - | 56% |
| CBJ wetlands mitigation bank | 374-64 | 72,500 | 28,293 | 37,708 | 6,499 | - | 91% |
| Capital Transit transit facility | 374-68 | 421,350 | 224,577 | 96,549 | 100,224 | - | 76% |
| Open space waterfront land acquisition | 374-70 | 1,232,121 | 291,612 | - | 940,509 | - | 24% |
| Eaglecrest parking lot expansion | 374-78 | 325,000 | 233,142 | - | 91,858 | - | 72% |
| Safe routes to schools | 374-79 | 12,500 | 3,472 | - | 9,028 | - | 28% |
| Construct JCVB Visitor Center | 374-80 | 176,000 | 120,626 | 2,480 | 52,894 | - | 70% |
| Hyperspec Images/Duck Ck monitor | 374-82 | 99,952 | - | - | 99,952 | - | - |
| Transit buses replacement | 374-83 | 805,220 | 763,644 | - | 41,576 | - | 95% |
| Waterfront planning | 374-85 | 300,000 | 163,344 | 14,803 | 121,853 | - | 59% |
| Helpport plan/flight noise abate/improv | 374-86 | 460,000 | 10,417 | - | 449,583 | - | 2% |
| Eaglecrest Lodge expansion | 374-89 | 805,000 | 151,236 | 42,798 | 610,966 | - | 24% |
| Eaglecrest nordic ski trail dev | 374-91 | 25,000 | 5,920 | - | 19,080 | - | 24% |
| JAMHI bldg demo/parking lot construc | 374-92 | 565,412 | 563,328 | - | 2,084 | - | 100% |
| Assembly chambers audio system replc | 374-93 | 25,000 | 17,772 | - | 7,228 | - | 71% |
| N Lemon Creek Materials Source | 374-94 | 200,000 | - | - | 200,000 | - | - |
| Platter Pull Cable Replacement | 374-95 | 16,000 | - | 3,920 | 12,080 | - | 25% |
| Deferred Maintenance - Lifts | 374-96 | 45,000 | - | - | 45,000 | - | - |
| Mend Valley Well Monitoring | 374-97 | 10,000 | - | - | 10,000 | - | - |
| ADA Compliance | 374-98 | 61,000 | - | - | 61,000 | - | - |
| Sewerage Treatment - Design | 375-02 | 10,000 | - | - | 10,000 | - | - |
| Performing Arts Center | 375-03 | 22,588 | - | - | 22,588 | - | - |
| Wayfinding Signs | 375-04 | 75,000 | 6,700 | - | 68,300 | - | 9% |
| New Capitol Bldg Planning | 375-05 | 50,000 | 3,177 | 404 | 46,419 | - | 7% |
| Geographic Infor System II | 375-06 | 160,976 | 5,087 | 3,000 | 152,889 | - | 5% |
| Eaglecrest Deferred Maintenance | 375-07 | 8,949 | - | - | 8,949 | - | - |
| Underground storage tanks | 380-32 | 1,874,633 | 1,805,669 | 32,500 | 36,464 | - | 98% |
| Total Community development | | 8,693,301 | 4,945,174 | 298,192 | 3,449,935 | - | 60% |
| Parks and recreation: | | | | | | | |
| Park repairs/safety improvements | 396-02 | 669,588 | 582,675 | 58,647 | 28,266 | - | 96% |
| Hank Harmon Rifle Range improvements | 396-21 | 50,000 | 22,326 | - | 27,674 | - | 45% |
| Trail improvements | 396-25 | 348,500 | 193,632 | 11,712 | 143,156 | - | 59% |
| Cope Park improvements | 396-26 | 390,457 | 43,358 | - | 347,099 | - | 11% |
| Fish Creek Park improvements | 396-27 | 128,000 | 23,950 | - | 104,050 | - | 19% |
| Glacier Valley sportsfield improvments | 396-28 | 423,523 | 242,246 | 149,010 | 32,267 | - | 92% |
| Mendenhall River sportsfield improv | 396-29 | 36,130 | 31,077 | - | 5,053 | - | 86% |
| Last Chance Basin safety repairs | 396-33 | 40,000 | 37,541 | - | 2,459 | - | 94% |
| Dimond Park community center I | 396-34 | 300,000 | 264,508 | 22,050 | 13,442 | - | 96% |
| Treadwell Arena | 396-35 | 3,657,066 | 3,652,859 | - | 4,207 | - | 100% |
| Smith/Butts Park improvements I | 396-36 | 150,000 | 37,695 | - | 112,305 | - | 25% |
| Zach Gordon covered court | 396-37 | 500,000 | 89,302 | 19,170 | 391,528 | - | 22% |
| Areawide trail maintenance | 396-38 | 378,004 | 354,840 | 6,000 | 17,164 | - | 95% |
| Commercial trail planning | 396-39 | 100,000 | 94,643 | 1,905 | 3,452 | - | 97% |
| Douglas Library/Fire Hall maintenance | 396-40 | 630,155 | 604,412 | 7,374 | 18,369 | - | 97% |
| Essential building repairs II | 396-41 | 697,817 | 287,053 | 30,154 | 380,610 | - | 45% |
| Deferred building maintenance II | 396-42 | 1,501,367 | 493,386 | 216,895 | 791,086 | - | 47% |
| Adair Kennedy track resurface | 396-43 | 253,000 | 236,930 | 16,035 | 35 | - | 100% |
| West Juneau park acquisition | 396-44 | 250,000 | 156,348 | 73,639 | 20,013 | - | 92% |

(Continued)

CITY AND BOROUGH OF JUNEAU

Current Capital Projects by Category

Year ended June 30, 2004

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Project encumbrances</u> | <u>Remaining project commitment</u> | <u>Required future financing</u> | <u>Percent expended</u> |
|--|-----------------------|-----------------------|-----------------------------|-----------------------------|-------------------------------------|----------------------------------|-------------------------|
| Parks and recreation: (continued) | | | | | | | |
| Montana Creek bike trail | 396-47 | 50,000 | - | - | 50,000 | - | - |
| Sport field repairs | 396-48 | 304,000 | 54,057 | - | 249,943 | - | 18% |
| W. Juneau Park - design | 396-49 | 145,000 | 2,243 | - | 142,757 | - | 2% |
| Gunakadeit Park plan/design | 396-50 | 321,000 | 34,042 | - | 286,958 | - | 11% |
| DT parking garage major maint | 396-51 | 225,000 | 132,988 | 500 | 91,512 | - | 59% |
| Asbestos Abatement | 396-52 | 15,000 | 502 | 450 | 14,048 | - | 6% |
| Semi-Automatic Pool Cover | 396-53 | 80,000 | - | - | 80,000 | - | - |
| Treadwell Arena - Lockers | 396-54 | 175,400 | 38,291 | 8,041 | 129,068 | - | 26% |
| DT Cap Parking | 396-55 | 330,000 | 75,611 | 4,450 | 249,939 | - | 24% |
| Egan Drive Trees | 396-56 | 30,000 | - | - | 30,000 | - | - |
| Switzer/Marriot Trail Improvements | 396-57 | 50,000 | 1,252 | - | 48,748 | - | 3% |
| Total Parks and recreation | | <u>12,229,007</u> | <u>7,787,767</u> | <u>626,032</u> | <u>3,815,208</u> | <u>-</u> | <u>69%</u> |
| Total Capital Projects Funds | | <u>102,132,579</u> | <u>59,511,619</u> | <u>3,959,373</u> | <u>38,672,948</u> | <u>(11,361)</u> | <u>62%</u> |
| ENTERPRISE FUNDS | | | | | | | |
| Airport: | | | | | | | |
| New snow removal equip bldg design | 345-26 | 1,501,419 | 278,131 | 24,046 | 1,199,242 | - | 20% |
| Airport construction contingency reserve | 345-31 | 80,000 | 16,010 | - | 63,990 | - | 20% |
| Airport revolving capital account | 345-33 | 381,447 | - | - | 381,447 | - | - |
| Installation of security fencing | 345-36 | 15,000 | - | - | 15,000 | - | - |
| Runway safety area I | 345-43 | 4,181,490 | 4,084,258 | - | 97,232 | - | 98% |
| Relocate ASOS | 345-46 | 65,000 | 9,643 | - | 55,357 | - | 15% |
| Runway safety area EIS | 345-47 | 3,139,896 | 1,987,385 | 682,309 | 470,202 | - | 85% |
| Exter rehab - airport term bldg | 345-48 | 955,637 | 953,415 | - | 2,222 | - | 100% |
| SRE-ARFF- command vehicle | 345-52 | 1,796,603 | 1,795,752 | - | 851 | - | 100% |
| Cessna/Alex Holden Way | 345-53 | 395,780 | 340,998 | - | 54,782 | - | 86% |
| Terminal expansion study | 345-54 | 260,000 | 227,126 | - | 32,874 | - | 87% |
| Parallel taxiway reconst | 345-55 | 3,614,523 | 3,491,322 | 1,156 | 122,045 | - | 97% |
| Runway safety area II | 345-56 | 973,333 | - | - | 973,333 | - | - |
| NW quadrant dev | 345-57 | 93,333 | - | - | 93,333 | - | - |
| Airport tower upgrade | 345-58 | 75,000 | 85,318 | - | - | (10,318) | 114% |
| Departure area security improvements | 345-59 | 859,220 | 578,596 | 7,286 | 273,338 | - | 68% |
| Airport water/sewer extension | 345-61 | 1,100,345 | 836,273 | 49,960 | 214,112 | - | 81% |
| Acquire Airside Vehicles & Equipment | 345-62 | 642,150 | 43,750 | 547,377 | 51,023 | - | 92% |
| Airport project design fund | 349-47 | 305,331 | 178,394 | 24,791 | 102,146 | - | 67% |
| Total Airport | | <u>20,435,507</u> | <u>14,906,371</u> | <u>1,336,925</u> | <u>4,202,529</u> | <u>(10,318)</u> | <u>79%</u> |
| Hospital: | | | | | | | |
| Bartlett 2005 | 374-72 | 42,926,708 | 6,368,521 | 755,097 | 35,803,090 | - | 17% |
| Total Hospital | | <u>42,926,708</u> | <u>6,368,521</u> | <u>755,097</u> | <u>35,803,090</u> | <u>-</u> | <u>17%</u> |
| Harbors: | | | | | | | |
| Norway Point boat moorage float | 354-63 | 511,626 | 421,729 | - | 89,897 | - | 82% |
| Douglas Harbor uplands & moorage | 354-68 | 4,327,804 | 4,184,816 | 138,463 | 4,525 | - | 100% |
| Harbor areawide restrooms constr | 354-69 | 50,000 | 3,031 | - | 46,969 | - | 6% |
| Statter Harbor improvements | 354-71 | 2,487,491 | 2,467,491 | 13,332 | 6,668 | - | 100% |
| Auke Bay load fac/Statter elect upgra | 354-74 | 3,986,500 | 736,500 | 4,473 | 3,245,527 | - | 19% |
| North Douglas ramp access improv | 354-78 | 245,000 | 204,395 | 12,995 | 27,610 | - | 89% |
| Amalga Harbor launch ramp upgrade | 354-79 | 2,700,000 | 2,217,007 | 273,450 | 209,543 | - | 92% |
| Douglas Harbor III | 354-84 | 3,500,000 | 2,629,668 | 105,669 | 764,663 | - | 78% |
| Juneau harbors deferred maint | 354-85 | 9,622,810 | 595,965 | 308,056 | 8,718,789 | - | 9% |
| Total Harbors | | <u>27,431,231</u> | <u>13,460,602</u> | <u>856,438</u> | <u>13,114,191</u> | <u>-</u> | <u>52%</u> |

(Continued)

Current Capital Projects by Category

Year ended June 30, 2004

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Project encum- brances</u> | <u>Remaining project commitment</u> | <u>Required future financing</u> | <u>Percent ex- pended</u> |
|--|---------------------------|---------------------------|---------------------------------|---------------------------------------|---|--|-----------------------------------|
| Port: | | | | | | | |
| Douglas Harbor uplands & moorage | 354-68 | 1,050,000 | 1,050,000 | - | - | - | 100% |
| Ferry dock wharf widening/info office | 354-71 | 300,000 | 295,510 | - | 4,490 | - | 99% |
| Gold Creek entrance enhancement | 354-73 | 1,088,000 | 879,581 | 28,179 | 180,240 | - | 83% |
| Auke Bay load fac/Statter elect upgrade | 354-74 | 175,000 | 42,456 | - | 132,544 | - | 24% |
| Intermediate Vessel Flt elect upgrade | 354-75 | 120,000 | 35,785 | - | 84,215 | - | 30% |
| Upgrade National Guard Dock | 354-76 | 300,000 | 276,903 | 5,651 | 17,446 | - | 94% |
| S. ferry terminal wharf extension | 354-80 | 500,000 | 77,496 | 1,120 | 421,384 | - | 16% |
| Subport marina design/permit | 354-81 | 75,000 | 7,038 | - | 67,962 | - | 9% |
| Marine Park/steamship wharf I | 354-82 | 6,352,272 | 6,419,394 | 17,852 | - | (84,974) | 101% |
| Marine Park/steamship wharf II | 354-83 | 150,000 | - | - | 150,000 | - | - |
| Accessible gangway | 354-86 | 110,000 | 157 | - | 109,843 | - | - |
| People's Wharf/Visitor's Cntr Sidewalk Imp | 354-87 | 95,000 | 24,736 | 5 | 70,259 | - | 26% |
| Steamship Wharf Lightering Fac | 354-88 | 100,000 | 463 | - | 99,537 | - | - |
| Steamship Wharf/Cold Stor Dock Impr | 354-89 | 550,000 | 357,392 | 29,630 | 162,978 | - | 70% |
| Port Security Improvements | 354-90 | 131,265 | 78,105 | 5 | 53,155 | - | 60% |
| Total Port | | <u>11,096,537</u> | <u>9,545,016</u> | <u>82,442</u> | <u>1,554,053</u> | <u>(84,974)</u> | <u>87%</u> |
| Water: | | | | | | | |
| Riverwood subdivision drainage imprv | 412-87 | 35,000 | - | 27,056 | 7,944 | - | 77% |
| Highlands Reconstruction III | 412-95 | 293,406 | 25,846 | 217,190 | 50,370 | - | 83% |
| Goldbelt Avenue Reconstruction | 412-98 | 400,000 | - | - | 400,000 | - | - |
| Domestic water filtration system | 494-05 | 55,357 | 52,140 | - | 3,217 | - | 94% |
| Lena Point reservoir construction | 494-19 | 2,463,367 | 2,460,065 | - | 3,302 | - | 100% |
| Simpson Avenue/West Juneau water Lemon Crk storage facility/office remodel | 494-23 | 811,156 | 496,487 | 13,557 | 301,112 | - | 63% |
| Last Chance Basin improvements | 494-25 | 1,736,117 | 1,424,449 | - | 311,668 | - | 82% |
| Salmon Creek pump station improve | 494-26 | 309,686 | 169,516 | - | 140,170 | - | 55% |
| N Tee Harbor waterline extension | 494-27 | 2,275,000 | 164,950 | 15,005 | 2,095,045 | - | 8% |
| 3rd St Douglas water/sewer improv | 494-28 | 1,500,000 | 944,146 | 304,947 | 250,907 | - | 83% |
| Water Utility Meter System Upgrade | 494-31 | 225,000 | 208,930 | - | 16,070 | - | 93% |
| Total Water | | <u>10,104,089</u> | <u>5,946,529</u> | <u>577,755</u> | <u>3,579,805</u> | <u>-</u> | <u>65%</u> |
| Sewer: | | | | | | | |
| Aspen Avenue/Duck Creek Exiting | 422-01 | 15,000 | - | - | 15,000 | - | - |
| Cessna Drive sewer relocation | 484-54 | 218,400 | 215,884 | 400 | 2,116 | - | 99% |
| Lemon Creek lift station reconstruction | 484-58 | 633,908 | 629,925 | - | 3,983 | - | 99% |
| North Douglas sewer | 484-60 | 3,526,945 | 2,939,826 | - | 587,119 | - | 83% |
| J-D treatment plant improvements | 484-62 | 1,780,000 | 1,718,009 | - | 61,991 | - | 97% |
| Mendenhall treatment plant improvements | 484-63 | 1,627,500 | 1,439,003 | 16,601 | 171,896 | - | 89% |
| MVWTP-Chlorine Gas/Repl disfusr | 484-65 | 1,350,000 | 1,277,071 | 4,676 | 68,253 | - | 95% |
| S Franklin sewer force main upgrade | 484-66 | 2,203,000 | 2,066,508 | - | 136,492 | - | 94% |
| Dimond Park Lift Station | 484-67 | 150,000 | - | - | 150,000 | - | - |
| Waste Water Utility Improvements | 484-68 | 510,000 | 42,598 | 550 | 466,852 | - | 8% |
| Bayview Subdivision Sewer Outfall | 484-69 | 150,000 | 19,032 | - | 130,968 | - | 13% |
| JD Treatment Plant Incinerator Major Repair | 484-70 | 415,000 | 224,199 | 67,983 | 122,818 | - | 70% |
| Sitka Avenue manhole reconstruction | 484-71 | 41,000 | 26,865 | 906 | 13,229 | - | 68% |
| Total Sewer | | <u>12,620,753</u> | <u>10,598,920</u> | <u>91,116</u> | <u>1,930,717</u> | <u>-</u> | <u>85%</u> |
| Total Enterprise Funds | | <u>124,614,825</u> | <u>60,825,959</u> | <u>3,699,773</u> | <u>60,184,385</u> | <u>(95,292)</u> | <u>52%</u> |
| Total All Capital Projects | | <u>\$ 226,747,404</u> | <u>120,337,578</u> | <u>7,659,146</u> | <u>98,857,333</u> | <u>(106,653)</u> | <u>56%</u> |

CITY AND BOROUGH OF JUNEAU

Closed Capital Projects by Category

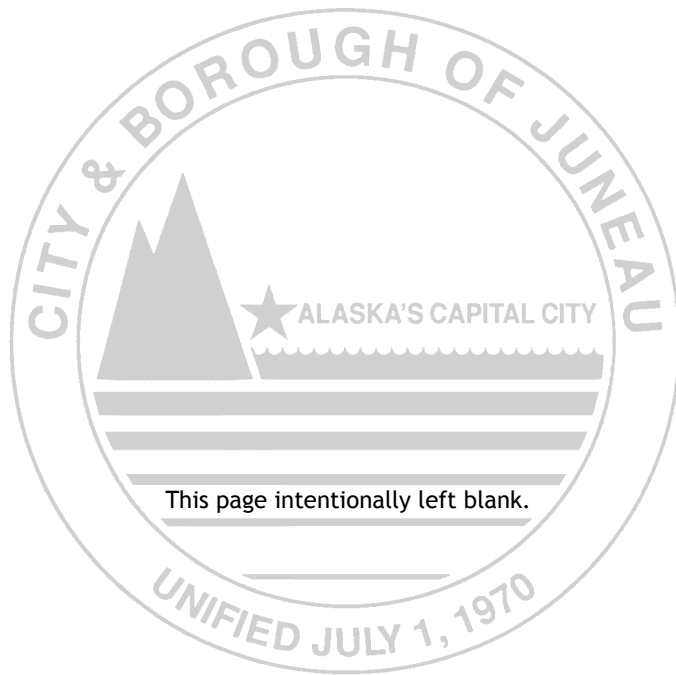
Year ended June 30, 2004

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Percent expended</u> |
|-------------------------------------|---------------------------|---------------------------|---------------------------------|-----------------------------|
| CAPITAL PROJECTS FUNDS | | | | |
| Schools: | | | | |
| District-wide school technology II | 454-64 | \$ 4,077,428 | 4,077,428 | 100% |
| Total Schools | | <u>4,077,428</u> | <u>4,077,428</u> | |
| Roads and Sidewalks: | | | | |
| Term contracts/areawide streets | 411-60 | 103,406 | 103,406 | 100% |
| Chip seal/sealcoat existing streets | 412-68 | 302,430 | 302,430 | 100% |
| Gastineau Ave reconstruction | 412-71 | 4,820,521 | 4,820,521 | 100% |
| Areawide retaining wall repairs | 412-73 | 52,668 | 52,668 | 100% |
| Refinish downtown street lights | 412-83 | 238,931 | 238,931 | 100% |
| Overlay/Grinding | 412-85 | 356,057 | 356,057 | 100% |
| Lemon Creek industrial LID #89 | 412-86 | 938,974 | 938,974 | 100% |
| Capital Avenue Reconstruction | 412-88 | 12,315 | 12,315 | 100% |
| Salmon Creek Lane Ext LID #90 | 412-89 | 818,542 | 818,542 | 100% |
| Total Roads and sidewalks | | <u>7,643,844</u> | <u>7,643,844</u> | |
| Community development: | | | | |
| Manila Square | 374-01 | 11,829 | 11,829 | 100% |
| Areawide communications II | 374-24 | 878,765 | 878,765 | 100% |
| ADA compliance fund | 374-34 | 150,789 | 150,789 | 100% |
| Geographic Information System | 374-35 | 396,238 | 396,238 | 100% |
| Eaglecrest main shop replace design | 374-47 | 1,021,515 | 1,021,515 | 100% |
| ADA transition plan barrier removal | 374-55 | 104,200 | 104,200 | 100% |
| Marine Park Traffic Circle Design | 374-69 | 745,676 | 745,676 | 100% |
| Rock Dump land/storage building | 374-71 | 772,000 | 772,000 | 100% |
| Stormwater management program | 374-76 | 213,488 | 213,488 | 100% |
| Historic signage | 374-81 | 50,198 | 50,198 | 100% |
| Marine Park/Front Street Restrooms | 374-87 | 287,997 | 287,997 | 100% |
| DT tourism trans impact study | 374-90 | 67,661 | 67,661 | 100% |
| Total Community development | | <u>4,700,356</u> | <u>4,700,356</u> | |
| Parks and recreation: | | | | |
| Twin Lakes Park improvements | 394-65 | 56,277 | 56,277 | 100% |
| Essential building repairs fund | 396-06 | 846,632 | 846,632 | 100% |
| Mt Jumbo fire safety improvements | 396-11 | 42,727 | 42,727 | 100% |
| Adair Kennedy Park improvements | 396-18 | 1,320,469 | 1,320,469 | 100% |
| Dimond Park improvements | 396-20 | 371,756 | 371,756 | 100% |
| Melvin Park improvements | 396-22 | 139,655 | 139,655 | 100% |
| Park and field improvements | 396-30 | 153,539 | 153,539 | 100% |
| Covered playground repairs | 396-45 | 50,000 | 50,000 | 100% |
| AW ballfield improvements | 396-46 | 1,158,049 | 1,158,049 | 100% |
| Total Parks and recreation | | <u>4,139,104</u> | <u>4,139,104</u> | |
| Total Capital Projects Funds | | <u>20,560,732</u> | <u>20,560,732</u> | |

Closed Capital Projects by Category

Year ended June 30, 2004

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Percent expended</u> |
|---|---------------------------|---------------------------|---------------------------------|-----------------------------|
| ENTERPRISE FUNDS | | | | |
| Airport: | | | | |
| Airport terminal wall and ceiling rehabilitation | 345-34 | 126,755 | 126,755 | 100% |
| Block O development | 345-40 | 151,486 | 151,486 | 100% |
| Yandukin Way two-way reconfig | 345-49 | 79,655 | 79,655 | 100% |
| SRE - sand truck | 345-51 | 153,158 | 153,158 | 100% |
| SRE - blowers | 345-60 | 396,038 | 396,038 | 100% |
| Total Airport | | <u>907,092</u> | <u>907,092</u> | |
| Water: | | | | |
| Marine Park Traffic Circle Design | 374-69 | 28,900 | 28,900 | 100% |
| Gastineau Ave reconstruction | 412-71 | 350,249 | 350,249 | 100% |
| Wilma Avenue Waterline Extension | 494-29 | 8,197 | 8,197 | 100% |
| Indoor Shooting Range Waterline | 494-30 | 75,000 | 75,000 | 100% |
| Total Water | | <u>462,346</u> | <u>462,346</u> | |
| Sewer: | | | | |
| Marine Park Traffic Circle Design | 374-69 | 117,800 | 117,800 | 100% |
| Gastineau Ave reconstruction | 412-71 | 20,010 | 20,010 | 100% |
| JD Plant Incinerator Bldg Roof | 484-64 | 215,087 | 215,087 | 100% |
| Total Sewer | | <u>352,897</u> | <u>352,897</u> | |
| Total Enterprise Funds | | <u>1,722,335</u> | <u>1,722,335</u> | |
| Total All Closed Capital Projects | | <u>\$ 22,283,067</u> | <u>22,283,067</u> | |



STATISTICAL SECTION

The statistical tables in the following section reflect the social and economic data and trends for the past nine to ten years in the City and Borough of Juneau. These statistics represent the reporting entity which encompasses the Primary Government and its component unit. No legal debt margin exists for the City and Borough and the School District. The City and Borough of Juneau has no overlapping and underlying debt.



CITY AND BOROUGH OF JUNEAU

Government-Wide Revenue by Program Source by Function/Source
(Unaudited)

Last Five Fiscal Years

| | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> |
|--|-----------------------|--------------------|--------------------|--------------------|
| Program Revenues (by function) | | | | |
| Primary government: | | | | |
| Governmental activities: | | | | |
| Legislative | \$ - | 46,620 | - | - |
| Legal | 23,031 | 57,501 | 64,008 | 46,459 |
| Administration | 6,792 | 9,101 | 47,245 | 11,146 |
| Education | 2,099,360 | 3,125,724 | 2,732,046 | 2,016,804 |
| Finance | 37,248 | 126,427 | 123,757 | 48,709 |
| Engineering | 17,096 | 18,628 | 14,240 | 16,566 |
| Libraries | 208,554 | 251,384 | 200,984 | 153,783 |
| Social services | 13,240 | 137,869 | 32,876 | 59,015 |
| Recreation | 2,578,310 | 2,748,369 | 2,082,301 | 1,890,144 |
| Community development & lands management | 2,461,168 | 1,977,590 | 1,719,159 | 2,241,694 |
| Low-income housing | 83,951 | 26,545 | 8,171 | 27,797 |
| Public safety | 2,954,733 | 2,563,616 | 2,571,326 | 2,336,955 |
| Public works | 1,844,852 | 2,099,466 | 1,523,836 | 633,153 |
| Public transportation | 1,183,235 | 879,147 | 1,041,415 | 785,919 |
| Community projects | - | 60,710 | 57,120 | 47,455 |
| Tourism and conventions | 5,427,311 | 5,052,812 | 5,116,404 | 5,598,762 |
| Interest on long-term debt | 5,193,518 | (3,956,676) | - | - |
| Total governmental activities | <u>24,132,399</u> | <u>15,224,833</u> | <u>17,334,888</u> | <u>15,914,361</u> |
| Business-type activities: | | | | |
| Airport | 9,208,827 | 7,801,412 | 6,026,268 | 8,188,081 |
| Harbors | 3,717,320 | 7,297,373 | 1,532,357 | 1,572,502 |
| Docks | 1,648,509 | 6,763,907 | 1,023,807 | 861,090 |
| Hospital | 52,804,966 | 47,520,244 | 43,262,675 | 40,224,495 |
| Water | 3,672,622 | 2,844,064 | 2,825,774 | 3,710,834 |
| Sewer | 7,107,575 | 5,580,448 | 6,815,319 | 5,819,213 |
| Waste management | 731,621 | 564,969 | 561,236 | 619,748 |
| Total business-type activities | <u>78,891,440</u> | <u>78,372,417</u> | <u>62,047,436</u> | <u>60,995,963</u> |
| Total program revenues (by function) | <u>103,023,839</u> | <u>93,597,250</u> | <u>79,382,324</u> | <u>76,910,324</u> |
| General revenues: (by source) | | | | |
| Property taxes | 30,025,665 | 28,725,113 | 28,176,762 | 27,322,920 |
| Sales tax | 32,934,397 | 30,786,346 | 30,831,846 | 29,622,300 |
| Hotel tax | 906,280 | 897,011 | 926,630 | 961,026 |
| Unrestricted investment earnings | 1,169,349 | 4,712,055 | 3,719,373 | 4,253,643 |
| Gain on sale of capital assets | 41,941 | 55,978 | 19,000 | 34,880 |
| Miscellaneous | 1,993,991 | 2,099,342 | 3,051,413 | 1,784,856 |
| Total general revenues (by source) | <u>67,071,623</u> | <u>67,275,845</u> | <u>66,725,024</u> | <u>63,979,625</u> |
| Total government-wide revenues | \$ <u>170,095,462</u> | <u>160,873,095</u> | <u>146,107,348</u> | <u>140,889,949</u> |



2000

| |
|--------------------|
| - |
| 42,903 |
| 3,913 |
| 3,549,268 |
| 43,023 |
| 25,632 |
| 183,153 |
| 2,956,596 |
| 2,304,168 |
| 1,465,025 |
| - |
| 2,955,251 |
| 72,651 |
| 3,833,448 |
| 406,687 |
| 287,621 |
| - |
| <u>18,129,339</u> |
| - |
| 5,898,601 |
| 1,495,261 |
| 913,594 |
| 33,126,182 |
| 2,728,971 |
| 4,973,066 |
| 385,329 |
| <u>49,521,004</u> |
| - |
| <u>67,650,343</u> |
| - |
| 25,661,949 |
| 28,669,302 |
| 1,009,378 |
| 3,798,521 |
| 29,111 |
| 1,982,126 |
| <u>61,150,387</u> |
| - |
| <u>128,800,730</u> |

CITY AND BOROUGH OF JUNEAU

General Governmental Revenues and Transfers by Source
(Unaudited)

Last Ten Fiscal Years

| | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> |
|--|-----------------------|--------------------|--------------------|--------------------|
| SOURCE OF FUNDS | | | | |
| Taxes | \$ 64,589,574 | 61,066,031 | 59,097,011 | 58,340,226 |
| State sources | 28,384,186 | 29,407,787 | 29,323,869 | 26,534,137 |
| Federal sources | 5,288,752 | 4,877,045 | 5,855,894 | 3,733,732 |
| Local sources | 2,346,611 | 2,449,601 | 1,965,861 | 1,718,154 |
| Charges for services | 2,022,640 | 1,401,538 | 1,901,814 | 1,583,755 |
| Contracted services | 331,700 | 323,800 | 307,100 | 305,800 |
| Licenses, permits and fees | 7,466,087 | 6,599,682 | 6,806,786 | 6,966,491 |
| Ambulance and air medevac | 552,343 | 455,905 | 466,730 | 507,889 |
| Fines and forfeitures | 631,796 | 501,679 | 460,670 | 428,097 |
| Investment and interest income | 556,663 | 3,104,306 | 3,106,921 | 3,690,459 |
| Land sales | 847,573 | 158,233 | 407,569 | 349,047 |
| Rental | 233,795 | 290,806 | 216,682 | 238,974 |
| Special assessments | 567,060 | 153,840 | 209,442 | 238,815 |
| Equity in earnings of AJT Mining Properties, Inc. joint ventures | 103 | 131 | 190 | 353 |
| Other | 554,700 | 386,802 | 453,392 | 439,108 |
| Total revenues | <u>114,373,583</u> | <u>111,177,186</u> | <u>110,579,931</u> | <u>105,075,037</u> |
| Transfers from other funds | <u>52,123,723</u> | <u>50,418,880</u> | <u>46,900,832</u> | <u>43,539,400</u> |
| Total revenues and transfers from other funds | <u>\$ 166,497,306</u> | <u>161,596,066</u> | <u>157,480,763</u> | <u>148,614,437</u> |
| Percentage change from prior year | 3.03% | 2.61% | 5.97% | 1.51% |

Source - The City and Borough of Juneau Comprehensive Annual Financial Reports. This table includes the Primary Government General Fund, Special Revenue Funds and Debt Service Fund and the School District Component Unit.



| <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 55,660,961 | 52,128,384 | 52,069,613 | 47,992,979 | 43,832,129 | 41,719,502 |
| 29,736,794 | 30,282,227 | 31,195,689 | 32,674,603 | 33,592,913 | 34,949,342 |
| 3,999,316 | 4,976,902 | 3,988,811 | 3,393,678 | 3,758,931 | 2,472,678 |
| 1,749,904 | 1,676,609 | 1,262,760 | 1,486,078 | 1,607,103 | 1,486,513 |
| 2,866,785 | 2,719,653 | 2,186,311 | 2,707,715 | 3,626,017 | 3,161,474 |
| 491,000 | 447,600 | 498,900 | 501,800 | 469,200 | 467,200 |
| 4,415,504 | 2,988,490 | 3,808,234 | 3,218,628 | 3,447,608 | 3,062,042 |
| 530,196 | 407,700 | 480,242 | 477,760 | 398,581 | 385,622 |
| 424,651 | 419,140 | 331,907 | 327,253 | 436,768 | 492,731 |
| 2,600,680 | 2,266,061 | 3,264,037 | 2,834,985 | 2,810,423 | 2,788,584 |
| 621,558 | 206,396 | 527,718 | 269,177 | 145,805 | 229,870 |
| 233,106 | 302,105 | 326,698 | 362,446 | 260,546 | 189,104 |
| 185,721 | 295,945 | 480,449 | 343,031 | 513,394 | 788,490 |
| 27,355 | 16,674 | 7,936 | 179,186 | 166,045 | 166,145 |
| 358,352 | 315,836 | 531,917 | 1,082,081 | 440,903 | 543,425 |
| <u>103,901,883</u> | <u>99,449,722</u> | <u>100,961,222</u> | <u>97,851,400</u> | <u>95,506,366</u> | <u>92,902,722</u> |
| <u>42,505,887</u> | <u>41,536,800</u> | <u>45,505,100</u> | <u>39,484,800</u> | <u>36,798,700</u> | <u>33,976,126</u> |
| <u>146,407,770</u> | <u>140,986,522</u> | <u>146,466,322</u> | <u>137,336,200</u> | <u>132,305,066</u> | <u>126,878,848</u> |
| 3.85% | (3.74%) | 6.65% | 3.80% | 4.28% | 4.28% |

CITY AND BOROUGH OF JUNEAU

Government-Wide Expenses by Function
(Unaudited)

Last Five Fiscal Years

| | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> |
|--|-----------------------|--------------------|--------------------|--------------------|
| Program Expenses (by function) | | | | |
| Primary government: | | | | |
| Governmental activities: | | | | |
| Legislative | \$ 1,634,229 | 3,124,032 | 1,730,794 | 826,040 |
| Legal | 1,167,961 | 753,253 | 751,497 | 741,602 |
| Administration | 2,487,543 | 2,345,202 | 2,131,275 | 2,074,377 |
| Education | 21,640,289 | 27,474,708 | 21,666,937 | 20,513,938 |
| Finance | 2,694,998 | 2,592,406 | 2,639,816 | 2,409,941 |
| Engineering | 504,518 | 576,328 | 507,532 | 451,382 |
| Libraries | 1,773,714 | 2,079,346 | 1,973,051 | 1,885,654 |
| Social services | 990,088 | 2,100,002 | 907,118 | 1,276,649 |
| Recreation | 6,006,226 | 4,772,951 | 4,669,172 | 3,502,628 |
| Community development & lands management | 4,961,726 | 4,529,458 | 3,373,445 | 3,279,612 |
| Low-income housing | 50,469 | 29,798 | 62,187 | 1,521 |
| Public safety | 13,749,237 | 14,451,818 | 12,766,689 | 11,910,736 |
| Public works | 12,579,360 | 5,021,379 | 11,478,986 | 7,797,408 |
| Public transportation | 4,042,682 | 3,966,378 | 3,605,103 | 3,030,215 |
| Community projects | 1,406,544 | (474,627) | 57,120 | 47,455 |
| Tourism and conventions | 1,512,871 | 1,495,046 | 1,937,907 | 1,569,050 |
| Interest on long-term debt | 7,448,694 | 3,643,659 | 1,041,739 | 849,226 |
| Total governmental activities | <u>84,651,149</u> | <u>78,481,137</u> | <u>71,300,368</u> | <u>62,167,434</u> |
| Business-type activities: | | | | |
| Airport | 6,108,455 | 6,134,297 | 5,691,086 | 5,100,151 |
| Harbors | 2,822,952 | 2,349,669 | 1,792,134 | 1,698,656 |
| Docks | 1,909,645 | 1,531,668 | 1,356,551 | 1,212,546 |
| Hospital | 50,343,145 | 48,331,759 | 44,297,256 | 40,409,745 |
| Water | 3,995,160 | 4,577,902 | 4,429,047 | 4,229,507 |
| Sewer | 7,693,921 | 7,370,927 | 6,668,520 | 6,650,022 |
| Waste management | 759,991 | 537,254 | 481,848 | 476,384 |
| Total business-type activities | <u>73,633,269</u> | <u>70,833,476</u> | <u>64,716,442</u> | <u>59,777,011</u> |
| Transfers | 20,980,023 | 5,572,925 | 8,860,262 | - |
| Total government-wide expenses | <u>\$ 179,264,441</u> | <u>154,887,538</u> | <u>144,877,072</u> | <u>121,944,445</u> |



2000

| | |
|--|-------------------|
| | 1,083,606 |
| | 678,733 |
| | 2,036,817 |
| | 19,444,467 |
| | 2,568,633 |
| | 365,391 |
| | 1,858,619 |
| | 5,170,565 |
| | 4,136,164 |
| | 2,531,397 |
| | 22,953 |
| | 12,054,499 |
| | 7,385,748 |
| | 2,705,741 |
| | 401,327 |
| | 1,395,984 |
| | 847,308 |
| | <u>64,687,952</u> |

| | |
|--|-------------------|
| | 5,209,533 |
| | 1,526,126 |
| | 1,151,435 |
| | 32,886,156 |
| | 4,025,601 |
| | 6,056,654 |
| | 323,053 |
| | <u>51,178,558</u> |

| | |
|--|---------------------------|
| | - |
| | <u><u>115,866,510</u></u> |

CITY AND BOROUGH OF JUNEAU

**General Governmental Expenditures and Transfers by Function
(Unaudited)**

Last Ten Fiscal Years

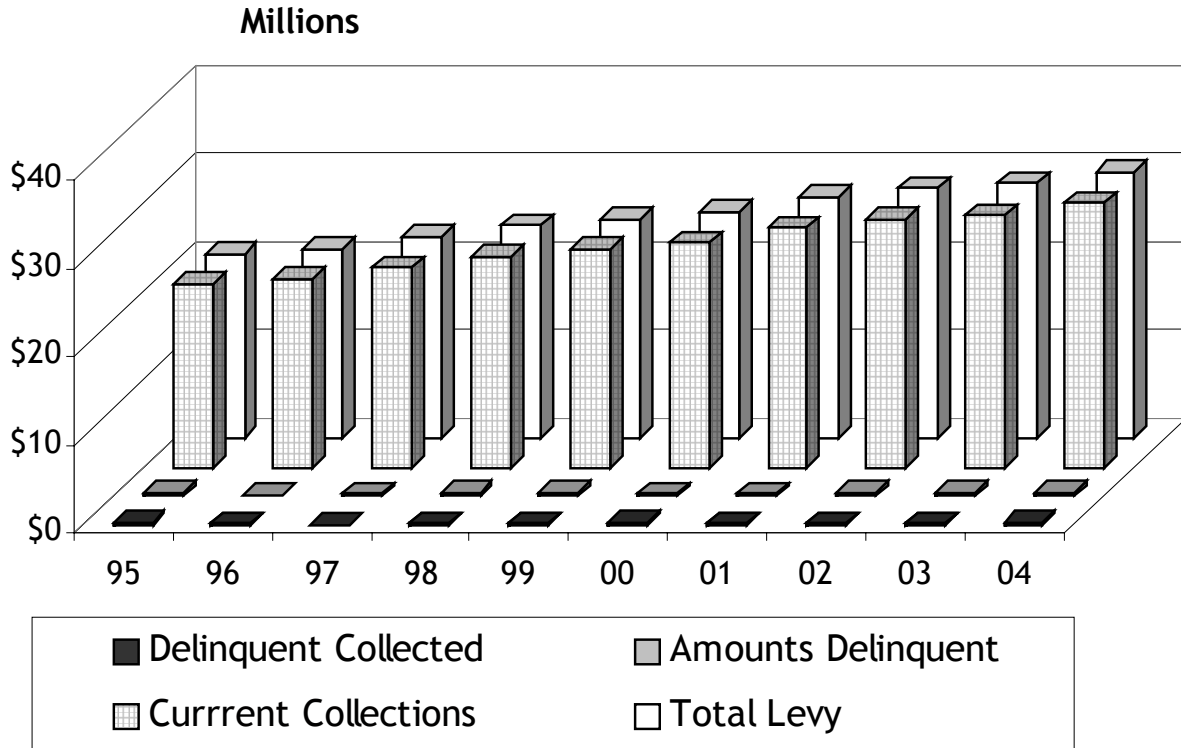
| | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> |
|---|-----------------------|--------------------|--------------------|--------------------|
| GOVERNMENTAL FUNCTION | | | | |
| General government | \$ 8,999,091 | 9,928,241 | 8,239,954 | 5,624,279 |
| Education | 48,505,786 | 48,258,732 | 46,279,276 | 44,874,588 |
| Libraries | 1,782,517 | 1,842,077 | 1,735,496 | 1,596,859 |
| Social services | - | - | - | 1,114,882 |
| Recreation | 4,528,054 | 3,983,786 | 3,815,336 | 3,349,014 |
| Community development and lands management | 3,508,272 | 3,400,271 | 2,905,933 | 3,785,257 |
| Community projects and low-income housing | 2,469 | 72,518 | 357,259 | 48,976 |
| Public safety | 13,293,415 | 13,305,226 | 11,866,047 | 11,337,146 |
| Public works and engineering | 5,597,892 | 5,337,114 | 5,193,760 | 4,780,018 |
| Public transportation | 3,742,621 | 3,348,231 | 3,067,453 | 2,616,670 |
| Tourism and conventions | 1,434,807 | 1,394,346 | 1,358,054 | 1,304,940 |
| Debt service | 6,509,523 | 4,269,642 | 6,487,158 | 5,090,020 |
| Special assessments | 168,314 | 922,411 | 14,899 | 85,048 |
| Other | 136,907 | 311,753 | 185,946 | 782,786 |
| Total expenditures | <u>98,209,668</u> | <u>96,374,348</u> | <u>91,506,571</u> | <u>86,390,483</u> |
| Transfers to other funds | <u>56,821,788</u> | <u>46,205,770</u> | <u>51,869,494</u> | <u>58,061,500</u> |
| Total expenditures and transfers to other funds | <u>\$ 155,031,456</u> | <u>142,580,118</u> | <u>143,376,065</u> | <u>144,451,983</u> |
| Percentage change from prior year | 8.73% | (0.56%) | (0.74%) | (1.67%) |

Source - The City and Borough of Juneau Comprehensive Annual Financial Reports. This table includes the Primary Government General Fund, Special Revenue Funds and Debt Service Fund and the School District Component Unit.



| <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 5,773,857 | 6,282,939 | 7,200,137 | 5,446,325 | 5,232,978 | 5,795,225 |
| 44,024,391 | 43,097,013 | 41,339,169 | 40,887,564 | 41,491,790 | 40,218,454 |
| 1,603,386 | 1,673,449 | 1,468,193 | 1,443,133 | 1,390,832 | 1,182,426 |
| 5,138,740 | 5,257,654 | 5,011,703 | 5,339,175 | 6,005,132 | 5,340,192 |
| 3,454,365 | 3,464,114 | 3,255,489 | 3,198,242 | 2,743,320 | 2,767,589 |
| 5,779,796 | 2,294,923 | 3,056,793 | 3,711,356 | 2,361,005 | 2,147,273 |
| 424,280 | 1,233,169 | 118,475 | 457,223 | 103,795 | 378,997 |
| 11,301,283 | 10,860,760 | 11,128,036 | 10,729,403 | 10,282,409 | 9,810,519 |
| 4,731,846 | 5,106,566 | 4,858,394 | 5,079,664 | 4,747,668 | 4,930,227 |
| 2,442,826 | 2,387,125 | 2,385,464 | 2,512,042 | 2,164,174 | 2,040,050 |
| 1,156,615 | 1,154,220 | 1,110,119 | 1,140,988 | 996,875 | 1,027,969 |
| 6,230,706 | 6,152,135 | 6,769,078 | 7,039,705 | 6,479,029 | 6,572,106 |
| 79,594 | 44,963 | 106,514 | 168,624 | 204,766 | 577,308 |
| 624,412 | 589,326 | 632,390 | 757,586 | 562,537 | 1,192,504 |
| <u>92,766,097</u> | <u>89,598,356</u> | <u>88,439,954</u> | <u>87,911,030</u> | <u>84,766,310</u> | <u>83,980,839</u> |
| <u>54,144,587</u> | <u>52,844,600</u> | <u>58,299,224</u> | <u>50,213,882</u> | <u>45,066,865</u> | <u>40,125,297</u> |
| <u>146,910,684</u> | <u>142,442,956</u> | <u>146,739,178</u> | <u>138,124,912</u> | <u>129,833,175</u> | <u>124,106,136</u> |
| 3.14% | (2.93%) | 6.24% | 6.39% | 4.61% | 2.10% |

City and Borough of Juneau Property Taxes Levies, Collections & Delinquencies (Unaudited)



Based on information presented in Property Tax Levies and Collections on the opposite page based on each years levy.

Property Tax Levies and Collections
(Unaudited)

Last Ten Fiscal Years

| <u>Fiscal year</u> | <u>Current tax levy</u> | <u>Current tax levy collections</u> | <u>Prior years' tax levy collections</u> | <u>Total collections</u> | <u>Outstanding tax receivable @ 6/30</u> | <u>% of current tax levy collected</u> | <u>% of prior tax levies collected</u> |
|--------------------|-------------------------|-------------------------------------|--|--------------------------|--|--|--|
| 1995 | \$ 20,914,118 | 20,683,734 | 337,287 * | 21,021,021 | 408,346 | 98.90% | 65.46% * |
| 1996 | 21,464,349 | 21,259,780 | 210,302 * | 21,470,082 | 229,713 | 99.05% | 51.50% * |
| 1997 | 22,754,480 | 22,576,930 | 128,797 | 22,705,727 | 278,466 | 99.22% | 56.07% |
| 1998 | 24,083,707 | 23,834,064 | 181,569 | 24,015,633 | 346,540 | 98.96% | 65.20% |
| 1999 | 24,830,200 | 24,600,453 | 192,718 | 24,793,171 | 383,569 | 99.07% | 55.61% |
| 2000 | 25,577,527 | 25,363,383 | 268,679 | 25,632,062 | 329,033 | 99.16% | 70.05% |
| 2001 | 27,312,279 | 27,108,624 | 221,240 | 27,329,864 | 311,448 | 99.25% | 67.24% |
| 2002 | ** 28,252,112 | 27,991,947 | 222,634 | 28,214,581 | 348,979 | 99.08% | 71.48% |
| 2003 | 28,828,698 | 28,516,391 | 224,702 | 28,741,093 | 436,584 | 98.92% | 64.39% |
| 2004 | 30,092,623 | 29,873,705 | 312,509 | 30,186,214 | 342,992 | 99.27% | 71.58% |

*Note: Prior to 06/30/96, the outstanding tax receivable and prior years' tax levy collections included not only the tax, but also interest, penalties and foreclosure costs.

**Note: Prior year numbers were corrected during the FY03 audit.

As of 06/30/96, the interest, penalties and foreclosure costs have been excluded.

Source: Information obtained from the Property Tax Receivable System maintained

CITY AND BOROUGH OF JUNEAU

Assessed Value and Estimated Actual Value of All Taxable Property
(Unaudited)

Last Ten Fiscal Years

| Fiscal year <u>ended</u> | Tax roll <u>date</u> | Assessed value | Real property values | |
|-----------------------------|-------------------------|------------------|---|--|
| | | | State's Full value <u>determination</u> | Ratio of assessed to estimated actual value |
| 1995 | 1/1/94 | \$ 1,351,083,000 | 1,425,530,400 | 94.78 |
| 1996 | 1/1/95 | 1,512,648,250 | 1,569,654,000 | 96.37 |
| 1997 | 1/1/96 | 1,691,374,700 | 1,714,147,100 | 98.67 |
| 1998 | 1/1/97 | 1,872,791,000 | 1,889,340,800 | 99.12 |
| 1999 | 1/1/98 | 1,912,807,200 | 1,996,163,100 | 95.82 |
| 2000 | 1/1/99 | 1,938,488,651 | 2,005,194,100 | 96.67 |
| 2001 | 1/1/00 | 2,115,543,800 | 2,155,577,100 | 98.14 |
| 2002 | 1/1/01 | 2,257,233,800 | 2,276,571,000 | 99.15 |
| 2003 | 1/1/02 | 2,325,024,500 | 2,342,567,200 | 99.25 |
| 2004 | 1/1/03 | 2,422,947,400 | 2,423,298,200 | 99.99 |

Footnote:

CBJ Ordinance 69.10.020 exempts the following property from taxation:

- (1) Property exempt by state or federal law
- (2) Household property of a head of a family or household
- (3) Motor vehicles not used for commercial purposes
- (4) Vessels
- (5) Airplanes not used for commercial purposes
- (6) Residential property of qualifying repairs and rehabilitation not exceeding \$10,000
- (7) Historic property not to exceed \$20,000
- (8) Federally funded Low-income Housing
- (9) Property used exclusively for community purposes
- (10) Commencing January 1, 1994, business inventories
- (11) Commencing January 1, 1994, export manufacturing

The same millage rate is applied to both real property and personal property subject to taxation.

Sources: City and Borough of Juneau Assessor's Office - Certified Assessment Rolls and State of Alaska, Department of Community and Regional Affairs publication, "Alaska Taxable."



| Personal property values | | | Total real and personal property values | | |
|--------------------------|---|--|---|---|--|
| <u>Assessed value</u> | <u>State's Full value determination</u> | <u>Ratio of assessed to State's Full value determination</u> | <u>Assessed value</u> | <u>State's Full value determination</u> | <u>Ratio of assessed to State's Full value determination</u> |
| 149,410,025 | 340,453,700 | 43.89 | 1,500,493,025 | 1,765,984,100 | 84.97 |
| 149,155,544 | 350,790,800 | 42.52 | 1,661,803,794 | 1,920,444,800 | 86.53 |
| 151,204,023 | 379,160,400 | 39.88 | 1,842,578,723 | 2,093,307,500 | 88.02 |
| 211,313,438 | 455,740,600 | 46.37 | 2,084,104,438 | 2,345,081,400 | 88.87 |
| 208,953,018 | 435,062,700 | 48.03 | 2,121,760,218 | 2,431,225,800 | 87.27 |
| 205,486,764 | 488,602,300 | 42.06 | 2,143,975,415 | 2,493,796,400 | 85.97 |
| 208,865,696 | 476,458,600 | 43.84 | 2,324,409,496 | 2,632,035,700 | 88.31 |
| 267,236,109 | 569,011,700 | 46.97 | 2,524,469,909 | 2,845,582,700 | 88.72 |
| 246,344,756 | 541,256,600 | 45.51 | 2,571,369,256 | 2,883,823,800 | 89.17 |
| 208,629,989 | 216,985,546 | 96.15 | 2,631,577,389 | 2,640,283,746 | 99.67 |

CITY AND BOROUGH OF JUNEAU

Property Tax Mill Levies and Assessment Rolls
(Unaudited)

Last Ten Fiscal Years

| Property tax mill levies (per \$1,000 assessed valuation) | | 2004 | 2003 | 2002 | 2001 |
|--|-----------|-------------------------|----------------------|----------------------|----------------------|
| Fire Service | SA No. 10 | 11.64 | 11.47 | 11.47 | 12.03 |
| Rural Roaded* | | 10.96 | 10.72 | 10.72 | 11.29 |
| Rural Nonroaded* | | 6.72 | 6.00 | 6.00 | 6.10 |
| <u>Real property - certified assessment roll</u> | | | | | |
| Fire Service | SA No. 10 | \$ 2,325,997,300 | 2,227,957,400 | 2,164,743,000 | 2,026,384,300 |
| Rural Roaded* | | 19,448,600 | 18,906,900 | 18,609,100 | 31,649,200 |
| Rural Nonroaded* | | 77,501,500 | 78,160,200 | 73,881,200 | 57,510,300 |
| Total assessment roll for real property | | \$ <u>2,422,947,400</u> | <u>2,325,024,500</u> | <u>2,257,233,300</u> | <u>2,115,543,800</u> |
| Percent change from prior year | | 4.21% | 3.00% | 6.70% | 9.13% |

Footnote: Per Alaska Title 29, Section 29.45.110, the assessed value is the full and true value as of January 1 of each calendar year. The true and full value being defined as fair market value.

* SAs were restructured effective March 7, 1994 by ordinance 94-11. Amending the Service Area Code to abolish SA No.3 and to consolidate SA Nos. 1, 2, 4, 5, 6, 7, and 8 into a single service area to be known as Fire Service.

Source: The City and Borough of Juneau Assessor's Office.

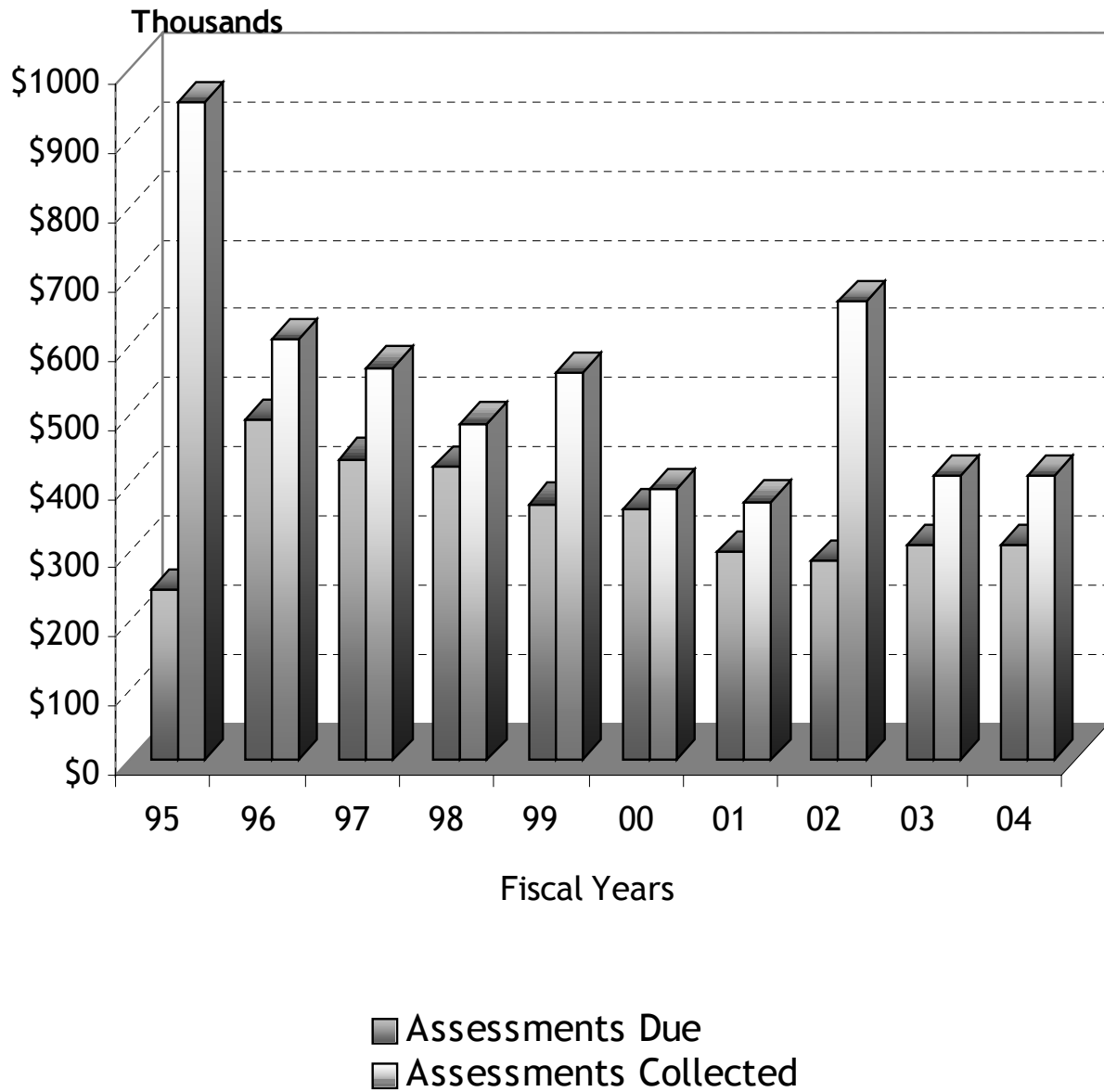


| <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 12.22 | 12.02 | 11.89 | 12.49 | 13.06 | 14.08 |
| 11.30 | 11.09 | 10.91 | 11.43 | 11.97 | 13.05 |
| 6.12 | 5.61 | 5.20 | 5.40 | 5.46 | 6.50 |
| 1,858,749,951 | 1,833,152,400 | 1,798,160,400 | 1,648,741,600 | 1,475,852,650 | 1,319,430,100 |
| 27,577,500 | 26,694,400 | 26,242,700 | 20,354,100 | 17,541,900 | 15,742,100 |
| <u>52,161,200</u> | <u>52,960,400</u> | <u>48,387,900</u> | <u>22,279,000</u> | <u>19,253,700</u> | <u>15,910,800</u> |
| <u>1,938,488,651</u> | <u>1,912,807,200</u> | <u>1,872,791,000</u> | <u>1,691,374,700</u> | <u>1,512,648,250</u> | <u>1,351,083,000</u> |
| 1.34% | 2.14% | 10.73% | 11.82% | 11.96% | 8.03% |

City and Borough of Juneau

Special Assessments

Amounts Due versus Collections (Unaudited)



Based on information in Special Assessment Billings and Collection presented on the opposite page.

Special Assessment Billings and Collections
(Unaudited)

Last Ten Fiscal Years

| <u>Fiscal year</u> | <u>Billings for prior year Special assessments (1)</u> | <u>New assessments added during year</u> | <u>Special assessments collected (2)</u> | <u>Ratio of Collections to Billings and New Assessments</u> | <u>Total assessments Outstanding (3)</u> |
|--------------------|--|--|--|---|--|
| 1995 | \$ 245,288 | \$ 1,841,962 | \$ 1,700,196 | 81.46% | \$ 2,498,812 |
| 1996 | 492,134 | 598,913 | 681,263 | 62.44% | 2,416,462 |
| 1997 | 435,536 | 103,057 | 567,867 | 105.44% | 1,951,653 |
| 1998 | 423,539 | 742,619 | 708,377 | 60.74% | 1,985,895 |
| 1999 | 369,588 | 182,400 | 560,037 | 101.46% | 1,608,258 |
| 2000 | 361,519 | - | 391,741 | 108.36% | 1,216,517 |
| 2001 | 301,112 | 252,090 | 372,956 | 67.42% | 1,095,652 |
| 2002 | 288,306 | 887,700 | 663,078 | 56.38% | 1,320,273 |
| 2003 | 310,011 | - | 410,389 | 132.38% | 909,884 |
| 2004 | 257,018 | 1,018,917 | 757,243 | 59.35% | 1,171,558 |

Footnote:

1. Prior year assessments billed in the current fiscal year (includes principal and interest)
2. Includes collections of prior year assessments and new assessments added during the fiscal year (includes principal and interest)
3. Includes prior year assessments and new assessments added during the year

Source: Special assessment billing records

CITY AND BOROUGH OF JUNEAU

**Bonded Indebtedness Ratio for General Obligation Bond Debt
(Unaudited)**

Last Ten Fiscal Years

| <u>Fiscal year</u> | <u>Gross general obligation bonds</u> | <u>Less enterprise bonded debt</u> | <u>Less debt service funds available</u> | <u>Less debt service funds available in Tobacco Tax Fund</u> | <u>Net general obligation bond debt</u> |
|--------------------|---------------------------------------|------------------------------------|--|--|---|
| 1995 | \$ 41,830,000 | 9,079,653 | 115,505 | 9,111 | 32,625,731 |
| 1996 | 41,465,000 | 8,517,235 | 325,123 | (984) | 32,623,626 |
| 1997 | 35,131,000 | 7,865,038 | 379,773 | 3,125 | 26,883,064 |
| 1998 | 33,001,000 | 7,184,123 | 315,395 | 6,187 | 25,495,295 |
| 1999 | 27,331,000 | 6,465,302 | 164,346 | - | 20,701,352 |
| 2000 | 21,984,000 | 5,720,145 | 1,492 | - | 16,262,363 |
| 2001 | 26,905,000 | 4,940,407 | 149,482 | - | 21,815,111 |
| 2002 | 33,874,000 | 4,116,899 | 488,114 | - | 29,268,987 |
| 2003 | 31,210,000 | 3,239,290 | 972,537 | - | 26,998,173 |
| 2004 | 60,378,000 | 2,227,081 | 5,589,076 | - | 52,561,843 |

* The population reporting date has changed, so we will have two years with the same information.

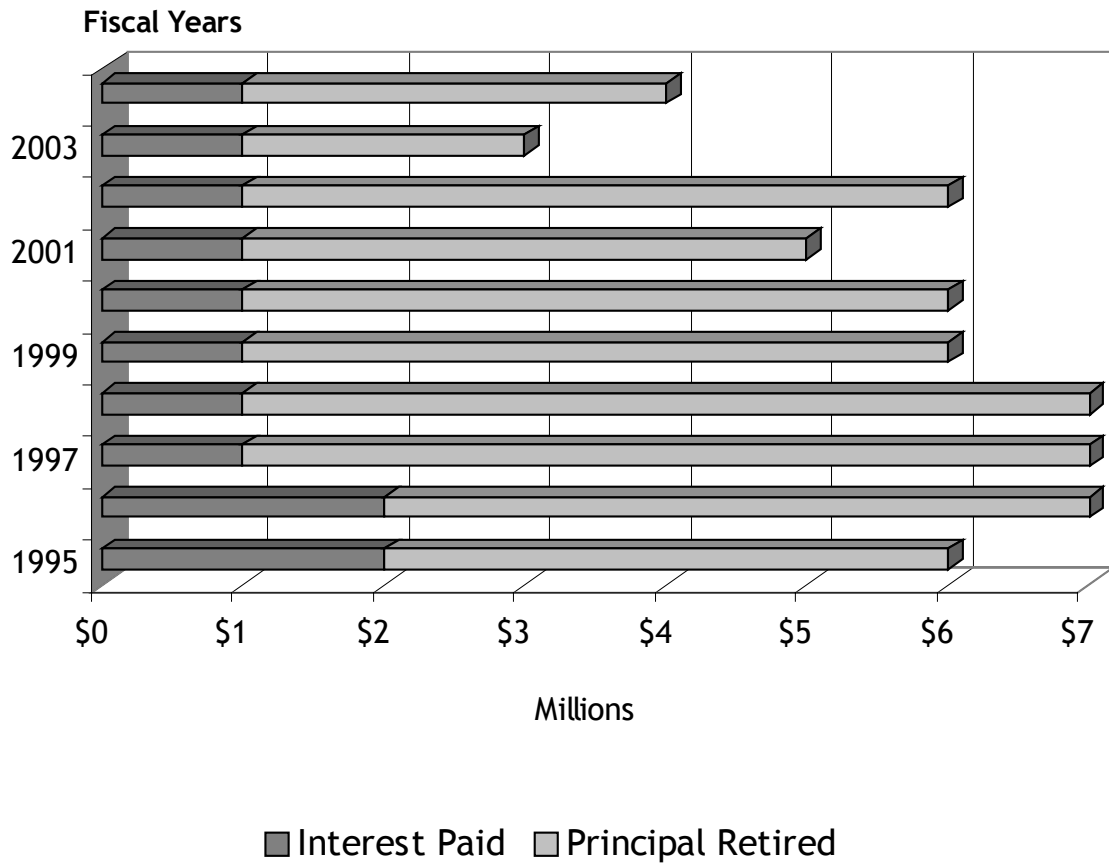
Sources: The City and Borough of Juneau Comprehensive Annual Financial Reports, Assessor's Office, Treasurer's Office and the Community Development Department.



| <u>Assessed value for real and personal property</u> | <u>Population</u> | <u>Net general obligation debt per capita</u> | <u>Gross general obligation debt per capita</u> | <u>Assessed valuation per capita</u> | <u>Percent of net bonded debt to assessed value</u> |
|--|-------------------|---|---|--|---|
| 1,500,493,025 | 29,755 | 1,096 | 1,406 | 50,428 | 2.17% |
| 1,661,803,794 | 30,209 | 1,080 | 1,373 | 55,010 | 1.96% |
| 1,842,578,723 | 30,396 | 884 | 1,156 | 60,619 | 1.46% |
| 2,084,104,438 | 30,684 | 831 | 1,076 | 67,922 | 1.22% |
| 2,121,760,218 | 30,852 | 671 | 886 | 68,772 | 0.98% |
| 2,143,975,415 | 31,262 | 520 | 703 | 68,581 | 0.76% |
| 2,324,409,496 | 30,903 | 706 | 871 | 75,216 | 0.94% |
| 2,524,469,909 | 30,903 * | 947 | 1,096 | 81,690 | 1.16% |
| 2,571,369,256 | 30,981 | 871 | 1,007 | 82,998 | 1.05% |
| 2,631,577,389 | 31,283 | 1,680 | 1,930 | 84,122 | 2.00% |

City and Borough of Juneau

General Obligation Bond Debt Principal and Interest Paid (Unaudited)



Based on information in Ratio of Annual Debt Service for General Obligation Bonds to Total General Governmental Expenditures presented on the opposite page.

**Ratio of Annual Debt Service for General
Obligation Bonds to Total General Governmental Expenditures
(Unaudited)**

Last Ten Fiscal Years

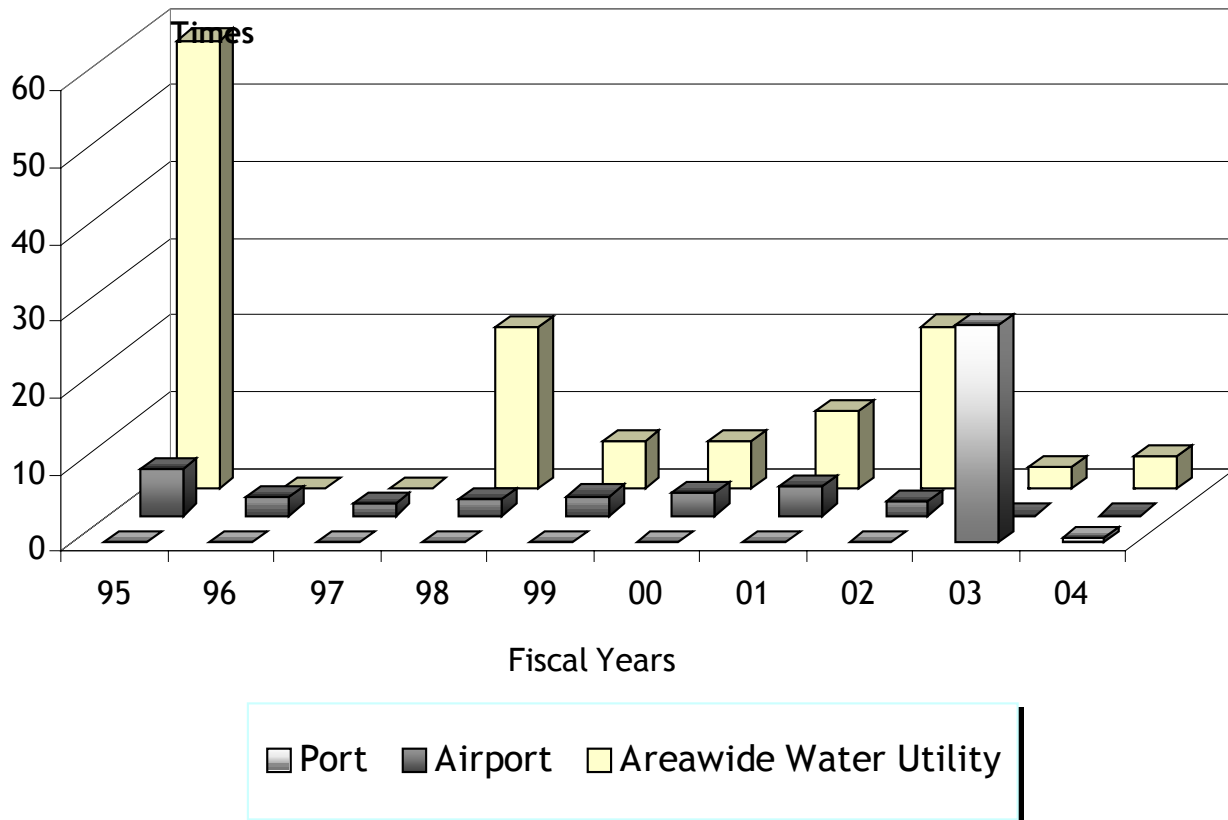
| <u>Fiscal year</u> | <u>Principal retired</u> | <u>Interest</u> | <u>Total bonded debt</u> | <u>Total general governmental expenditures and transfers</u> | <u>Population</u> | <u>Ratio of debt service to general governmental expenditures</u> |
|--------------------|------------------------------|-----------------|------------------------------|--|-------------------|---|
| 1995 | \$ 4,378,267 | 2,189,041 | 6,567,308 | 124,106,136 | 29,755 | 5.29 |
| 1996 | 4,697,582 | 1,775,549 | 6,473,131 | 129,833,175 | 30,209 | 4.99 |
| 1997 | 5,681,803 | 1,351,588 | 7,033,391 | 138,124,912 | 30,396 | 5.09 |
| 1998 | 5,359,085 | 1,398,950 | 6,758,035 | 146,739,178 | 30,684 | 4.61 |
| 1999 | 4,951,179 | 1,195,354 | 6,146,533 | 142,442,956 | 30,852 | 4.32 |
| 2000 | 5,258,843 | 963,731 | 6,222,574 | 146,910,684 | 31,262 | 4.24 |
| 2001 | 4,359,262 | 728,540 | 5,087,802 | 144,451,983 | 30,903 | 3.52 |
| 2002 | 5,202,492 | 1,180,100 | 6,382,592 | 143,458,322 | 30,903 * | 4.45 |
| 2003 | 2,853,771 | 1,281,770 | 4,135,541 | 161,416,465 | 30,981 | 2.56 |
| 2004 | 3,069,790 | 1,793,254 | 4,863,044 | 155,031,456 | 31,283 | 3.14 |

* The population reporting date has changed, so we will have two years with the same information.

Source: The City and Borough of Juneau Comprehensive Annual Financial Reports.

City and Borough of Juneau

Revenue Bond Times Coverage



Based on information in Revenue Bond Coverage - Airport and Areawide Water Utility presented on the opposite page.

Revenue Bond Coverage - Airport, Areawide Water Utility and Port
(Unaudited)

Last Ten Fiscal Years

| <u>Fiscal year</u> | <u>Operating revenues</u> | <u>Operating expenses (1)</u> | <u>Net revenue available for debt service</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Times coverage</u> | <u>Amount of bonded debt outstanding at June 30</u> |
|------------------------------------|---------------------------|-------------------------------|---|------------------|-----------------|--------------|-----------------------|---|
| Airport: | | | | | | | | |
| 1995 (2) \$ | 3,059,328 | 2,668,619 | 390,709 | 37,675 | 27,472 | 65,147 | 6.00 | \$ 562,325 |
| 1996 | 2,949,401 | 2,738,406 | 210,995 | 54,276 | 31,610 | 85,886 | 2.46 | 508,049 |
| 1997 | 3,127,128 | 2,960,452 | 166,676 | 80,269 | 35,680 | 115,949 | 1.44 | 427,780 |
| 1998 | 3,157,906 | 2,900,585 | 257,321 | 89,385 | 27,997 | 117,382 | 2.19 | 338,395 |
| 1999 | 3,346,654 | 3,049,287 | 297,367 | 95,736 | 21,607 | 117,343 | 2.53 | 242,659 |
| 2000 | 3,329,534 | 2,993,596 | 335,938 | 102,504 | 15,018 | 117,522 | 2.86 | 140,155 |
| 2001 | 3,389,609 | 2,943,951 | 445,658 | 110,872 | 8,172 | 119,044 | 3.74 | 29,283 |
| 2002 | 3,544,064 | 3,492,095 | 51,969 | 29,283 | 470 | 29,753 | 1.75 | - |
| Areawide Water Utility (3): | | | | | | | | |
| 1998 \$ | 2,545,412 | 1,837,943 | 707,469 | - | 33,774 | 33,774 | 20.95 | \$ 1,295,000 |
| 1999 | 2,616,436 | 1,809,562 | 806,874 | 72,951 | 59,377 | 132,328 | 6.10 | 1,222,049 |
| 2000 | 2,586,684 | 1,791,271 | 795,413 | 74,672 | 55,895 | 130,567 | 6.09 | 1,147,377 |
| 2001 | 2,605,530 | 1,848,656 | 756,874 | 76,433 | - | 76,433 | 9.90 | 1,070,944 |
| 2002 | 2,629,859 | 1,973,304 | 656,555 | 1,070,944 | 38,534 | 1,109,478 | 0.59 | - |
| Areawide Water Utility (4): | | | | | | | | |
| 2002 \$ | 2,629,859 | 1,973,304 | 656,555 | - | 32,058 | 32,058 | 20.48 | \$ 2,685,000 |
| 2003 | 2,705,919 | 2,058,554 | 647,365 | 180,000 | 64,786 | 244,786 | 2.64 | 2,505,000 |
| 2004 | 3,049,781 | 1,861,988 | 1,187,793 | 190,000 | 103,863 | 293,863 | 4.04 | 2,315,000 |
| Port (5): | | | | | | | | |
| 2003 \$ | 1,051,938 | - | 1,051,938 | - | 37,093 | 37,093 | 28.36 | \$ 5,685,000 |
| 2004 | 1,099,825 | - | 1,099,825 | 1,355,000 | 157,650 | 1,512,650 | 0.73 | \$ 4,330,000 |

Footnote:

1. The operating expenses are exclusive of depreciation.
2. 1995 was the first fiscal year for the Airport revenue bond.
3. 1998 was the first fiscal year for the Water Utility revenue bond.
4. 2002 was the first fiscal year for the Refunding of the Water Utility revenue bonds.

CITY AND BOROUGH OF JUNEAU

Demographic Statistics
(Unaudited)

Last Ten Calendar Years

| | Calendar year | | | | | |
|--|---------------|-----------|-----------|-----------|-----------|-----------|
| | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
| Total population | 31,283 | 30,981 | 30,903 * | 30,903 | 31,262 | 30,852 |
| Total employment | N/A | 17,463 | 17,332 + | 17,290 | 16,833 | 16,661 |
| Unemployment | N/A | 6.2% | 5.9% | 4.9% + | 4.9% + | 5% |
| Births | N/A | 424 | 405 | 444 | 423 | 423 |
| Deaths | N/A | 112 | 129 | 136 | 124 | 120 |
| Marriages | N/A | 380 | 347 + | 369 | 335 | 360 |
| Divorces | N/A | 281 | 322 + | 294 | 342 | 335 |
| Total payroll (000's omitted) | N/A | 632,464 | 597,200 | 579,944 | 563,118 | 538,000 |
| Number of private employers | N/A | 993 | 955 | 970 | 963 | 993 |
| Gross business sales (000's omitted) | N/A | 1,374,305 | 1,254,991 | 1,236,060 | 1,224,879 | 1,162,165 |
| Marine highway system - number of disembarking passengers | N/A | 67,640 | 72,782 | 64,334 | 75,463 | 80,660 |
| Cruise ship activity: | | | | | | |
| Number of ship stops | 520 | 534 | 522 | 427 | 514 | 565 |
| Number of passengers | 867,055 | 760,432 | 728,460 | 666,499 | 632,602 | 595,959 |
| Number of crew members | 373,573 | 337,830 | 315,038 | 292,347 | 266,345 | 247,140 |
| Major airline passengers - number enplaning | N/A | 249,994 | 248,492 | 258,224 | 269,880 | 244,645 |
| Authorized housing starts | N/A | 110 | 94 | 72 | 96 | 91 |
| Public school enrollment for fall | 5,296 | 5,338 | 5,485 | 5,461 | 5,537 | 5,649 |
| University enrollment for fall | 2,175 | 2,124 | 2,305 | 2,348 | 2,183 | 2,142 |
| Hospital admissions | N/A | 2,424 | 2,149 | 2,700 | 2,541 | 2,445 |
| Reported violent crimes | N/A | 577 | 525 | 507 | 533 | 557 |
| Number of fire alarms | N/A | 829 | 814 | 614 | 550 | 537 |

Footnote: N/A equals information not available at this time.

+ equals updated information

* The population reporting date has changed, so we will have two years with the same information.

Marriages are reported by census area of occurrence.

Divorces are reported by Judicial District where granted. Juneau is in the First District.

Gross business sales have been updated to agree with amounts given by CBJ's Sales Tax Office.

University enrollment for fall has been updated to agree to University published information for FY94-FY99.

Information for deposits in financial institutions has not been available for more than ten years.

Sources: Alaska Department of Vital Statistics, Alaska Marine Highway, Visitors Bureau, Cruise Line Agencies of Alaska, and City and Borough of Juneau Treasury, Fire, Police, Harbor, and Community Development Departments.

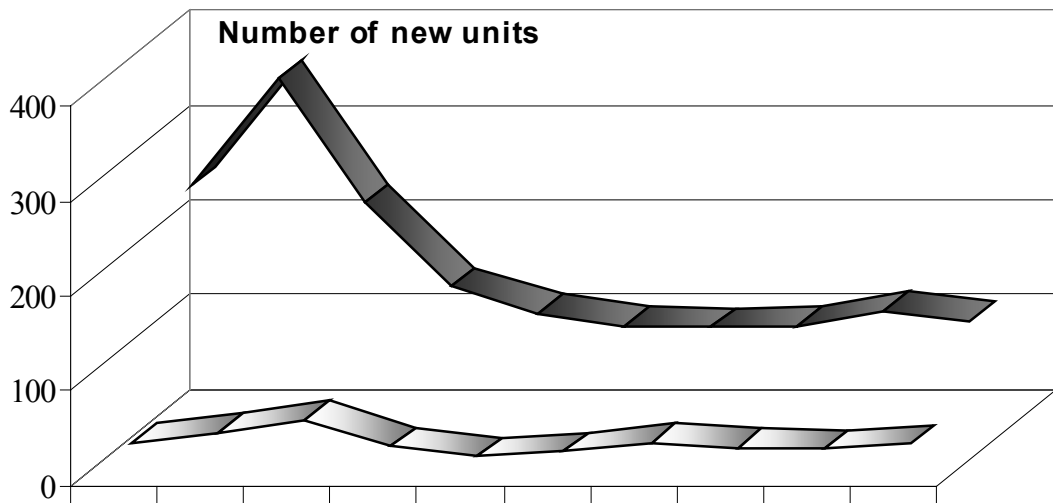
Sources also include the CBJ School District, Bartlett Regional Hospital, and the University of Alaska Southeast.



| <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> |
|-------------|-------------|-------------|-------------|
| 30,684 | 30,396 | 30,209 | 29,755 |
| 16,460 | 16,518 | 16,165 | 15,807 |
| 5.2% + | 6.3% + | 6.2% | 5.8% |
| 376 | 403 | 430 | 389 |
| 113 | 118 | 117 | 125 |
| 302 | 357 | 318 | 340 |
| 123 | 127 | 134 | 173 |
| 524,000 | 520,500 | 509,200 | 509,361 |
| 1,003 | 1,014 | 1,009 | 993 |
| 1,106,655 | 1,157,817 | 1,044,585 | 974,899 |
| 71,377 | 68,550 | 71,577 | 71,911 |
| 547 | 549 | 487 | 464 |
| 564,000 | 513,181 | 452,442 | 380,529 |
| 237,139 | 230,793 | 205,600 | 175,554 |
| 238,842 | 233,007 | 234,720 | 246,620 |
| 121 | 177 | 307 | 257 |
| 5,729 | 5,681 | 5,627 | 5,511 |
| 2,604 | 2,698 | 2,456 | 2,927 |
| 2,581 | 2,538 | 2,736 | 2,651 |
| 1,148 | 722 | 592 | 553 |
| 1,040 | 1,322 | 1,356 | 1,187 |

City and Borough of Juneau

New Construction Residential & Commercial Units (Unaudited)



| | 95 | 96 | 97 | 98 | 99 | 00 | 01 | 02 | 03 | 04 |
|-------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Commercial | 30 | 41 | 54 | 26 | 15 | 20 | 30 | 25 | 23 | 28 |
| Residential | 251 | 363 | 232 | 144 | 115 | 102 | 101 | 102 | 119 | 108 |

Fiscal Years

Based on information presented in Construction, Bank Deposits and Proposed Assessed Valuation on the opposite page.

**Construction, Bank Deposits and Proposed Assessed Valuation
(Unaudited)**

Last Ten Fiscal Years

| <u>Fiscal year</u> | <u>Commercial construction</u> | | * | <u>Residential construction</u> | | <u>Certified assessed valuation</u> | |
|--------------------|--------------------------------|---------------|---|---------------------------------|---------------|-------------------------------------|-------------------|
| | <u>New units</u> | <u>Value</u> | | <u>New units</u> | <u>Value</u> | <u>Total taxable</u> | <u>Exemptions</u> |
| 1995 | 30 | \$ 21,267,528 | | 251 | \$ 28,835,323 | 1,500,493,025 | 142,709,300 |
| 1996 | 41 | 25,533,753 | | 363 | 55,827,354 | 1,661,803,794 | 146,000,000 |
| 1997 | 54 | 19,582,905 | | 232 | 28,983,252 | 1,842,578,723 | 163,175,500 |
| 1998 | 26 | 9,014,790 | | 144 | 19,603,362 | 2,084,104,438 | 178,556,500 |
| 1999 | 15 | 2,891,505 | | 115 | 17,129,613 | 2,121,760,218 | 159,562,558 |
| 2000 | 20 | 11,127,827 | | 102 | 19,463,657 | 2,143,975,415 | 176,431,084 |
| 2001 | 30 | 13,112,224 | | 101 | 19,347,717 | 2,324,409,496 | 198,355,760 |
| 2002 | 25 | 11,216,871 | | 102 | 18,037,973 | 2,524,469,909 | 207,191,336 |
| 2003 | 23 | 6,836,691 | | 119 | 23,051,308 | 2,571,369,256 | 221,804,492 |
| 2004 | 28 | 8,438,904 | | 108 | 24,538,534 | 2,631,577,389 | 274,032,327 |

Footnote:

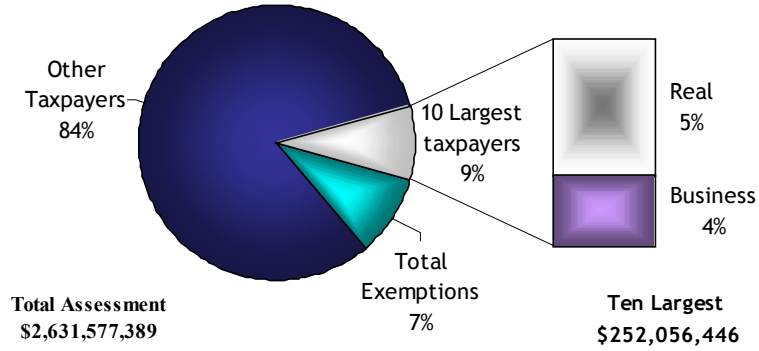
* Dwelling units only - mobile homes not included.

Information on bank deposits has not been available for the last 10 years.

Sources: City and Borough of Juneau, Community Development Department, Buildings Division, and Assessor's Office.

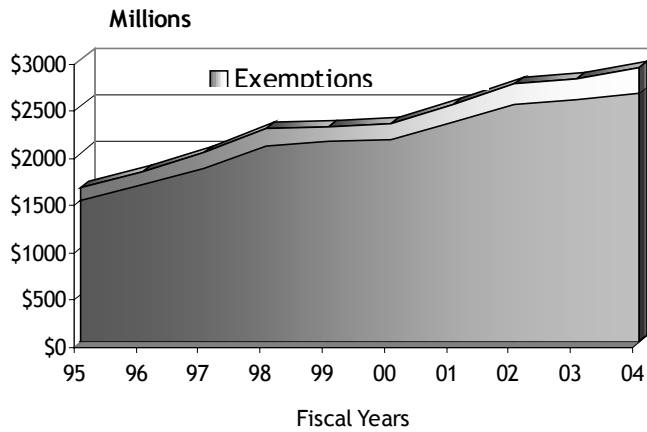
City and Borough of Juneau

Total Assessed Valuation
(Unaudited)
Fiscal Year 2004



Assessed Valuations

Total Assessment
(Unaudited)



CITY AND BOROUGH OF JUNEAU

Ten Largest Taxpayers
(Unaudited)Assessed Values as of January 1, 2004
Taxes due as of September 30, 2004

| <u>Taxpayer</u> | <u>Type of business</u> | <u>Assessed values</u> | | | <u>Percentage of total assessed value</u> |
|-----------------------------------|-------------------------------|------------------------|-------------------|--------------------|---|
| | | <u>Real</u> | <u>Business</u> | <u>Total</u> | |
| Kennecott Greens Creek Mining | Mining | \$ 52,909,400 | 47,101,021 | 100,010,421 | 3.80 % |
| Alaska Energy & Resources Co | Electrical utility | - | 32,720,450 | 32,720,450 | 1.24 |
| Glacier Village Supermarket Inc | Real estate | 18,811,600 | 157,000 | 18,968,600 | 0.72 |
| Alaska Electric Light & Power | Electrical utility | 17,859,100 | - | 17,859,100 | 0.68 |
| Hugh Grant | Retail & Apartments | 16,629,000 | 199,102 | 16,828,102 | 0.64 |
| Fred Meyer of Alaska Inc | Retail | 13,070,800 | 2,200,552 | 15,271,352 | 0.58 |
| Foodland Inc. | Retail and Commercial leasing | 11,743,000 | 2,106,983 | 13,849,983 | 0.53 |
| Loveless/Tollefson | Commercial leasing | 13,096,800 | - | 13,096,800 | 0.50 |
| Carr-Gottstein Foods Co (Safeway) | Supermarket | 10,306,000 | 1,506,338 | 11,812,338 | 0.45 |
| Kmart | Retail | 11,639,300 | - | 11,639,300 | 0.44 |
| | | <u>\$ 166,065,000</u> | <u>85,991,446</u> | <u>252,056,446</u> | <u>9.58 %</u> |

Source: City and Borough of Juneau Assessor's Office.

CITY AND BOROUGH OF JUNEAU

Insurance Coverages

Year ended June 30, 2004

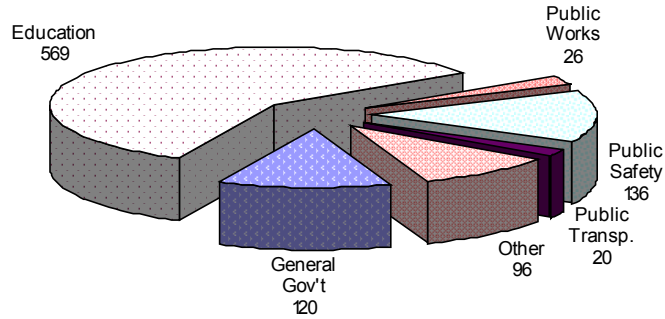
| <u>Specific coverages</u> | <u>Coverage limits</u> | | <u>Policy dates</u> | <u>Estimated premium</u> | <u>2004 actual cost</u> |
|-------------------------------|-------------------------|--|---------------------------|--------------------------|-------------------------|
| <u>Worker's compensation:</u> | | | | | |
| Excess worker's comp | \$ 500,000 2,000,000 | SIR per claim per employer liability claim | Jul 1, 2003 - Jul 1, 2004 | \$ 60,000 | 118,627 |
| Total worker's compensation | | | | 60,000 | 118,627 |
| <u>Eaglecrest Ski Area:</u> | | | | | |
| Commercial general liability | 10,000,000 | limit per occurrence excess of \$10,000,000 | Jul 1, 2003 - Jul 1, 2004 | 38,700 | 36,069 |
| Excess liability | | | Jul 1, 2003 - Jul 1, 2004 | 3,800 | 3,800 |
| Total Eaglecrest Ski Area | | | | 42,500 | 39,869 |
| <u>Marina and wharf:</u> | | | | | |
| Wharfingers/ P & I liability | 5,000,000 5,000 | limit per occurrence SIR | Jul 1, 2003 - Jul 1, 2004 | 83,000 | 92,854 |
| Combined hull & liability | 20,000,000 5,000 | limit per occurrence SIR | Jul 1, 2003 - Jul 1, 2004 | 17,000 | 17,747 |
| Total Marina and wharf | | | | 100,000 | 110,601 |
| <u>Airport:</u> | | | | | |
| Airport war peril | 100,000,000 100,000 | limit per occurrence SIR | Jul 1, 2003 - Jul 1, 2004 | 24,000 | 26,820 |
| Airport Terrorism | | | Jul 1, 2003 - Jul 1, 2004 | - | 11,110 |
| Airport premises liability | 100,000,000 100,000 | limit per occurrence SIR | Jul 1, 2003 - Jul 1, 2004 | 62,000 | 74,916 |
| Total Airport | | | | 86,000 | 112,846 |
| <u>Hospital:</u> | | | | | |
| Professional liability | 6,000,000 50,000 | limit per occurrence SIR | Jan 1, 2004 - Jan 1, 2005 | 449,500 | 490,696 |
| Professional E&O | 1,000,000 | per claim | Jul 1, 2003 - Jul 1, 2004 | 10,500 | 10,632 |
| Total Hospital | | | | 460,000 | 501,328 |



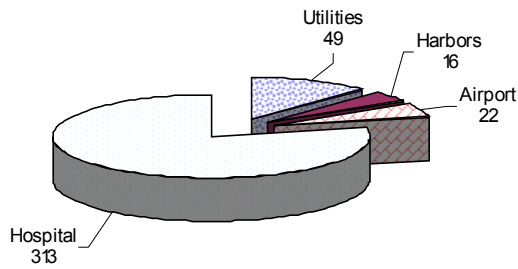
| <u>Specific coverages</u> | <u>Coverage limits</u> | | <u>Policy dates</u> | <u>Estimated premium</u> | <u>2004 actual cost</u> |
|--|------------------------|--|--|--------------------------|-------------------------|
| Fire: | | | | | |
| Volunteer Firefighter's accident & sickness coverage | 250,000 | maximum benefit | Jul 1, 2003 - Jul 1, 2004 | 17,300 | 17,316 |
| Total Fire | | | | 17,300 | 17,316 |
| Finance: | | | | | |
| Bonding - public employees | 1,000,000 | Bond-Treasurer Bond- Deputy Treasurer | Feb 24, 2004 - Feb 24, 2005 Nov 28, 2001 - Nov 28, 2004 | 1,300 4,700 | 1,341 7,848 |
| Total Finance | | | | 6,000 | 9,189 |
| School: | | | | | |
| Catastrophic Sports Injury | 5,100,000 | maximum benefit | Jul 1, 2003 - Jul 1, 2004 | 10,100 | 1,860 |
| Total School | | | | 10,100 | 1,860 |
| Parks & Recreation: | | | | | |
| Tenant User | 1,000,000 | \$500 deductible | Jul 1, 2003 - Jul 1, 2004 | 10,000 | 10,080 |
| Total Parks & Recreation | | | | 10,000 | 10,080 |
| Areawide: | | | | | |
| General Liability/Property/Auto | 5 M | SIR 250, 000 | Jul 1, 2003 - Jul 1, 2004 | 318,600 | 333,152 |
| General Liability 1st Excess | 5 M | | Jul 1, 2003 - Jul 1, 2004 | 118,000 | 118,579 |
| General Liability 2nd Excess | 10 M | | Jul 1, 2003 - Jul 1, 2004 | 160,000 | 190,000 |
| Property -Blanket | | SIR 250, 000 | Jul 1, 2003 - Jul 1, 2004 | 415,000 | 431,610 |
| Blanket Bond/ Crime Coverage | | | Jul 1, 2003 - Jul 1, 2004 | 4,500 | 4,546 |
| 4th of July | | | Jul 1, 2003 - Jul 1, 2004 | 2,500 | 2,500 |
| Total Areawide | | | | 1,018,600 | 1,080,387 |
| | | | | \$ 1,810,500 | \$ 2,002,103 |

City and Borough of Juneau

Governmental Operations Employees For Fiscal Year 2004 (Unaudited)



Enterprise Operations Employees For Fiscal Year 2004 (Unaudited)



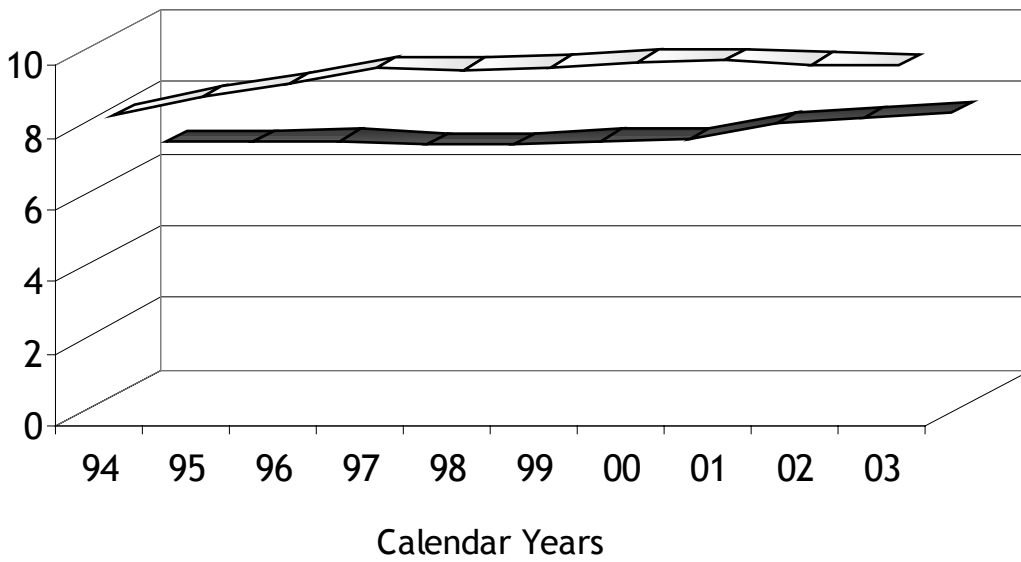
As of June 30, 2004

| <u>Governmental operations</u> | <u>Permanent full-time</u> | <u>Permanent part-time</u> |
|--------------------------------|----------------------------|----------------------------|
| Governmental operations: | | |
| General government: | | |
| Mayor and Assembly | 9 | - |
| Attorney | 9 | 1 |
| City manager's office | 7 | - |
| City clerk | 2 | - |
| Personnel | 5 | - |
| Lands and resource management | 2 | - |
| Data processing | 11 | - |
| Insurance | 3 | - |
| Finance | 43 | 4 |
| Engineering | 29 | 1 |
| Total general government | <u>120</u> | <u>6</u> |
| Education | 569 | 110 |
| Eaglecrest | 8 | - |
| Libraries | 15 | 7 |
| Recreation | 48 | 26 |
| Community development | 25 | 1 |
| Public Safety: | | |
| Police | 93 | 1 |
| Fire | 43 | - |
| Total public safety | <u>136</u> | <u>1</u> |
| Public works | 26 | - |
| Public transportation | <u>20</u> | <u>16</u> |
| Total government operations | <u>967</u> | <u>167</u> |
| Enterprise operations: | | |
| Utilities | 49 | 1 |
| Harbors | 16 | 2 |
| Airport | 22 | 1 |
| Hospital | 313 | 149 |
| Total enterprise operations | <u>400</u> | <u>153</u> |
| Total all operations | <u>1,367</u> | <u>320</u> |

Source: City and Borough of Juneau, Bartlett Regional Hospital, and Juneau School District payroll offices.

City and Borough of Juneau Employment Statistics Private versus Public (Unaudited)

Number of Persons employed (Thousands)



□ Private Sector
■ Public Sector

Based on information in Employment Statistics presented on the following page.

Employment Statistics
(Unaudited)

Last Ten Calendar Years

| <u>Summary of all employment</u> | <u>Calendar year</u> | | | | | | | | | |
|--|----------------------|--------------------|--------------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | <u>2003</u> *** | <u>2002</u> *** | <u>2001</u> *** | <u>2000</u> *** | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> | <u>1994</u> |
| Private and public: | | | | | | | | | | |
| Private sector | 9,771 | 9,813 | 9,925 | 9,896 | 9,756 | 9,667 | 9,708 | 9,250 | 8,916 | 8,417 |
| Public sector | 7,692 | 7,519 | 7,365 | 6,937 | 6,905 | 6,793 | 6,810 | 6,915 | 6,891 | 6,877 |
| Total private and public | <u>17,463</u> | <u>17,332</u> | <u>17,290</u> | <u>16,833</u> | <u>16,661</u> | <u>16,460</u> | <u>16,518</u> | <u>16,165</u> | <u>15,807</u> | <u>15,294</u> |
| Detail of private sector: | | | | | | | | | | |
| Mining | 273 | 284 | 286 | 291 | 295 | 313 | 302 | 257 | 186 | 118 |
| Construction | 1,025 | 901 | 794 | 770 | 720 | 685 | 734 | 702 | 629 | 636 |
| Manufacturing | 255 | 218 | 209 | 232 | 357 | 375 | 383 | 364 | 327 | 287 |
| Trade, Trans. & Utilities | 2,872 | 2,916 | 2,998 | 2,973 | - | - | - | - | - | - |
| Transportation, communications and utilities | - | - | - | - | 1,171 | 1,245 | 1,199 | 1,070 | 1,071 | 990 |
| Trade | - | - | - | - | 2,864 | 2,824 | 2,912 | 2,941 | 2,920 | 2,775 |
| Information | 307 | 291 | 356 | 351 | - | - | - | - | - | - |
| Finance Activities | 537 | 481 | 553 | 569 | - | - | - | - | - | - |
| Finance, insurance and real estate | - | - | - | - | 519 | 676 | 740 | 695 | 681 | 703 |
| Professional & Business Svcs. | 831 | 824 | 780 | 782 | - | - | - | - | - | - |
| Educational & Health Svcs. | 1,529 | 1,513 | 1,425 | 1,333 | - | - | - | - | - | - |
| Leisure & Hospitality | 1,526 | 1,766 | 1,866 | 1,903 | - | - | - | - | - | - |
| Other Services | 557 | 541 | 572 | 570 | - | - | - | - | - | - |
| Service | - | - | - | - | 3,722 | 3,439 | 3,335 | 3,133 | 3,017 | 2,824 |
| Miscellaneous | 59 | 78 | 86 | 122 | 108 | 110 | 103 | 88 | 85 | 84 |
| Total detail of private sector | <u>9,771</u> | <u>9,813</u> | <u>9,925</u> | <u>9,896</u> | <u>9,756</u> | <u>9,667</u> | <u>9,708</u> | <u>9,250</u> | <u>8,916</u> | <u>8,417</u> |
| Detail of public sector: | | | | | | | | | | |
| Federal | 954 | 891 | 852 | 876 | 865 | 847 | 868 | 894 | 907 | 936 |
| State | 4,547 | 4,541 | 4,444 | 4,288 | 4,271 | 4,237 | 4,232 | 4,318 | 4,314 | 4,302 |
| Local | 2,191 | 2,087 | 2,069 | 1,773 | 1,769 | 1,709 | 1,710 | 1,703 | 1,670 | 1,639 |
| Total detail of public sector | <u>7,692</u> | <u>7,519</u> | <u>7,365</u> | <u>6,937</u> | <u>6,905</u> | <u>6,793</u> | <u>6,810</u> | <u>6,915</u> | <u>6,891</u> | <u>6,877</u> |

!!!

Footnote:

***Calendar Years 2000-2002 have been updated with the new report system from the Alaska Department of Labor

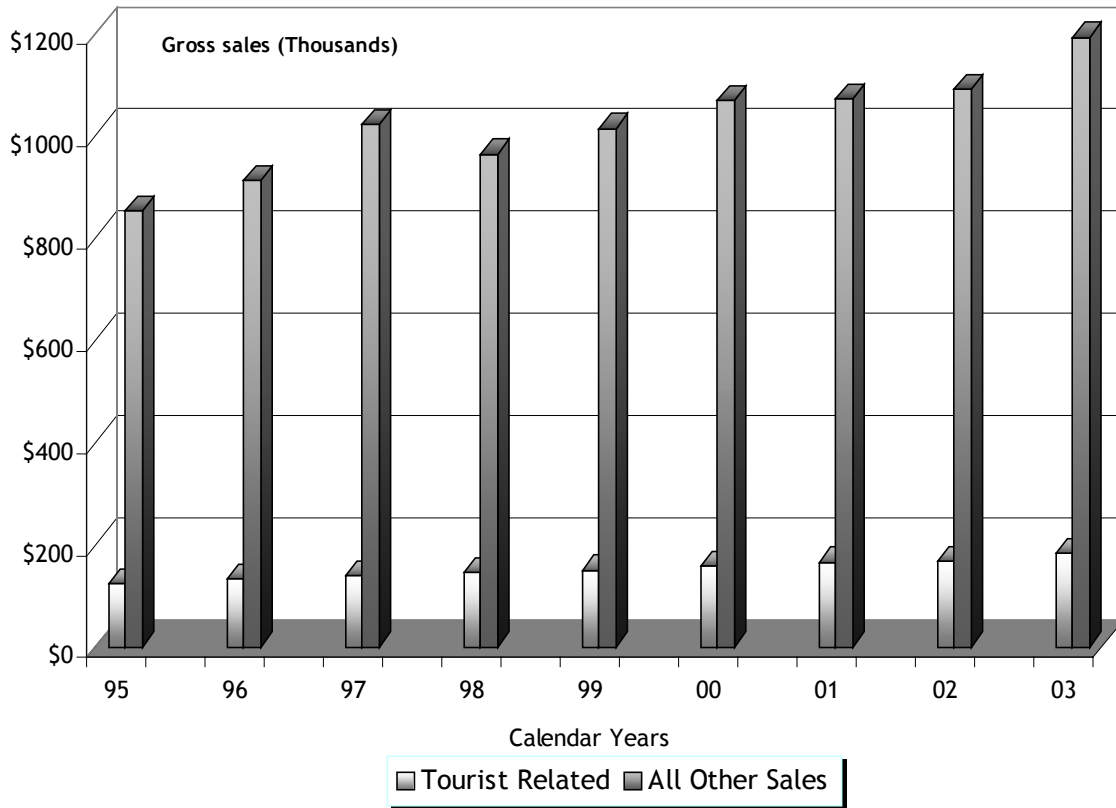
!!! Updated number to reported numbers from the Alaska Department of Labor

Source: Alaska Department of Labor - Research and Analysis

City and Borough of Juneau

Miscellaneous Business Statistics

Tourist Related Sales to All Other Sales (Unaudited)



Based on information presented in Miscellaneous Business Statistics on the opposite page.
All figures refer to gross amounts.

Miscellaneous Business Statistics
(Unaudited)

Last Nine Calendar Years

| | <u>2003</u> | <u>2002</u> | <u>2001</u> | <u>2000</u> | <u>Calendar year</u> <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> |
|---|---------------------|------------------|------------------|------------------|-------------------------------------|------------------|------------------|------------------|----------------|
| <u>Gross business sales by category (in thousands):</u> | | | | | | | | | |
| Real estate | \$ 52,385 | 45,162 | 43,391 | 44,067 | 47,981 | 48,455 | 53,598 | 44,647 | 41,049 |
| Contractors | 155,169 | 128,908 | 133,983 | 134,600 | 108,957 | 106,818 | 144,174 | 147,636 | 117,870 |
| Liquor and restaurant | 77,392 | 73,497 | 74,244 | 69,940 | 66,297 | 61,773 | 57,102 | 55,274 | 49,632 |
| Retail sales - general | 155,340 | 157,386 | 154,241 | 147,446 | 147,793 | 140,092 | 133,170 | 138,140 | 130,428 |
| Foods | 125,105 | 109,391 | 108,631 | 109,557 | 107,551 | 104,445 | 100,844 | 94,926 | 87,409 |
| Transportation and freight | 125,706 | 130,418 | 126,598 | 125,167 | 122,376 | 121,626 | 118,849 | 103,649 | 99,157 |
| Professional services | 188,376 | 168,121 | 152,858 | 150,171 | 145,116 | 132,449 | 126,344 | 128,700 | 133,573 |
| Retail sales - specialized | 119,677 | 116,731 | 123,621 | 123,353 | 117,268 | 111,002 | 125,820 | 116,229 | 113,037 |
| Automotive | 82,180 | 81,299 | 88,259 | 80,433 | 76,841 | 72,152 | 68,091 | 68,818 | 66,745 |
| Other | 292,975 | 244,078 | 230,234 | 240,145 | 221,985 | 207,843 | 229,825 | 146,566 | 135,999 |
| Total gross business sales by category | \$ <u>1,374,305</u> | <u>1,254,991</u> | <u>1,236,060</u> | <u>1,224,879</u> | <u>1,162,165</u> | <u>1,106,655</u> | <u>1,157,817</u> | <u>1,044,585</u> | <u>974,899</u> |
| <u>Gross business sales by tourist-related business (in thousands):</u> | | | | | | | | | |
| Hotels and motels | \$ 23,228 | 21,804 | 21,334 | 22,257 | 22,260 | 21,696 | 20,431 | 21,383 | 22,139 |
| Bars | 5,587 | 5,270 | 5,114 | 4,964 | 4,712 | 4,973 | 4,936 | 5,227 | 5,659 |
| Restaurants | 38,084 | 37,374 | 36,949 | 35,486 | 35,448 | 33,190 | 32,441 | 31,476 | 28,164 |
| Air transportation and freight | 31,123 | 28,427 | 28,611 | 27,037 | 24,987 | 26,505 | 25,437 | 21,315 | 19,886 |
| Taxicab and bus | 4,937 | 2,052 | 1,211 | 1,642 | 1,431 | 1,364 | 1,715 | 1,941 | 2,009 |
| Car rentals | 3,928 | 3,526 | 3,386 | 3,365 | 3,438 | 3,262 | 3,120 | 3,063 | 3,077 |
| Tour providers and Travel agencies | 36,789 | 33,471 | 36,124 | 30,947 | 27,843 | 25,047 | 25,529 | 23,634 | 20,768 |
| Jewelry stores and Art galleries | 18,491 | 13,088 | 12,125 | 11,228 | 11,879 | 10,678 | 10,539 | 11,189 | 9,886 |
| Curio and gift shops | 20,245 | 20,457 | 20,016 | 18,615 | 16,949 | 16,764 | 13,295 | 13,006 | 10,122 |
| Photography stores | 812 | 502 | 483 | 1,256 | 534 | 646 | 536 | 1,181 | 1,303 |
| Total gross business sales by tourist-related business | \$ <u>183,224</u> | <u>165,971</u> | <u>165,353</u> | <u>156,797</u> | <u>149,481</u> | <u>144,125</u> | <u>137,979</u> | <u>133,415</u> | <u>123,013</u> |

Footnote: The gross business sales by tourist-related business figures are a subset of the gross sales by category presented above. This subset is intended to provide a general guideline of gross sales generated by businesses operating within the tourism industry. The subset does not attempt to exclude gross sales made to local residents by businesses classified as tourist-related.

In 2002, the Sales Tax Office underwent a one-time reclassification of merchants operating in the tourism industry to more accurately reflect the class of tourism-related businesses broken out above. All years shown have been adjusted accordingly.

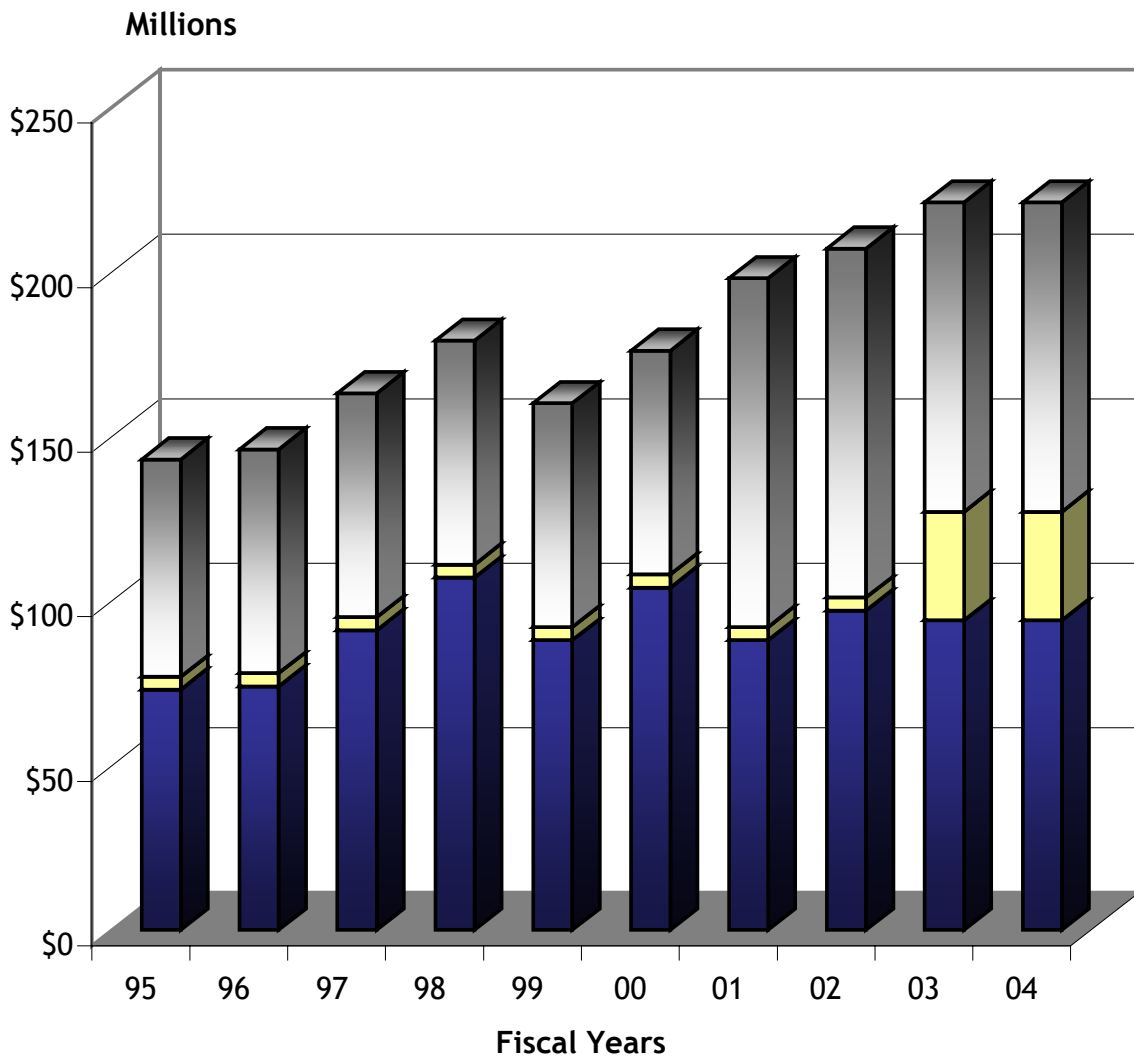
Source: Detailed analysis derived from the Merchant Tax Filings maintained by the City and Borough of Juneau, Sales Tax Office.

City and Borough of Juneau

Tax-exempt Property

Motor Vehicles, Aircraft & Boats (Unaudited)

Motor Vehicles
 Aircraft
 Boats



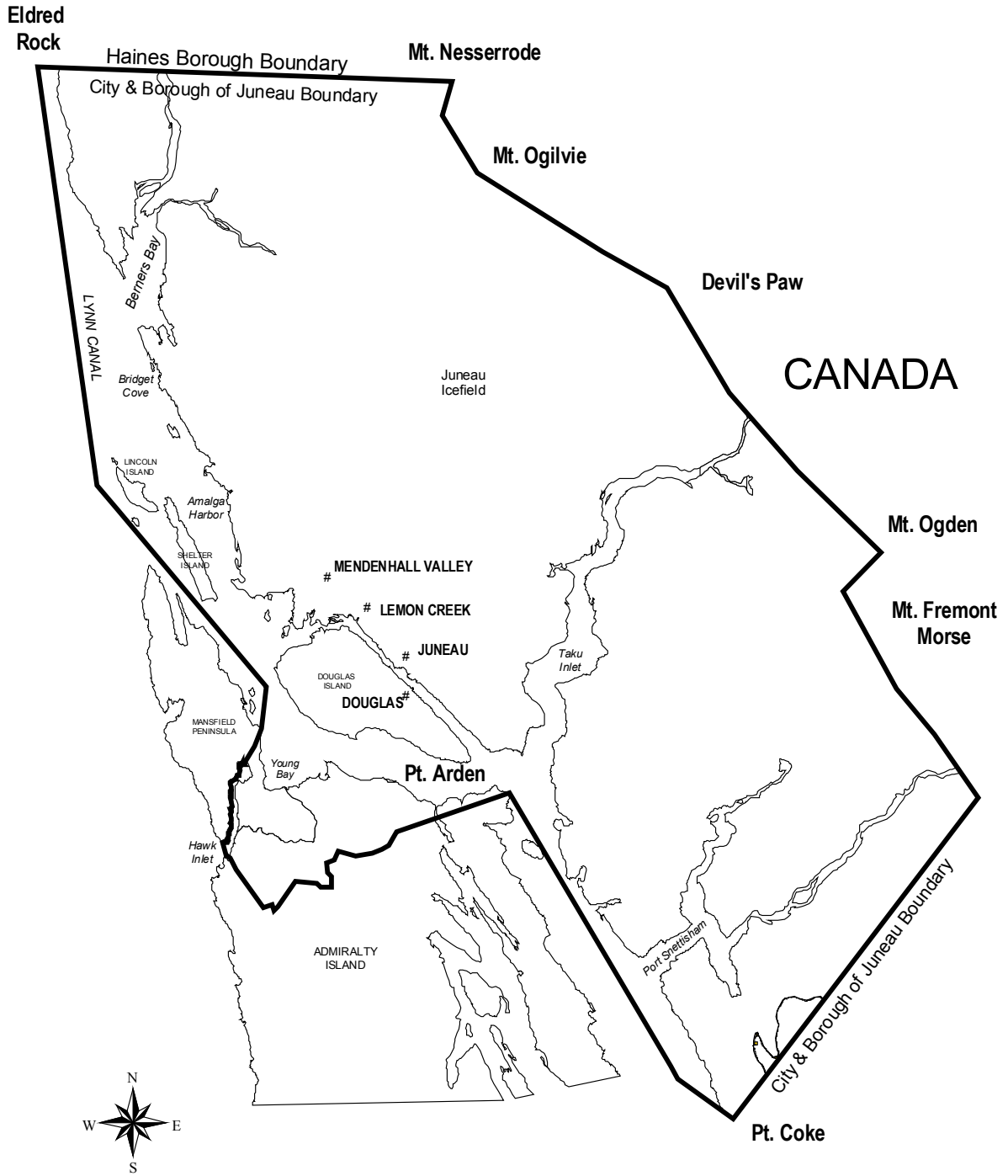
Based on information presented in Composition of Tax-exempt Property on the following page.

Composition of Tax-exempt Property
(Unaudited)*Last Ten Fiscal Years*

| <u>Fiscal year ended June 30</u> | <u>Noncommercial motor vehicles</u> | <u>Private aircraft</u> | <u>Boats</u> | <u>Total exempt value</u> |
|--------------------------------------|---|-----------------------------|--------------|-------------------------------|
| 1995 | \$ 73,029,300 | 3,880,000 | 65,800,000 | 142,709,300 |
| 1996 | 74,000,000 | 4,000,000 | 68,000,000 | 146,000,000 |
| 1997 | 91,175,500 | 4,000,000 | 68,000,000 | 163,175,500 |
| 1998 | 106,556,500 | 4,000,000 | 68,000,000 | 178,556,500 |
| 1999 | 87,562,558 | 4,000,000 | 68,000,000 | 159,562,558 |
| 2000 | 104,431,084 | 4,000,000 | 68,000,000 | 176,431,084 |
| 2001 | 88,355,760 | 4,000,000 | 106,000,000 | 198,355,760 |
| 2002 | 97,191,336 | 4,000,000 | 106,000,000 | 207,191,336 |
| 2003 | 93,990,477 | 33,239,315 | 94,574,700 | 221,804,492 |
| 2004 | 93,990,477 | 33,239,315 | 94,574,700 | 221,804,492 |

Sources: City and Borough of Juneau Assessor's Office, State Assessor's Office, and the State Division of Motor Vehicles.

CITY & BOROUGH OF JUNEAU



Approx. Scale: 1"=10 miles

Miscellaneous Statistics

As of June 30, 2004

| | |
|---|---------------------------|
| Date of incorporation | Home Charter July 1, 1970 |
| Form of government | Mayor and Assembly |
| Area | 3,248 square miles |
| Population | 31,283 |
| <u>Streets</u> | |
| Miles of streets | 89 |
| Miles of sidewalks | 33 |
| Catch-basins | 2,061 |
| Miles of drainage ditch | 69 |
| Number of street signs | 1,981 |
| <u>Water Services</u> | |
| Number of consumers | 9,319 |
| Miles of water mains | 168 |
| Number of fire hydrants | 1,352 |
| Number of wells | 5 |
| Number of reservoirs | 9 |
| Number of pump stations | 9 |
| <u>Sewer Services</u> | |
| Number of customers | 8,339 |
| Miles of sanitary sewer | 125 |
| Number of lift stations | 39 |
| Number of wastewater treatment plants | 3 |
| Yearly gallonage treated | 1,344.016 million |
| <u>Fire Protection</u> | |
| Number of stations | 5 |
| Number of firefighters | 34 |
| Number of volunteer firefighters | 75 |
| <u>Police Protection</u> | |
| Number of stations | 1 |
| Number of police officers | 47 |
| <u>Parks, Recreation and Culture</u> | |
| Number of Recreation Service Parks | 29 |
| Total acres | 479 |
| Number of Natural Area Parks | 76 |
| Total acres | 3,085 |
| Number of convention centers | 1 |

Sources: City and Borough of Juneau Capital City Fire/Rescue Department, Parks and Recreation Department, Public Works Department, Police Department, and the Treasury Division.

