

City and Borough of Juneau, Alaska



THUNDER MOUNTAIN HIGH SCHOOL

# *Comprehensive Annual Financial Report*



Fiscal Year Ended June 30, 2006

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CITY and BOROUGH OF JUNEAU

*FOR THE FISCAL YEAR July 1, 2005 to June 30, 2006*

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT



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PREPARED BY:

*DEPARTMENT OF FINANCE*  
CONTROLLER'S DIVISION

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

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A special thanks to MRV Architects for our cover of Thunder Mountain High School in the Valley.

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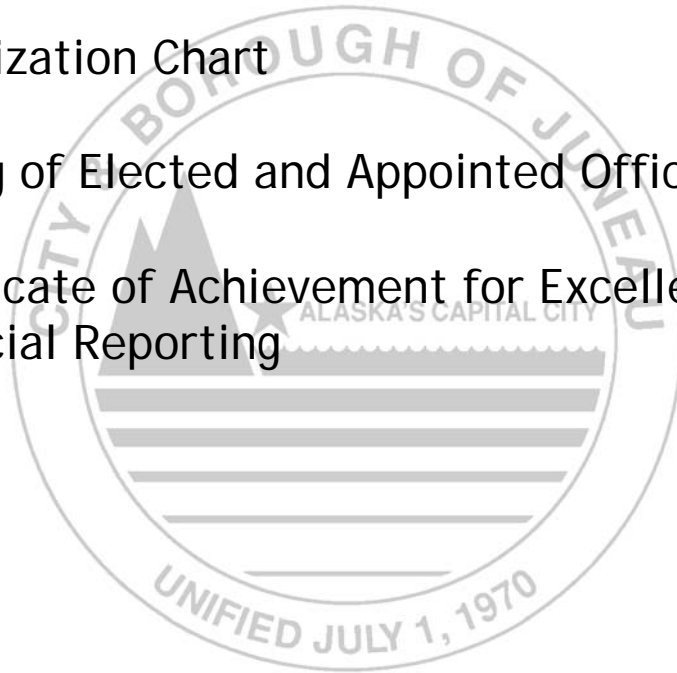
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- Certificate of Achievement for Excellence in Financial Reporting







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December 1, 2006

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 City and Borough of Juneau's (CBJ) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2006.

The Charter requires an annual independent audit be made of our financial records and transactions. The audit is to be performed by a certified public accountant designated by the Assembly. As part of the annual financial audit, we also comply with 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 AS 29.38.220 and 2 AAC 45.010. This report is published to fulfill the requirement for the fiscal year ended June 30, 2006.

The CAFR is prepared by the CBJ Finance Department. The responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the CBJ. 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.

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. These 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, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Elgee Rehfeld Mertz, LLC, Certified Public Accountants have issued an unqualified opinion that the financial statements for the fiscal year ended June 30, 2006, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component in the financial section of this report.

Immediately following the independent auditor's report is the section, Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is designed to complement this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

The City of Juneau was incorporated in 1900 as Alaska's capitol. The City of Douglas was incorporated in 1902. The Greater Juneau Borough was incorporated as a first class borough on September 30, 1963. The Cities of Juneau and Douglas and the Greater Juneau Borough unified into the City and Borough of Juneau, as the first unified home rule government in Alaska, in 1970. Under provisions established by State statutes, the assets and liabilities of the individual local governments were unified into the succeeding municipality. The City and Borough of Juneau is located in the southeast part of the State of Alaska. It occupies 3,248 square miles and serves a population of 31,341. The City and Borough of Juneau is empowered to levy a sales tax on retail sales and a property tax on both real and personal property located within its boundaries. It is also empowered by State statutes to extend its corporate limits by annexation, which it has done from time to time.

An Assembly-Manager form of government was adopted as a provision of the Home Rule Charter accepted by the voters in 1970. The City and Borough Assembly has nine members, one of which is the mayor of Juneau. The Assembly members are

## The Honorable Mayor and Assembly

nominated by district, but elected at large to a three-year term. The Assembly has both legislative and policy-making powers and duties. The Manager, who is appointed by and reports to the Assembly, acts as the chief administrative officer.

The CBJ provides a wide range of public services including general administrative, police, fire, emergency medical, community development, library, mass transit, parking, marine port facilities, boat harbors, airport, hospital, water utility, sewer utility and road, street and sidewalk maintenance and alpine and Nordic skiing. The City and Borough of Juneau is also financially accountable for a legally separate school district, which is reported separately within the City and Borough of Juneau's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (See Note 1).

The Assembly is required to adopt the annual operating and capital budgets no later than the June 15 prior to the start of each fiscal year. The budget is prepared by fund and department. Department directors may transfer resources within a department as they see fit. Transfers between departments require legislative approval from the Assembly.

### LOCAL ECONOMY

As Alaska's Capital City, government largely supports our economic base. The CBJ continues to encourage investments in mining, manufacturing, tourism and regional merchandising. These efforts have resulted in private sector growth and economic diversification. The City's total 2005 employment increased by 2.4% from the prior year, with private sector jobs now represent 58% of all employment in the community. Private employment increased by 504 jobs or 5.2% in 2005.

Even though the efforts to diversify are succeeding, the fact remains that Juneau's economic base still relies heavily on government employment. More than 7,408 of the 17,642 jobs reported by employers in 2005 were public sector jobs with the federal, state or local governments. The largest public sector employer is the state government with 4,314; while federal and local government employed 938 and 2,156, respectively.

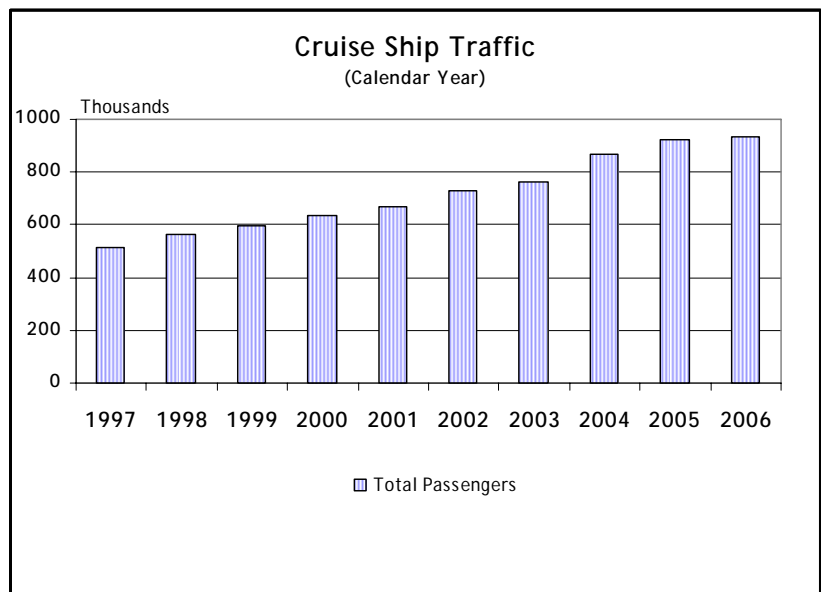
The U.S. Forest Service and National Oceanic and Atmospheric Administration make up most of the federal work force. Other federal agencies providing employment in Juneau include the Coast Guard (U. S. Homeland Security) and the U.S. Postal Service.

Except for the recession in 1986-88, due to dramatic world oil price declines, Juneau's economy has grown at a steady pace. The 2005 unemployment rate was 4.8%; this was significantly less than the 6.0% rate in the prior two years. Overall Juneau's economic growth trend improved during 2006. Indicators, such as real estate values and gross business sales, all grew at an increased rate.

As of January 1, 2006, "real property" taxable assessed values were \$3.46 billion, an increase of 13.7% over 2005. This increase was due to significant value growth in commercial and residential property coupled with new construction. The CBJ issued 115 new residential and 43 new commercial unit-building permits in fiscal year 2006, an increase of 43.8% and 43.3% respectively over fiscal year 2005.

Juneau experienced another active tourist season in 2006. 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 2006, 932,239 passengers visited Juneau. This was a 1.5% increase over the previous summer's traffic. The preliminary projections indicate that as many as 975,000 (an increase of 4.6%) cruise ship passengers may visit Juneau in the summer of 2007.

Mining was Juneau's first major 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 more than \$3 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 7,500 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's life. Currently the Kennecott Greens Creek Mine supports an annual payroll in excess of \$26 million, of which the majority is paid to Juneau residents. The mine employs a workforce of approximately 270 and processes over 2,200 tons of ore a day. In 2005, Greens Creek milled 717,590 tons of ore to produce 58,300 tons of zinc, 18,600 tons of lead, 72,800 ounces of gold and 9,700,000 ounces of silver.

Based on current exploration information, the Kennecott Greens Creek Mining Company mine's life will be at least 12 more years. 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 mine is another major mining development. In mid-1995, Coeur Alaska, Inc. acquired full ownership of the Kensington Gold Project. Since that time, the Company has performed engineering, design work, permitting and started site construction. Coeur Mining has received federal, state and local permits for development of the Kensington gold mine. Subsequent to permitting and the commencement of mine development in 2005, a lawsuit was filed challenging the Corps of Engineers' permit to place tailings in Lower Slate Lake. Work on the mine facilities has continued while the tailings placement issue is being resolved. Coeur Alaska goal plans to complete construction and begin mine operations before the end of 2007. Total capital costs are estimated to be \$190 million. It is estimated that a fully operating mine would employ 225 workers during a 10-year mine life. Annual payroll is estimated to be in excess of \$16 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 a property tax exemption on business inventory.

#### LONG-TERM FINANCIAL PLANNING

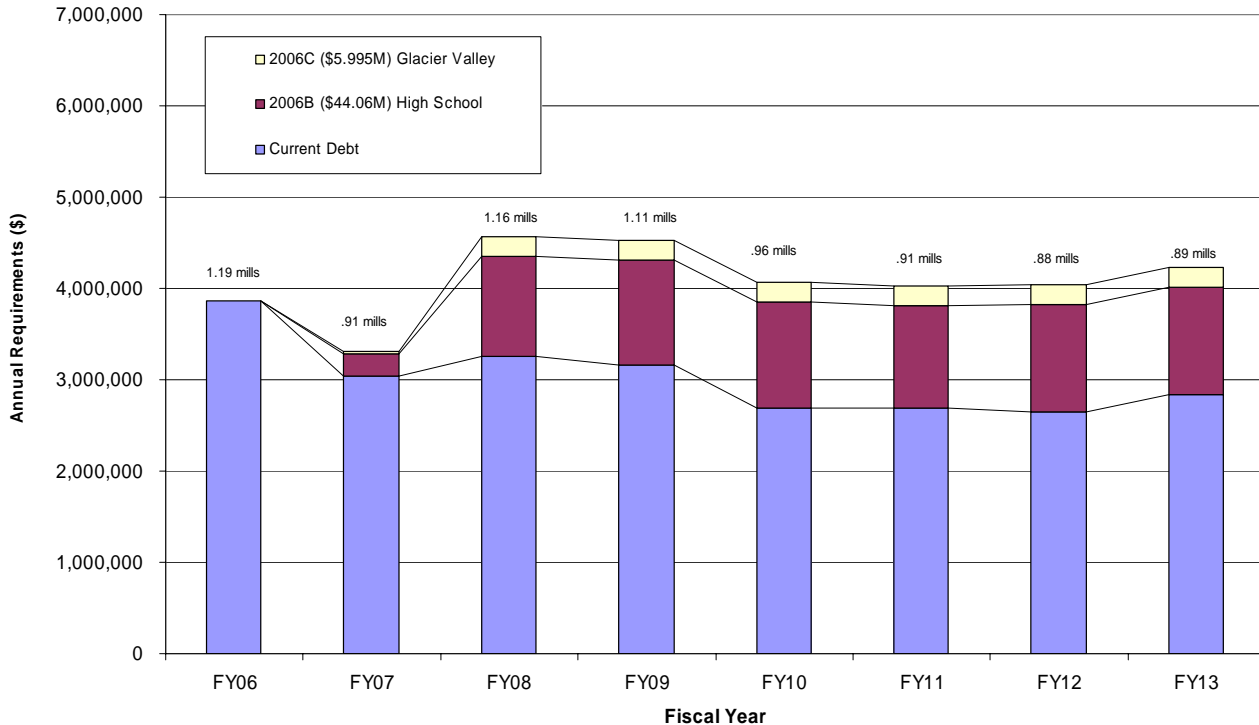
While Juneau's economic indicators continue to experience modest annual growth, the dominance of state government in the local economy, coupled with State government's reliance on a single revenue source, oil royalties and taxes, make long-term economic stability less certain. Anticipating the eventual 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 1990 and 1999 respectively presented the Assembly with a number of economic suggestions. The Assembly implemented a number of efficiency recommendations to help promote long-term growth and financial stability.

Recent increases in world oil prices have resulted in significant improvements in State total revenues. These increases have moved the State from projected funding shortfalls to budget surpluses. A stable state government will significantly help to keep our local economy strong. However, recent funding issues with the State's Public Employees Retirement System (PERS) have resulted in significant statewide local government budgetary concerns. Local government, including the City and Borough of Juneau, are participants in the Alaska PERS. Increases in the projected PERS unfunded liability has resulted in dramatic increases in employer contribution rates. The State has indicated that our contribution rates may increase from the current FY07 rate of 21.22% to over 50% by FY09. It is hopeful that the State will assist local governments with this increase since the PERS is managed by the State. If the State fails to provide local support to offset part or all of the projected PERS increases, it will place significant financial burdens on all of the local governments in the State of Alaska including the City and Borough of Juneau. While the CBJ's long-term budgetary position includes significant uncertainties pending the outcome of the PERS unfunded liability, our future budgets are within our ability to manage. Our mill levies have been declining over the past 10 years. Our FY07 operating mill levy of 9.26 is .74 mills less than the FY06 levy and significantly less than our 12 mill operating levy cap.

While we have experienced reductions in our operating levy, we will be seeing our debt service levy increase slightly over the next few years. Voters have approved several new general obligation bond issues including \$54 million for a new valley high school. The mill levies required to fund the additional voter authorized general obligation bonds are estimated to climb to 1.16 mills by FY08. While there are no restrictions on the general obligation debt service mill levy, the tax impact to local residents is a concern. In issuing these new bonds we have reviewed funding alternatives and ways to reduce the mill levy impacts by matching maturing debt with the new debt issues.

The Honorable Mayor and Assembly

**City and Borough of Juneau  
Debt Service  
Annual Requirements  
FY06 - FY13**



**MAJOR INITIATIVES AND FACILITY IMPROVEMENTS**

On October 3, 2000, voters approved a proposition that imposes a temporary 5-year, 1% areawide sales tax levy to fund several capital projects. The temporary tax will provide \$29 million to partially fund major expansion and renovation of the Bartlett Regional Hospital, the Juneau-Douglas High School and for the construction of an indoor ice skating facility (Treadwell Arena). The Juneau-Douglas High School Renovation and Treadwell Arena projects are complete. The updated status of the hospital project is presented below:

- **Bartlett Regional Hospital:** This project is divided into two phases with a total budget of approximately \$47.2 million. Phase I will construct a new hospital addition and phase II will remodel the existing building. A \$24.0 million construction contract was awarded in August 2004 for phase I. Phase I is scheduled to be completed in early 2007. The phase II contract will begin at the completion of phase I. Phase II will take approximately 1 year to complete. The CBJ issued \$28.845 million in Bartlett Regional Hospital revenue bonds in August 2004. The bond proceeds along with \$20 million in sales tax revenues will fund both phase I and II.

Upgrades to the School District facilities continue to be a focal point of the City’s capital activity. State funding for school capital improvements became available after voters approved, in November 2002, a statewide bonding proposition for design, construction and major maintenance of educational and museum facilities. The proposition implemented companion legislation that provided funding for the School Construction Bond Debt Reimbursement Program and allowed the City to move ahead with a new high school project. The current State Bond Debt program reimburses local governments for 60% to 70% of the debt service on approved general obligation school bonds.

- **New High School:** In June 2003, voters approved a proposition authorizing an additional \$12.6 million for the New High School. This brought the total project authorization to \$60.8 million. Under the State’s Debt Reimbursement Program rules, the new high school was eligible for a 60% reimbursement. Student capacity was estimated at 1,100 students. Between June 2000 and October 2003, \$23 million in general obligation bonds had been issued for this 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 (student population, school operating funds and school design). That voter decision effectively cancelled the high school project. After several months of meetings to evaluate how to address the existing

## The Honorable Mayor and Assembly

high school overcrowding problem, the School Board recommended pursuing a smaller school, which would cost \$54 million and have a capacity of 838 students. The general obligation bonding for the revised new high school project was approved by the voters on October 5, 2004. The revised high school bonds qualify for 70% state reimbursement. The unexpended proceeds from the \$23 million in bond debt issued under the June 2003 authorization (an estimated \$18.25 million) were redirected by the voters on October 5, 2004 to district major maintenance projects. The debt supporting the redirected bonds proceeds qualifies for 70% state reimbursement.

The City issue \$8 million of the \$54 million in new high school general obligation bond authorization in March 2005, \$1.94 million, as mini bonds, in May 2005 and the remaining balance of \$44.06 million in September 2006. The new high school facility is currently under construction. The estimated completion date for the new high school is targeted for late summer 2008.

- **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. The bonds were issued in November 2004 and these projects nearing completion. These bonds qualify for 70% state reimbursement. In October 4, 2005, voters approved issuing \$5.995 million in general obligation bonds for renovation the Glacier Valley Elementary School. These bonds were issued in September of 2006. These bonds will qualify for 70% state reimbursement.
- **Other 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.

On October 4, 2005, voters approved a temporary 33-month 1% areawide sales tax to fund a combination of additional capital projects. The \$18.5 million in sales tax will partially fund a downtown parking and transit center, harbor improvements, sewer improvements and a third chairlift for Eaglecrest ski area. The new tax levy began on January 1, 2006.

#### AWARDS AND ACKNOWLEDGEMENTS

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, 2005. 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 nineteen consecutive years (fiscal years ended 6/30/87 - 6/30/05). 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.

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, Angelica Lopez-Campos and Pat White, Accountants. Without their efforts, the production of the annual financial report would not be possible.

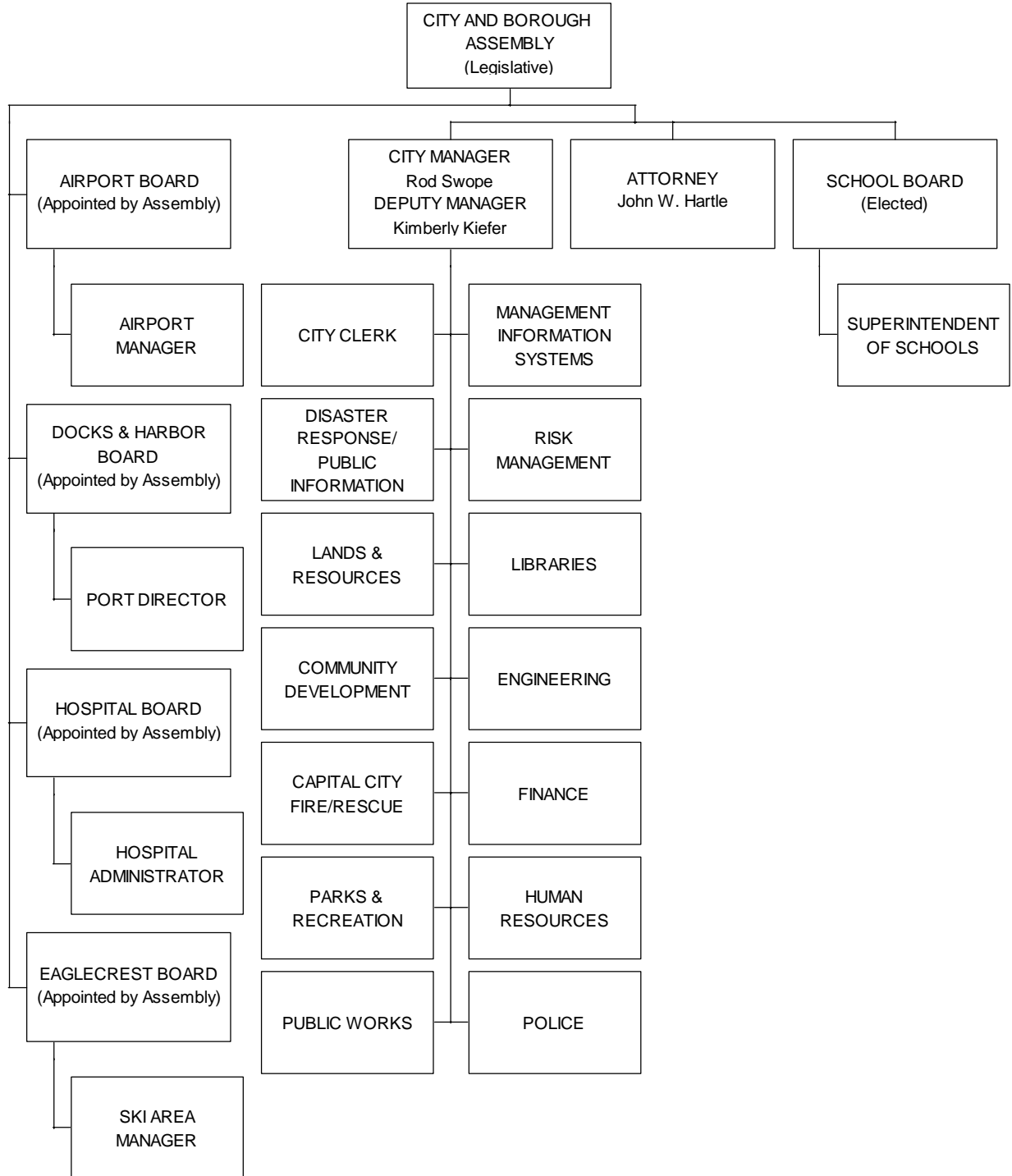
I wish to express my appreciation to Rod Swope our City Manager, for his support throughout the year in accomplishing our fiscal goals. In addition, I want to thank the Mayor and Assembly for their interest and support in planning and conducting the financial operations of the City and Borough of Juneau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

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## ASSEMBLY

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### MAYOR

Bruce Botelho

### DISTRICT #1

David G. Stone  
Jeff Bush  
Merrill Sanford

### DISTRICT #2

Randy Wanamaker  
Jonathan Anderson  
Sara Chambers

### AREAWIDE

Johan Dybdahl  
Robert Doll

## ADMINISTRATION

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Rod Swope, City Manager

## FINANCE

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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, 2005

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.



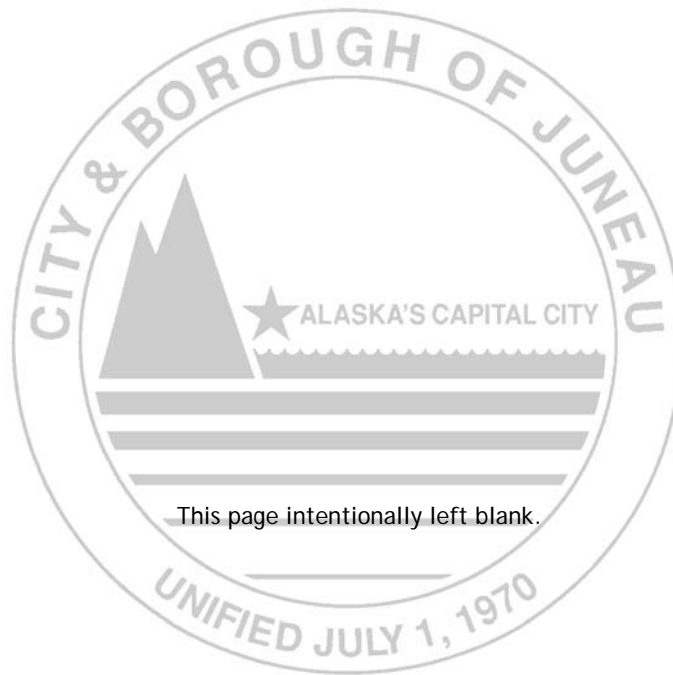
President

Executive Director

# FINANCIAL SECTION

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- 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

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## 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, 2006, 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, 2006, 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 Funds, as listed in the table of contents, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis as listed in the table of contents is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 9, 2006 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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, schedules of capital assets used in the operation of governmental funds, schedules of additional information and statistical section 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, schedules of capital assets used in the operation of governmental funds and schedules of additional information 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 section 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.

Handwritten signature in black ink, consisting of the letters 'ERM' in a cursive style.

November 9, 2006

## 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, 2006. Readers should consider the information presented here in conjunction with additional information in the letter of transmittal, which can be found on pages vii-xi of this report.

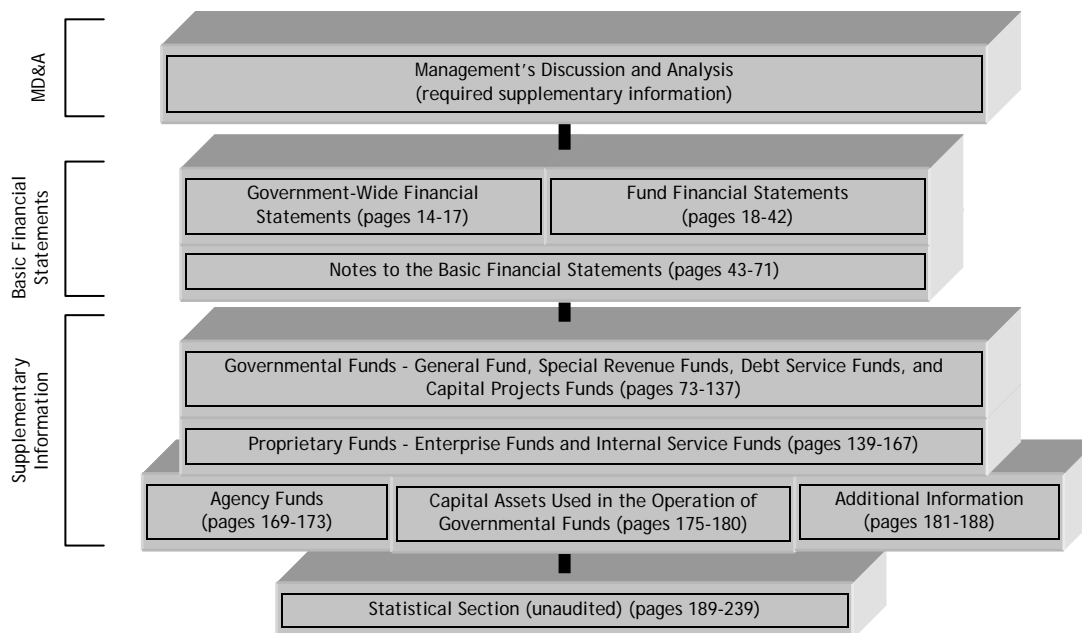
### FINANCIAL HIGHLIGHTS

- CBJ net assets increased by \$18.4 million (3.3%). The governmental net assets increased by \$3.7 million (1.4%) and the business-type net assets increased by \$14.7 million (5.0%).
- Total assets of CBJ increased \$18.8 million (2.6%).
- Total liabilities of CBJ increased \$.4 million (.3%).
- The governmental activity revenue increased \$10.0 million (10.3%).
- The total cost of all CBJ programs increased by \$16.6 million (10.2%).
- The most significant governmental activity is education, which represents 26.0% of governmental expenses and 14.0% of total expenses. The most significant business-type activity is the hospital, which represents 67.4% of business-type expenses and 31.0% of total expenses.
- The General Fund (the primary operating fund), on the current financial resources basis, reported a decrease in fund balance of \$.6 million (1.2%).

### 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 such as public safety, public transportation, public works, parks and recreation, community development and general

## MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2006

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 the City's 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 identify the 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 24 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, sales tax and lands special revenue funds; the general debt service fund; 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, 2006

The basic governmental fund financial statements can be found on pages 18-30 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 functions and have been included within business type activities.

The proprietary fund financial statements provide separate information for the airport, hospital, water, sewer utilities, harbors, dock and waste management. The airport, hospital, harbors 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 non-major enterprise and 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 32-41 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 42 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 43-71 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 \$574.6 million as of June 30, 2006, compared to \$556.2 million and \$538.1 million for the years ended June 30, 2005 and June 30, 2004, respectively.

The largest portion of the CBJ's net assets (77.2%) 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 \$125.3 million, of which \$24.9 million was unexpended as of June 30, 2006.

## CITY AND BOROUGH OF JUNEAU'S NET ASSETS

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Current and other assets	\$ 93,660,730	92,086,427	97,946,288	101,902,414	191,607,018	193,988,841
Capital assets	274,030,466	273,843,941	268,948,284	247,903,207	542,978,750	521,747,148
Total assets	367,691,196	365,930,368	366,894,572	349,805,621	734,585,768	715,735,989
Current and other liabilities	22,118,505	18,411,564	20,578,844	18,301,021	42,697,349	36,712,585
Long-term liabilities	75,784,768	81,428,124	41,506,667	41,428,507	117,291,435	122,856,631
Total liabilities	97,903,273	99,839,688	62,085,511	59,729,528	159,988,784	159,569,216
Net assets:						
Invested in capital assets,						
net of related debt	216,879,150	223,098,790	227,174,517	206,099,658	444,053,667	429,198,448
Restricted	40,454,572	25,698,074	40,716,382	48,654,087	81,170,954	74,352,161
Unrestricted	12,454,201	17,293,816	36,918,163	35,322,348	49,372,364	52,616,164
Total net assets	\$ 269,787,923	266,090,680	304,809,062	290,076,093	574,596,985	556,166,773



**MANAGEMENT’S DISCUSSION and ANALYSIS**

June 30, 2006

An additional portion of the CBJ’s net assets (\$81.2 million or 14.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$49.4 million or 8.6%) 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 \$18.4 million during the current fiscal year compared to \$18.0 million in the prior fiscal year. This variance resulted from expenses increasing (\$16.6 million or 10.2%) at a slower dollar rate than revenues (\$17 million or 9.4%). Nearly all of this variance was in governmental activities as revenues increased by \$10.0 million (10.3%) while expenses increased \$13.1 million (15.5%).

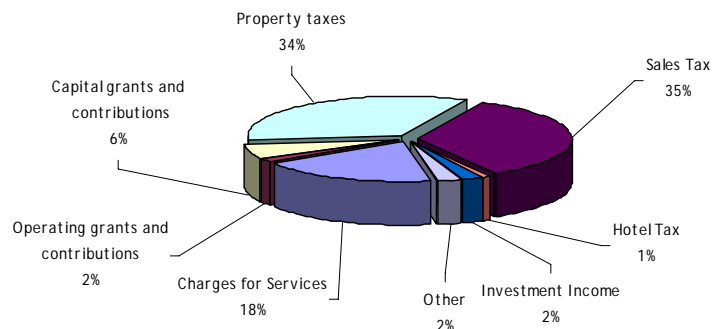
**Governmental Activities.** Governmental activities net assets increased by \$3.7 million or 20.1% of the total change in net assets, contributing to the overall net asset increase of \$18.4 million. Key elements of the increase for governmental activities are as follows:

**CITY AND BOROUGH OF JUNEAU’S CHANGES IN NET ASSETS**

REVENUES:	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Program revenues:						
Charges for services	\$ 19,760,572	18,395,880	79,636,995	72,595,374	99,397,567	90,991,254
Operating grants & contributions	1,848,929	1,299,026	580,536	550,970	2,429,465	1,849,996
Capital grants & contributions	6,546,726	4,517,121	10,641,615	10,583,825	17,188,341	15,100,946
General revenues:						
Property taxes	35,647,984	32,615,222	-	-	35,647,984	32,615,222
Other taxes	37,888,032	35,706,559	-	-	37,888,032	35,706,559
Other	5,013,077	4,207,940	1,022,286	645,912	6,035,364	4,853,852
<b>Total revenues</b>	<b>\$ 106,705,320</b>	<b>96,741,748</b>	<b>91,881,433</b>	<b>84,376,081</b>	<b>198,586,753</b>	<b>181,117,829</b>

- Property tax revenues increased \$3.0 million (9.3%) due to an increase in property values.
- Other tax revenue increased 2.0 million (5.9%) due to an increase in sales tax, which is attributable to good weather during the summer which in turn resulted in increased sales and construction.
- Other revenue increased .8 million (19.1%) due to an increase in miscellaneous revenue, which is attributable to the Alaska Department of Administration contributing funding to the Public Employee Retirement System (PERS) on the behalf of CBJ.
- Capital grants increased 2.0 million (45%) due to an increase in School Construction Debt Reimbursement revenue.

Revenues - Governmental Activities  
Fiscal Year Ended June 30, 2006



## MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2006

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

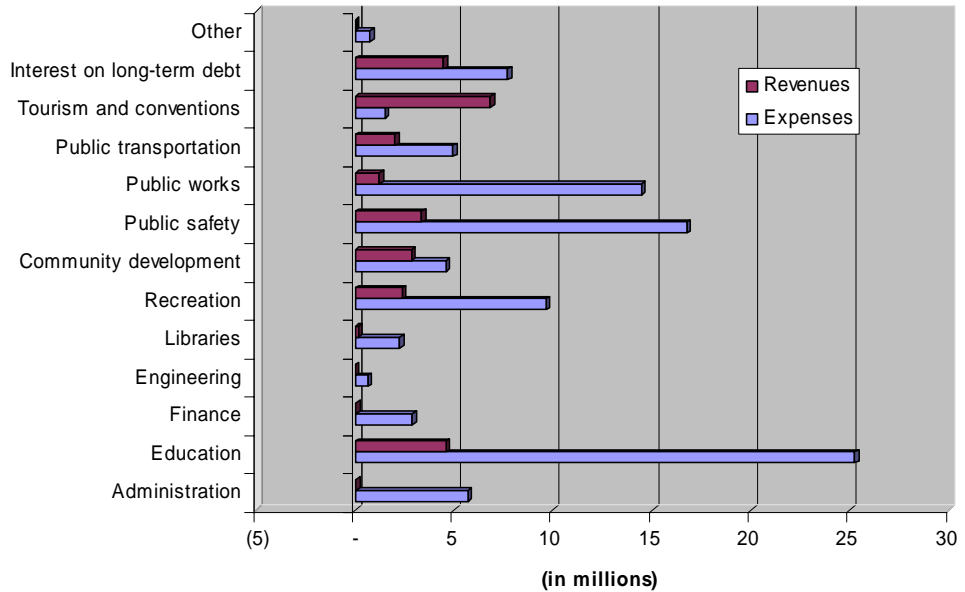
EXPENSES:	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Administration	\$ 5,724,534	5,349,465	-	-	5,724,534	5,349,465
Education	25,259,564	24,252,668	-	-	25,259,564	24,252,668
Finance	2,907,102	2,859,570	-	-	2,907,102	2,859,570
Engineering	635,832	619,629	-	-	635,832	619,629
Libraries	2,269,244	2,171,829	-	-	2,269,244	2,171,829
Recreation	9,673,834	2,448,272	-	-	9,673,834	2,448,272
Community development	4,609,325	4,804,923	-	-	4,609,325	4,804,923
Public safety	16,755,634	15,501,766	-	-	16,755,634	15,501,766
Public works	14,492,382	11,485,118	-	-	14,492,382	11,485,118
Public transportation	4,941,717	4,566,209	-	-	4,941,717	4,566,209
Tourism and conventions	1,519,514	1,339,936	-	-	1,519,514	1,339,936
Interest on long-term debt	7,716,470	7,566,108	-	-	7,716,470	7,566,108
Other	777,392	1,266,101	-	-	777,392	1,266,101
Airport	-	-	6,585,306	6,517,736	6,585,306	6,517,736
Harbors	-	-	3,390,280	3,060,189	3,390,280	3,060,189
Docks	-	-	1,868,405	1,924,685	1,868,405	1,924,685
Hospital	-	-	55,552,625	53,189,781	55,552,625	53,189,781
Water	-	-	5,393,741	4,894,839	5,393,741	4,894,839
Sewer	-	-	9,092,340	8,356,173	9,092,340	8,356,173
Waste Management	-	-	991,302	927,097	991,302	927,097
Total expenses	97,282,543	84,231,594	82,873,999	78,870,500	180,156,542	163,102,094
Increase in net assets						
before transfers	9,422,777	12,510,154	9,007,434	5,505,581	18,430,211	18,015,735
Transfers	(5,725,535)	(8,498,607)	5,725,535	8,498,607	-	-
Increase in net assets	3,697,242	4,011,547	14,732,969	14,004,188	18,430,211	18,015,735
Net assets - 7/1	266,090,680	262,079,133	290,076,093	276,071,905	556,166,773	538,151,038
Net assets - 6/30	\$ 269,787,922	266,090,680	304,809,062	290,076,093	574,596,984	556,166,773

MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2006

- Education expenditures increased \$1.0 million (4.2%) primarily due to construction activity on capital improvement projects.
- Recreation expenditures increased \$7.2 million (295.1%) due to the reclassification of capital assets.
- Public Works expenditures increased by \$3.0 million (26.2%) which was primarily due to an increase in capital assets.
- Other expenditures decreased \$.5 million (38.6%) due to a decrease in capital assets.

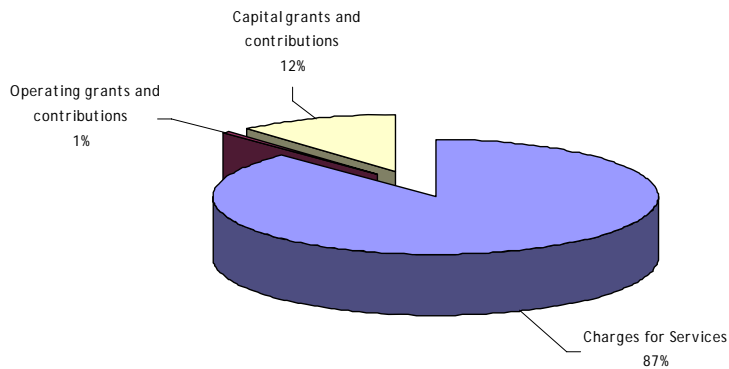
Expenses and Program Revenues - Governmental Activities  
June 30, 2006



**Business-type activities.** Business-type activities increased the CBJ's net assets by \$14.7 million and accounted for 80.0% of the total growth in net assets. Key elements of this increase are as follows:

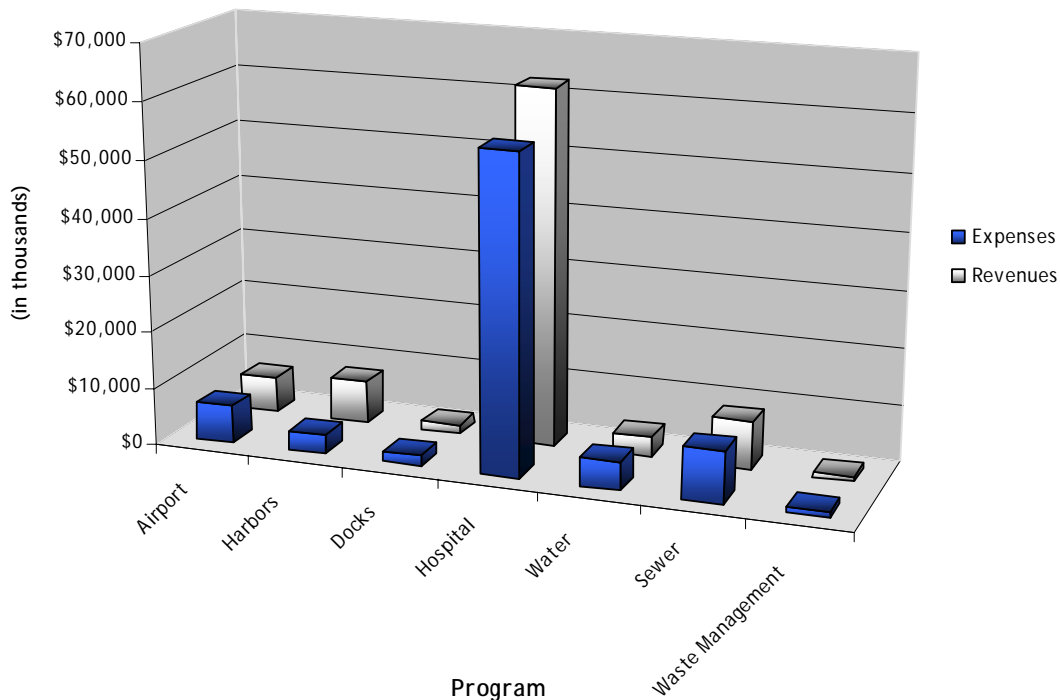
- Charges for services increased \$7.0 million (9.7%) due to hospital increasing services and fees.
- Harbors expenses increased \$324.1 thousand (10.6%) due to an increase in depreciation expense caused by the increase in capital assets.
- Hospital expenses increased \$2.4 million (4.4%) due to overall increase in costs associated with the increase in services provided.
- Sewer expenses increased \$736.2 thousand (8.8%) due to the reclassification of wastewater operators, which resulted in higher personnel costs.

Revenues - Business-type Activities  
Fiscal Year Ended June 30, 2006



## Expenses and Revenues - Business-type Activities

June 30, 2006



## 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 \$81.2 million, an increase of \$1.4 million (1.9%) over the prior year primarily due to funding to capital projects no being spent by year end. Of this total amount, \$17.9 million represents unreserved undesignated fund balance, which is available for spending. The remaining \$63.3 million is reserved, or designated, to indicate that it is not available for new spending, having already been committed to liquidate contracts and purchase orders of the prior period (\$57.8 million), to meet the liability for earned but unused leave (\$3.0 million), and for other restricted purposes (\$2.5 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 \$2.7 million, while total fund balance reached \$4.5 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 5.5% and 9.3% of total expenditures and other financing uses, respectively.

Significant changes are as follows:

- Taxes increased \$6.1 million (32.8%).
- State sources increased \$2.0 million (68.4%).

**MANAGEMENT'S DISCUSSION and ANALYSIS**

June 30, 2006

- Investment income decreased \$.6 million (30.0%).
- Special assessments revenue increased \$.3 million (159.4%).
- License, permits and fees increased \$.3 million (45.0%).
- Transfers to the other funds increased \$3.7 million (55.6%).

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 \$3.7 million, while total fund balance reached \$3.8 million.

Significant changes are as follows:

- State sources increased \$0.7 million (80.0%).
- Taxes decreased \$2.2 million (17.4%).

The sales tax special revenue fund makes up about 19.0% of total CBJ revenue. It is largely composed of 5.0% sales tax and 3.0% liquor tax. The unreserved and total fund balance at June 30, 2006, was \$10.0 million.

Significant changes are as follows:

- Sales tax revenue increased \$3.4 million (10.2%).
- Transfers to the general fund decreased \$5.1 million (16.1%).

Other governmental funds (with the exclusion of the general fund, roaded service area and sales tax) have a combined fund balance of \$62.8 million, an increase of \$2.8 million (4.6%).

*Enterprise funds.* The CBJ's enterprise funds encompass the business-type activities presented in the government-wide financial statements, which include the airport, hospital, harbors, docks, waste management, and water and sewer utilities, excluding internal service fund activity.

At the end of the current fiscal year, total combined enterprise fund net assets were \$301.8 million, an increase of \$14.2 million (5.0%) over the prior year, excluding internal service funds. Of this amount, \$33.2 million represented unrestricted net assets. This amount is equal to 47.3% of operating expenditures exclusive of depreciation.

Individually, the hospital and harbors experienced the largest increases in net assets, \$9.8 million (17.1%) and \$5.7 million (18.0%), respectively. The water utility was the only fund that had the most significant decrease in net assets of \$1.4 million (2.3%).

Significant changes are as follows:

- Overall, operating revenues increased \$7.0 million (10.0%), with Bartlett Regional Hospital and harbors experiencing the largest growth, 11% and 29%, respectively. This growth is due to rate increases that took effect during the fiscal year.
- Overall, salaries and fringe benefits increased \$1.4 million (4.0%), with water utility experiencing the greatest increase in costs, 9%. This is due to a reclassification of water utility operators, which resulting in an increase of wages.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences in the change in fund balance between the original budget and final amended budget were relatively minor at \$1.0 million (2.4%) and can be briefly summarized as follows:

- State and Federal sources increased \$0.7 million due to an increase in grants and state shared revenue received during the fiscal year.

## MANAGEMENT'S DISCUSSION and ANALYSIS

June 30, 2006

- Transfers out increased \$1.3 million due to transfers out to central equipment service fund and capital projects.
- Actual revenues were \$0.7 million (2.0%) below budget, while actual expenditures were \$0.8 million (2.0%) less than budget.
- Investment and interest income was \$1.1 million (44.2%) less than budgeted.
- Licenses, permits and fee income was \$.3 million (41.7%) over 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, 2006, amounts to \$543.0 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 CBJ's investment in capital assets for the current fiscal year was \$21.2 million (4.1%). Governmental capital assets increased \$.2 million (.1%), while business-type capital assets increased \$21.0 million (8.5%).

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

- Depreciation expense for the fiscal year was \$28.8 million, a decrease of \$.7 million from FY05.
- Construction in progress increased \$39.3 million (36.7%).
- Major additions were capital projects such as the New High School/Diamond Park and North Douglas Sewer.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Land	\$ 37,306,108	36,500,884	17,865,576	16,814,304	55,171,684	53,315,188
Buildings and improvements	96,353,788	106,691,236	160,990,722	168,019,014	257,344,510	274,710,250
Equipment	12,582,431	12,284,246	13,502,881	11,848,404	26,085,312	24,132,650
Infrastructure	57,814,384	62,365,959	-	-	57,814,384	62,365,959
Construction in progress	69,973,755	56,001,616	76,589,105	51,221,485	146,562,860	107,223,101
<b>Total</b>	<b>\$ 274,030,466</b>	<b>273,843,941</b>	<b>268,948,284</b>	<b>247,903,207</b>	<b>542,978,750</b>	<b>521,747,148</b>

Additional information on the CBJ's capital assets can be found in Note 8 on pages 57-58 of this report.

**Debt Administration.** As of June 30, 2006, the CBJ had a total of \$112.0 million in bond debt, which consisted of 16 general obligation and three revenue bond issues. The general obligation issues accounted for \$79.8 million and the revenue bonds accounted for \$32.3 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>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
General obligation bonds	\$ 79,622,000	82,741,495	135,000	1,193,505	79,757,000	83,935,000
Revenue bonds	1,490,000	2,935,000	30,775,000	30,970,000	32,265,000	33,905,000
Notes payable	-	-	8,146,529	8,590,967	8,146,529	8,590,967
<b>Total</b>	<b>\$ 81,112,000</b>	<b>85,676,495</b>	<b>39,056,529</b>	<b>40,754,472</b>	<b>120,168,529</b>	<b>126,430,967</b>

**MANAGEMENT'S DISCUSSION and ANALYSIS**

June 30, 2006

The last Moody's Investor's Services rating on the CBJ's bonds was A1. The government's general obligation bonded indebtedness is not subject to a legal debt ceiling. CBJ's general obligation bond debt per capita is \$2,545. A more detailed analysis of bonded debt is contained in the Statistical Section, page 219.

Approximately 82.6% or \$65.9 million of CBJ's \$79.8 million in outstanding general obligation bond debt as of June 30, 2006 represents school debt issued for school construction, repairs or technology. Approximately \$64.7 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, the amount of the issuance qualifying and the state appropriation levels. State aid received by the CBJ is based on reimbursement rates varying between 60% and 80% of the qualifying debt service.

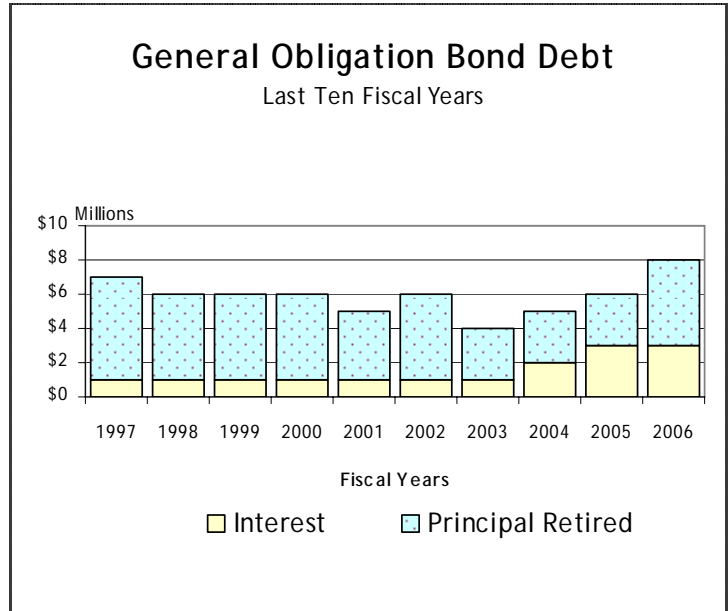
The general obligation debt decreased \$4.2 million (5.0%) in the current year. This increase is due to \$6.1 million in debt retirement.

Revenue bonded indebtedness decreased \$1.6 million (4.8%) due to \$1.6 million in debt retirement.

Additional information on the CBJ's long-term debt can be found in Note 9 on pages 59-63 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 revenues from oil production 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.



These resources, combined with our strongly reaffirmed role as Alaska's capital city, indicate that Juneau has a stable future.

The City's economic growth improved starting in the summer of 2004 after 7 years of relatively slow growth. Although the winter months show relatively little growth, summer tourism remains strong. This growth is due, in part, to the improvements in the general economic climate and the economic impacts from a strong summer tourism season.

Local housing prices have increased significantly due to record low interest rates, which, in turn has increased assessed values. State law requires the CBJ to assess property at its full and true (market) value. The increase in assessed values is one factor that allowed the CBJ Assembly to decrease the FY07 mill rate by to 10.17, down 1.0 mill from the FY06 adopted rate.

Another factor that contributed to the mill rate reduction was State funding received to help offset the dramatic increase in the PERS rate and energy costs. It is uncertain whether or not the State will continue with this support in future years.

**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. This financial report is also available on-line through the internet at [www.ci.juneau.ak.us](http://www.ci.juneau.ak.us). Prior year reports are posted at this internet address back to 1999.

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, 2006

with comparative total amounts for 2005 and 2004

	Primary Government			
	Governmental Activities	Business-type Activities	2006	Totals 2005
<b>ASSETS</b>				
Equity in central treasury	\$ 20,170,117	30,920,970	51,091,087	51,861,344
Receivables (net of allowance for uncollectibles)	13,462,497	15,406,782	28,869,279	25,750,059
Due from other governments	128,407	-	128,407	93,407
Due from component unit	-	723,451	723,451	770,214
Due from primary government	-	-	-	-
Internal balances	(368,183)	368,183	-	-
Inventories	1,675,182	3,919,506	5,594,688	5,162,996
Prepaid items	497,258	1,000,260	1,497,518	345,229
Other assets	540,452	-	540,452	546,410
Bond issuance costs	729,442	684,591	1,414,033	1,552,006
Restricted assets:				
Temporarily restricted:				
Equity in central treasury	55,792,766	43,059,187	98,851,953	104,170,061
Receivables (net of allowance for uncollectibles)	-	233,264	233,264	323,808
Intergovernmental receivables	1,032,792	1,630,094	2,662,886	3,413,307
Capital assets (net of accumulated depreciation where applicable):				
Land	37,306,108	17,865,576	55,171,684	53,315,188
Plant and equipment	108,936,219	174,493,603	283,429,822	298,842,900
Infrastructure	57,814,384	-	57,814,384	62,365,959
Construction and infrastructure in progress	69,973,755	76,589,105	146,562,860	107,223,101
<b>Total assets</b>	<b>367,691,196</b>	<b>366,894,572</b>	<b>734,585,768</b>	<b>715,735,989</b>
<b>LIABILITIES</b>				
Accounts payable	1,080,901	1,915,338	2,996,239	2,984,094
Net pension obligation	5,479,482	2,829,422	8,308,904	5,051,521
Accrued liabilities	2,913,772	4,593,075	7,506,847	7,058,648
Accrued interest payable	798,483	496,493	1,294,976	1,012,758
Due to component unit	27,427	-	27,427	15,243
Due to primary government	-	-	-	-
Unearned revenue	655,227	3,906,895	4,562,122	2,696,858
Liabilities payable from restricted assets	1,910,510	3,412,237	5,322,747	6,160,129
Noncurrent liabilities:				
Due within one year:				
Bonds, loans and retirement incentive payable	7,911,652	1,759,135	9,670,787	8,899,844
Compensated absences	1,341,051	1,666,249	3,007,300	2,833,490
Due in more than one year:				
Bonds, loans and retirement incentive payable	74,101,431	40,202,730	114,304,161	120,028,041
Compensated absences	1,683,337	1,303,937	2,987,274	2,828,590
<b>Total liabilities</b>	<b>97,903,273</b>	<b>62,085,511</b>	<b>159,988,784</b>	<b>159,569,216</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	216,879,150	227,174,517	444,053,667	429,198,448
Restricted for:				
Capital projects	29,262,412	40,716,382	69,978,794	64,115,334
Debt service	6,684,240	-	6,684,240	5,693,329
Public safety, recreation and streets	3,094,013	-	3,094,013	2,398,229
Other purposes	1,413,907	-	1,413,907	2,145,269
Unrestricted	12,454,201	36,918,163	49,372,364	52,616,164
<b>Total net assets</b>	<b>\$ 269,787,923</b>	<b>304,809,062</b>	<b>574,596,985</b>	<b>556,166,773</b>

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

School District Component Unit			
<u>2004</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
43,555,020	2,551,253	2,546,610	2,328,263
24,002,888	206,190	158,882	65,002
107,632	2,590,067	2,157,451	1,751,637
778,281	-	-	-
-	27,427	15,243	9,452
-	-	-	-
5,050,157	233,129	145,852	130,924
173,668	-	-	15,820
525,225	-	-	125,628
880,996	-	-	-
53,678,772	-	-	-
448,645	-	-	-
3,075,717	-	-	-
53,315,188	-	-	-
297,134,866	539,919	625,508	475,995
69,042,135	-	-	-
85,674,828	-	-	-
<u>637,444,018</u>	<u>6,147,985</u>	<u>5,649,546</u>	<u>4,902,721</u>
3,242,126	415,712	476,222	302,697
-	-	-	-
6,506,872	2,929,358	2,367,445	1,225,305
897,389	-	-	-
9,452	-	-	-
-	723,451	770,214	778,281
2,533,235	15,644	12,464	6,123
3,382,017	-	-	-
6,360,894	-	-	-
2,741,600	210,651	348,088	290,081
70,886,979	-	-	-
<u>2,732,416</u>	<u>693,430</u>	<u>474,231</u>	<u>395,204</u>
<u>99,292,980</u>	<u>4,988,246</u>	<u>4,448,664</u>	<u>2,997,691</u>
447,946,130	539,919	625,508	475,995
31,004,250	-	-	-
5,589,076	-	-	-
2,196,915	-	-	-
1,357,721	-	-	-
<u>50,056,946</u>	<u>619,820</u>	<u>575,374</u>	<u>1,429,035</u>
<u>538,151,038</u>	<u>1,159,739</u>	<u>1,200,882</u>	<u>1,905,030</u>

CITY and BOROUGH OF JUNEAU

Statement of Activities

For the Year Ended June 30, 2006  
with comparative total amounts for 2005 and 2004

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
Legislative	\$ 1,568,508	-	-	-
Legal	1,127,716	25,643	29,187	-
Administration	3,028,309	4,513	-	-
Education	25,259,564	-	-	4,622,598
Finance	2,907,102	55,437	-	-
Engineering	635,832	21,120	-	-
Libraries	2,269,244	50,639	139,267	-
Social services	1,018,862	1,851	-	-
Recreation	9,673,834	2,233,662	9,900	133,715
Community development and lands management	4,609,325	2,551,521	81,949	216,917
Low-income housing	(6,323)	(15,514)	-	-
Public safety	16,755,634	2,597,130	238,319	550,835
Public works	14,492,382	-	1,156,451	85,439
Public transportation	4,941,717	890,401	193,856	937,222
Community projects	(235,147)	-	-	-
Tourism and conventions	1,519,514	6,857,609	-	-
Interest on long-term debt	7,716,470	4,486,560	-	-
Total governmental activities (See Note 1)	\$ 97,282,543	19,760,572	1,848,929	6,546,726
Business-type activities:				
Airport	\$ 6,585,306	3,747,779	240,306	2,363,602
Harbors	3,390,280	2,315,212	340,230	4,994,340
Docks	1,868,405	1,599,899	-	(1,810)
Hospital	55,552,625	60,033,397	-	2,531,691
Water	5,393,741	3,317,529	-	265,443
Sewer	9,092,340	7,811,727	-	488,349
Waste management	991,302	811,452	-	-
Total business-type activities	82,873,999	79,636,995	580,536	10,641,615
Total primary government	\$ 180,156,542	99,397,567	2,429,465	17,188,341
<b>Component Unit:</b>				
Education	\$ 57,552,888	2,032,482	8,605,018	-
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		
		Totals			2006	2005	2004
		2006	2005	2004			
(1,568,508)	-	(1,568,508)	(1,882,153)	(1,634,229)	-	-	-
(1,072,886)	-	(1,072,886)	(1,209,153)	(1,144,930)	-	-	-
(3,023,796)	-	(3,023,796)	(3,079,880)	(2,480,751)	-	-	-
(20,636,966)	-	(20,636,966)	(21,496,406)	(19,540,929)	-	-	-
(2,851,665)	-	(2,851,665)	(2,817,305)	(2,657,750)	-	-	-
(614,712)	-	(614,712)	(590,896)	(487,422)	-	-	-
(2,079,338)	-	(2,079,338)	(1,990,988)	(1,565,160)	-	-	-
(1,017,011)	-	(1,017,011)	(387,191)	(976,848)	-	-	-
(7,296,557)	-	(7,296,557)	242,303	(3,427,916)	-	-	-
(1,758,938)	-	(1,758,938)	(2,593,996)	(2,500,558)	-	-	-
(9,191)	-	(9,191)	6,619	33,482	-	-	-
(13,369,350)	-	(13,369,350)	(11,919,724)	(10,794,504)	-	-	-
(13,250,492)	-	(13,250,492)	(10,612,888)	(10,734,508)	-	-	-
(2,920,238)	-	(2,920,238)	(3,597,473)	(2,859,447)	-	-	-
235,147	-	235,147	-	(1,406,544)	-	-	-
5,338,095	-	5,338,095	4,786,131	3,914,440	-	-	-
(3,229,910)	-	(3,229,910)	(2,876,567)	(2,255,176)	-	-	-
(69,126,316)	-	(69,126,316)	(60,019,567)	(60,518,750)	-	-	-
-	(233,619)	(233,619)	2,603,395	3,100,372	-	-	-
-	4,259,502	4,259,502	2,772,429	894,368	-	-	-
-	(270,316)	(270,316)	(255,452)	(261,136)	-	-	-
-	7,012,463	7,012,463	1,698,405	2,461,821	-	-	-
-	(1,810,769)	(1,810,769)	(1,335,801)	(322,538)	-	-	-
-	(792,264)	(792,264)	(417,552)	(586,346)	-	-	-
-	(179,850)	(179,850)	(205,755)	(28,370)	-	-	-
-	7,985,147	7,985,147	4,859,669	5,258,171	-	-	-
(69,126,316)	7,985,147	(61,141,169)	(55,159,898)	(55,260,579)	-	-	-
-	-	-	-	-	(46,915,388)	(44,228,416)	(40,659,075)
35,647,984	-	35,647,984	32,615,222	30,025,665	-	-	-
36,826,234	-	36,826,234	34,792,558	32,934,397	-	-	-
1,061,798	-	1,061,798	914,001	906,280	-	-	-
-	-	-	-	-	46,480,656	43,135,844	40,192,880
2,468,200	773,187	3,241,387	3,850,015	1,169,349	393,589	217,091	473,644
55,796	-	55,796	(92,394)	41,941	-	171,333	-
2,489,082	249,100	2,738,182	1,096,231	1,993,991	-	-	-
(5,725,535)	5,725,535	-	-	-	-	-	-
72,823,559	6,747,822	79,571,381	73,175,633	67,071,623	46,874,245	43,524,268	40,666,524
3,697,243	14,732,969	18,430,212	18,015,735	11,811,044	(41,143)	(704,148)	7,449
266,090,680	290,076,093	556,166,773	538,151,038	526,339,994	1,200,882	1,905,030	1,897,581
\$ 269,787,923	304,809,062	574,596,985	556,166,773	538,151,038	1,159,739	1,200,882	1,905,030

CITY and BOROUGH OF JUNEAU

**Governmental Funds  
Balance Sheet**

June 30, 2006

with comparative total amounts for 2005 and 2004

	<u>General</u>	<u>Roaded Service Area</u>	<u>Sales Tax</u>
<b>ASSETS</b>			
Equity in central treasury	\$ 207,822	4,425,757	4,158,583
Receivables, net of allowance for doubtful accounts:			
Accounts	1,730,994	105,767	-
Special assessments	196,398	-	-
Taxes	298,297	85,903	6,355,524
State of Alaska	44,796	45,510	-
Federal government	-	-	-
Long-term notes	-	-	-
Interfund receivable from other funds	3,875,888	-	-
Inventories	497,064	318,530	-
Deposits	527,026	-	-
Prepaid items	497,258	-	-
Equity in joint ventures	-	-	-
Advance to other funds	-	-	-
Restricted assets:			
Equity in central treasury	-	-	-
Receivables:			
State of Alaska	-	-	-
Federal government	-	-	-
Total assets	<u>\$ 7,875,543</u>	<u>4,981,467</u>	<u>10,514,107</u>
<b>LIABILITIES</b>			
Interfund payable to other funds	\$ -	-	-
Accounts payable	601,314	116,251	1,510
Accrued salaries, payroll taxes and withholdings payable	749,510	550,879	-
Accrued and other liabilities	1,228,951	-	-
Deferred revenues	766,744	468,749	517,750
Advance from General Fund	-	-	-
Payable from restricted assets:			
Interfund payable to other funds	-	-	-
Accounts and contracts payable	-	-	-
Deferred revenues	-	-	-
Total liabilities	<u>3,346,519</u>	<u>1,135,879</u>	<u>519,260</u>
<b>FUND BALANCES</b>			
Reserved for:			
Advance to Special Revenue Fund	-	-	-
Subsequent year expenditures	734,000	-	-
Encumbrances	595,167	128,254	-
Long-term notes receivable	-	-	-
Equity in joint ventures	-	-	-
Prepaid items	497,258	-	-
Unreserved:			
Designated:			
Compensated absences General Fund	1,224,052	-	-
Compensated absences Special Revenue Funds	-	1,111,483	-
Replacement reserve	-	320,098	-
Undesignated, reported in:			
General Fund	1,478,547	-	-
Special Revenue Funds	-	2,285,753	9,994,847
Debt Service Funds	-	-	-
Capital Projects Funds	-	-	-
Total fund balances	<u>4,529,024</u>	<u>3,845,588</u>	<u>9,994,847</u>
Total liabilities and fund balances	<u>\$ 7,875,543</u>	<u>4,981,467</u>	<u>10,514,107</u>

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

<u>Lands</u>	<u>General Debt Service</u>	<u>Schools Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Totals</u>		
				<u>2006</u>	<u>2005</u>	<u>2004</u>
-	6,104,576	-	2,930,354	17,827,092	20,211,349	17,005,095
351,364	-	-	1,120,037	3,308,162	3,357,654	3,185,217
-	-	-	-	196,398	601,300	722,914
-	-	-	297,247	7,036,971	6,513,155	6,335,622
-	-	-	-	90,306	76,907	107,632
-	-	-	38,101	38,101	16,500	-
1,313,162	-	-	670,582	1,983,744	1,853,190	1,451,117
-	-	-	-	3,875,888	3,430,439	4,634,195
-	-	-	580,856	1,396,450	1,367,052	1,302,328
-	-	-	-	527,026	533,026	511,943
-	-	-	-	497,258	21,648	22,496
13,426	-	-	-	13,426	13,384	13,282
-	-	-	-	-	-	115,084
-	-	35,371,601	20,421,165	55,792,766	52,968,021	28,605,549
-	-	389,686	108,427	498,113	438,467	409,722
-	-	75,000	459,679	534,679	217,957	-
<u>1,677,952</u>	<u>6,104,576</u>	<u>35,836,287</u>	<u>26,626,448</u>	<u>93,616,380</u>	<u>91,620,049</u>	<u>64,422,196</u>
418,144	-	-	1,941,990	2,360,134	1,638,663	1,821,854
55,423	-	-	70,432	844,930	1,043,566	863,336
12,769	-	-	356,057	1,669,215	1,500,730	1,425,851
-	-	-	-	1,228,951	1,172,679	1,000,266
1,627,227	-	-	312,745	3,693,215	4,233,117	3,587,864
-	-	-	-	-	-	115,084
-	-	344,802	377,026	721,828	486,871	336,458
-	-	1,238,673	671,837	1,910,510	1,836,390	1,434,457
-	-	-	-	-	-	3,603
<u>2,113,563</u>	<u>-</u>	<u>1,583,475</u>	<u>3,730,087</u>	<u>12,428,783</u>	<u>11,912,016</u>	<u>10,588,773</u>
-	-	-	-	-	-	115,084
268,100	-	-	122,800	1,124,900	1,249,900	2,309,000
62,477	-	51,125,267	4,721,692	56,632,857	13,995,951	4,573,601
1,313,162	-	-	411,582	1,724,744	1,600,513	1,189,481
13,426	-	-	-	13,426	13,384	13,282
-	-	-	-	497,258	21,648	22,496
-	-	-	-	1,224,052	1,166,591	1,104,027
-	-	-	632,274	1,743,757	1,722,210	1,740,044
-	-	-	-	320,098	293,909	282,532
-	-	-	-	1,478,547	3,340,129	2,942,428
(2,092,776)	-	-	1,145,311	11,333,135	12,739,508	10,632,140
-	6,104,576	-	579,664	6,684,240	5,693,329	5,589,076
-	-	(16,872,455)	15,283,038	(1,589,417)	37,870,961	23,320,232
(435,611)	6,104,576	34,252,812	22,896,361	81,187,597	79,708,033	53,833,423
<u>1,677,952</u>	<u>6,104,576</u>	<u>35,836,287</u>	<u>26,626,448</u>	<u>93,616,380</u>	<u>91,620,049</u>	<u>64,422,196</u>



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

June 30, 2006

Fund balances-total governmental funds		\$ 81,187,597
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	\$ 493,610,922	
Less accumulated depreciation	<u>(226,495,605)</u>	267,115,317
Payment of bond issuance costs utilize current financial resources and therefore are reported as expenditures in governmental funds.		
Bond issuance costs	981,984	
Less accumulated amortization	<u>(252,542)</u>	729,442
Deferred revenue in governmental funds is susceptible to accrual on the government-wide statements.		
		3,037,988
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bonds payable	(81,112,000)	
Premium on bonds payable	(1,232,527)	
Accumulated bond premium amortization	609,924	
Net pension obligation	(5,456,895)	
Accrued interest payable	(795,979)	
Compensated absences	<u>(3,005,404)</u>	(90,992,881)
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	2,343,025	
Receivables - other	937,222	
Inventories	278,732	
Capital assets, less accumulated depreciation	6,915,149	
Accounts payable	(235,971)	
Other accrued liabilities and payables	(338,161)	
Due to component unit	(27,427)	
Receivable from (payable to) Business-type activities	<u>(1,162,109)</u>	8,710,460
Net assets of governmental activities		\$ <u><u>269,787,923</u></u>

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



## Governmental Funds

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

For the fiscal year ended June 30, 2006, with comparative totals for 2005 and 2004

REVENUES	General	Roaded Service Area	Sales Tax
Taxes	\$ 24,731,468	10,216,475	36,513,069
State sources	5,016,442	1,615,723	-
Federal sources	830,968	1,159	-
Local sources	-	-	-
Charges for services	902,426	-	-
Contracted services	-	-	-
Licenses, permits and fees	1,081,532	1,562,548	-
Fines and forfeitures	37,756	742,248	-
Investment and interest income	1,437,971	-	-
Land sales	-	-	-
Rentals	1,883	-	-
Special assessments	439,546	-	-
Equity in earnings of AJT Mining Properties, Inc. joint ventures	-	-	-
Other	193,502	59,175	-
Total revenues	<u>34,673,494</u>	<u>14,197,328</u>	<u>36,513,069</u>
<b>EXPENDITURES</b>			
Current:			
Legislative	2,499,024	-	-
Legal	1,032,375	-	-
Administration	2,963,779	-	-
Education	20,087,664	200,000	-
Finance	2,114,239	-	630,787
Engineering	600,696	-	-
Libraries	1,955,096	-	-
Recreation	-	3,236,371	-
Community development and lands management	2,412,526	-	-
Low-income housing	-	-	-
Public safety	2,815,225	9,546,608	-
Public works	2,132,154	3,242,427	-
Public transportation	-	-	-
Tourism and conventions	-	-	-
Special assessments	-	-	-
Other	(54,856)	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Fiscal agent, bond issuance and letter of credit fees	-	-	-
Capital projects			
Total expenditures	<u>38,557,922</u>	<u>16,225,406</u>	<u>630,787</u>
Excess (deficiency) of revenues over expenditures	(3,884,428)	(2,028,078)	35,882,282
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	13,493,218	6,532,400	-
Transfers to other funds	(10,243,700)	(3,873,600)	(37,148,800)
Issuance of long-term debt	-	-	-
Bond premium	-	-	-
Total other financing sources (uses)	<u>3,249,518</u>	<u>2,658,800</u>	<u>(37,148,800)</u>
Net change in fund balances	(634,910)	630,722	(1,266,518)
Fund balances at beginning of year	5,163,934	3,214,866	11,261,365
Fund balances at end of year	<u>\$ 4,529,024</u>	<u>3,845,588</u>	<u>9,994,847</u>

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

Lands	General Debt Service	Schools Capital Project	Non-Major Governmental	Totals		
				2006	2005	2004
-	-	-	2,171,509	73,632,521	67,614,846	64,589,574
4,297	-	389,999	1,045,176	8,071,637	5,995,753	5,784,124
-	-	115,000	647,003	1,594,130	990,315	1,146,345
-	-	-	473,922	473,922	702,088	311,737
-	-	-	1,957,322	2,859,748	2,732,169	2,574,983
-	-	-	385,900	385,900	385,000	331,700
-	-	-	6,512,117	9,156,197	8,102,377	7,466,087
-	-	-	-	780,004	759,556	631,796
32,869	153,640	864,662	10,000	2,499,142	3,003,639	850,871
369,440	-	-	(17,412)	352,028	256,885	847,573
92,981	-	-	211,567	306,431	231,996	233,795
-	-	-	-	439,546	169,426	567,060
42	-	-	-	42	103	103
677,791	-	-	174,502	1,104,970	577,368	554,700
<u>1,177,420</u>	<u>153,640</u>	<u>1,369,661</u>	<u>13,571,606</u>	<u>101,656,218</u>	<u>91,521,521</u>	<u>85,890,448</u>
-	-	-	-	2,499,024	2,321,087	2,469,481
-	-	-	-	1,032,375	1,192,783	1,171,372
-	-	-	-	2,963,779	2,739,129	2,667,931
-	-	-	-	20,287,664	19,148,000	18,604,200
-	-	-	-	2,745,026	2,598,610	2,690,307
-	-	-	-	600,696	501,475	513,031
-	-	-	-	1,955,096	1,825,304	1,782,517
-	-	-	1,795,484	5,031,855	4,607,738	4,528,054
772,734	-	-	241,002	3,426,262	3,475,818	3,508,272
-	-	-	-	-	-	2,469
-	-	-	2,405,183	14,767,016	13,978,804	13,293,415
-	-	-	-	5,374,581	5,225,957	5,084,861
-	-	-	4,259,551	4,259,551	3,771,370	3,742,621
-	-	-	1,492,154	1,492,154	1,357,340	1,434,807
-	-	-	-	-	-	168,314
-	-	-	226,591	171,735	140,742	136,907
-	5,059,495	-	1,445,000	6,504,495	4,339,247	4,546,934
-	3,198,325	-	69,987	3,268,312	2,844,195	1,962,589
-	8,204	308,047	-	316,251	308,047	274,706
-	-	13,081,855	5,754,392	18,836,247	14,533,697	21,137,903
<u>772,734</u>	<u>8,266,024</u>	<u>13,389,902</u>	<u>17,689,344</u>	<u>95,532,119</u>	<u>84,909,343</u>	<u>89,720,691</u>
404,686	(8,112,384)	(12,020,241)	(4,117,738)	6,124,099	6,612,178	(3,830,243)
-	9,092,500	6,316,044	23,416,129	58,850,291	60,908,052	45,089,739
(1,325,000)	-	(606,044)	(12,237,682)	(65,434,826)	(69,406,659)	(66,069,762)
-	-	1,940,000	-	1,940,000	27,445,000	33,250,000
-	-	-	-	-	316,039	399,222
<u>(1,325,000)</u>	<u>9,092,500</u>	<u>7,650,000</u>	<u>11,178,447</u>	<u>(4,644,535)</u>	<u>19,262,432</u>	<u>12,669,199</u>
(920,314)	980,116	(4,370,241)	7,060,709	1,479,564	25,874,610	8,838,956
484,703	5,124,460	38,623,053	15,835,652	79,708,033	53,833,423	44,994,467
<u>(435,611)</u>	<u>6,104,576</u>	<u>34,252,812</u>	<u>22,896,361</u>	<u>81,187,597</u>	<u>79,708,033</u>	<u>53,833,423</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, 2006

Net change in fund balances - total governmental funds \$ 1,479,564

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	\$ 12,257,470	
Less current year depreciation, net	<u>(14,310,940)</u>	(2,053,470)

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	2,391,078	
Bond issuance costs	6,441	
Bond and loan payments	2,209,114	
Net pension obligation	<u>(2,427,519)</u>	2,179,114

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		(362,871)
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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	204,794	
Amortization of bond issuance costs	(81,123)	
Change in accrued interest payable	36,683	
Change in compensated absences	<u>(116,603)</u>	43,751

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.

2,411,155

Change in net assets of governmental activities		\$ <u><u>3,697,243</u></u>
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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, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 25,099,500	25,099,500	24,731,468	(368,032)
State sources	4,437,100	5,151,755	5,016,442	(135,313)
Federal sources	823,700	823,700	830,968	7,268
Licenses, permits and fees	763,300	763,300	1,081,532	318,232
Ambulance and air medivac	694,000	694,000	902,426	208,426
Fines and forfeitures	41,000	41,000	37,756	(3,244)
Investment and interest income	2,576,600	2,576,600	1,437,971	(1,138,629)
Other	214,900	236,900	634,931	398,031
Total revenues	<u>34,650,100</u>	<u>35,386,755</u>	<u>34,673,494</u>	<u>(713,261)</u>
<b>EXPENDITURES - Current:</b>				
Legislative	2,688,800	2,692,608	2,513,910	178,698
Legal	1,299,321	1,340,619	1,324,960	15,659
Administration	3,567,148	3,303,101	3,119,867	183,234
Education	20,090,900	20,087,664	20,087,664	-
Finance	2,174,443	2,316,013	2,146,868	169,145
Engineering	581,888	695,265	645,534	49,731
Libraries	1,921,400	1,972,002	1,956,012	15,990
Community development and lands management	2,328,800	2,502,671	2,445,231	57,440
Public safety	2,741,900	2,815,225	2,815,225	-
Facility maintenance	2,222,800	2,288,765	2,152,674	136,091
Other - nondepartmental	-	-	2,605	(2,605)
Total expenditures and encumbrances	<u>39,617,400</u>	<u>40,013,933</u>	<u>39,210,550</u>	<u>803,383</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(4,967,300)</u>	<u>(4,627,178)</u>	<u>(4,537,056)</u>	<u>90,122</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from:				
Special Revenue Funds	13,442,500	13,442,500	13,442,500	-
Enterprise Funds	19,500	19,500	19,500	-
Capital Projects Funds	-	31,218	31,218	-
Transfers to:				
Special Revenue Funds	(685,000)	(688,000)	(688,000)	-
Debt Service Funds	(7,432,300)	(7,432,300)	(7,432,300)	-
Enterprise Funds	(788,400)	(788,400)	(788,400)	-
Internal Service Funds	-	(835,000)	(835,000)	-
Capital Projects Funds	-	(500,000)	(500,000)	-
Total other financing sources (uses)	<u>4,556,300</u>	<u>3,249,518</u>	<u>3,249,518</u>	<u>-</u>
Net change in fund balance	\$ <u>(411,000)</u>	<u>(1,377,660)</u>	<u>(1,287,538)</u>	<u>90,122</u>
Fund balance at beginning of year			<u>5,163,934</u>	
Fund balance at end of year			3,876,396	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			595,167	
Change in compensated absences, designation of fund balance			<u>57,461</u>	
Fund balance at end of year - GAAP basis			<u>\$ 4,529,024</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, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 10,363,700	10,363,700	10,216,475	(147,225)
State sources:				
State shared revenue	59,000	411,413	414,513	3,100
Grants	1,023,900	1,050,500	1,201,210	150,710
Federal source	5,000	5,000	1,159	(3,841)
Licenses, permits and fees	1,459,900	1,464,400	1,562,548	98,148
Fines and forfeitures	728,800	728,800	742,248	13,448
Other	31,000	34,900	59,175	24,275
Total revenues	<u>13,671,300</u>	<u>14,058,713</u>	<u>14,197,328</u>	<u>138,615</u>
<b>EXPENDITURES</b>				
Current:				
Education	200,000	200,000	200,000	-
Parks and recreation	3,283,200	3,411,428	3,282,315	129,113
Public safety - police	9,755,100	10,032,801	9,561,622	471,179
Public works - roads and street maintenance	3,625,300	3,734,727	3,280,263	454,464
Total expenditures and encumbrances	<u>16,863,600</u>	<u>17,378,956</u>	<u>16,324,200</u>	<u>1,054,756</u>
Excess of revenues over expenditures and encumbrances	<u>(3,192,300)</u>	<u>(3,320,243)</u>	<u>(2,126,872)</u>	<u>1,193,371</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Special Revenue Funds	6,532,400	6,532,400	6,532,400	-
Transfers to:				
Special Revenue Funds	(3,502,000)	(3,529,600)	(3,529,600)	-
Internal Service Funds	-	(24,000)	(24,000)	-
Capital Project Funds	-	(320,000)	(320,000)	-
Total other financing sources (uses)	<u>3,030,400</u>	<u>2,658,800</u>	<u>2,658,800</u>	<u>-</u>
Net change in fund balance	<u>\$ (161,900)</u>	<u>(661,443)</u>	531,928	<u>1,193,371</u>
Fund balance at beginning of year			<u>3,214,866</u>	
Fund balance at end of year			3,746,794	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			128,254	
Change in compensated absences, designation of fund balance			<u>(29,460)</u>	
Fund balance at end of year - GAAP basis			<u>\$ 3,845,588</u>	

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

## SALES TAX

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
General sales tax - 5%	\$ 30,340,000	30,340,000	35,761,212	5,421,212
Liquor sales tax - 3%	740,000	740,000	726,034	(13,966)
Miscellaneous	43,700	43,700	25,823	(17,877)
Total revenues	<u>31,123,700</u>	<u>31,123,700</u>	<u>36,513,069</u>	<u>5,389,369</u>
<b>EXPENDITURES - Current: Finance</b>	<u>698,700</u>	<u>698,700</u>	<u>630,787</u>	<u>67,913</u>
Excess of revenues over expenditures	<u>30,425,000</u>	<u>30,425,000</u>	<u>35,882,282</u>	<u>5,457,282</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to:				
General Fund	(11,950,500)	(11,950,500)	(11,950,500)	-
Special Revenue Funds:				
Fire Service Area	(663,400)	(663,400)	(663,400)	-
Roaded Service Area	(5,757,400)	(5,757,400)	(5,757,400)	-
Capital Projects Funds	(6,900,000)	(14,305,500)	(14,305,500)	-
Enterprise Funds:				
Bartlett Regional Hospital	(621,800)	(621,800)	(621,800)	-
Capital Projects	(2,190,000)	(2,190,000)	(2,190,000)	-
General Debt Service Fund	(1,660,200)	(1,660,200)	(1,660,200)	-
Total other financing sources (uses)	<u>(29,743,300)</u>	<u>(37,148,800)</u>	<u>(37,148,800)</u>	<u>-</u>
Net change in fund balance	\$ <u>681,700</u>	<u>(6,723,800)</u>	(1,266,518)	<u>5,457,282</u>
Fund balance at beginning of year			<u>11,261,365</u>	
Fund balance at end of year			\$ <u>9,994,847</u>	

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

## LANDS

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
State Sources	\$ -	4,297	4,297	-
Interest	141,500	141,500	32,869	(108,631)
Noise abatement loan repayment	43,700	43,700	67,700	24,000
Land sales	710,700	1,935,700	301,740	(1,633,960)
Rentals	47,100	47,100	92,981	45,881
Equity in earnings of AJT Mining Properties, Inc. joint ventures	-	-	42	42
Resource sales	300,000	300,000	674,794	374,794
Bad debt recovery (expense)	-	-	2,997	2,997
Total revenues	<u>1,243,000</u>	<u>2,472,297</u>	<u>1,177,420</u>	<u>(1,294,877)</u>
<b>EXPENDITURES</b>				
Land management	349,400	396,875	356,499	40,376
Land acquisition	150,000	327,272	125,010	202,262
Resource management	263,700	283,617	311,575	(27,958)
Property examinations	25,000	25,000	8,661	16,339
Foreclosures and LID payments	20,000	20,000	24,332	(4,332)
Other	10,200	10,200	14,317	(4,117)
Total expenditures and encumbrances	<u>818,300</u>	<u>1,062,964</u>	<u>840,394</u>	<u>222,570</u>
Excess of revenues over expenditures and encumbrances	<u>424,700</u>	<u>1,409,333</u>	<u>337,026</u>	<u>(1,072,307)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to Capital Projects Funds	-	(1,325,000)	(1,325,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,325,000)</u>	<u>(1,325,000)</u>	<u>-</u>
Net change in fund balance	\$ <u>424,700</u>	<u>84,333</u>	(987,974)	<u>(1,072,307)</u>
Fund balance at beginning of year			<u>484,703</u>	
Fund balance at end of year			(503,271)	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			62,477	
Change in compensated absences, designation of fund balance			<u>5,183</u>	
Fund balance at end of year - GAAP basis			\$ <u>(435,611)</u>	

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



**GENERAL DEBT SERVICE****Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual***For the fiscal year ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE - Investment and interest income	\$ 175,800	269,676	153,640	(116,036)
<b>EXPENDITURES</b>				
Debt service:				
Principal on bonds	5,059,400	6,178,267	5,059,495	1,118,772
Interest on bonds	3,229,800	2,842,041	3,198,325	(356,284)
Fiscal agent and letter of credit fees	6,800	6,399	8,204	(1,805)
Total expenditures	<u>8,296,000</u>	<u>9,026,707</u>	<u>8,266,024</u>	<u>760,683</u>
Deficiency of revenue over expenditures	<u>(8,120,200)</u>	<u>(8,757,031)</u>	<u>(8,112,384)</u>	<u>644,647</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from:				
General Fund	7,432,300	6,752,700	7,432,300	679,600
Special Revenue Funds	1,660,200	1,660,200	1,660,200	-
Total other financing sources	<u>9,092,500</u>	<u>8,412,900</u>	<u>9,092,500</u>	<u>679,600</u>
Net change in fund balance	\$ <u>972,300</u>	<u>(344,131)</u>	980,116	<u>1,324,247</u>
Fund balance at beginning of year			<u>5,124,460</u>	
Fund balance at end of year			\$ <u>6,104,576</u>	

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



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CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Net Assets

June 30, 2006

with comparative total amounts for 2005 and 2004

	Business-type Activites			
	Juneau International <u>Airport</u>	Bartlett Regional <u>Hospital</u>	Areawide Water <u>Utility</u>	Areawide Sewer <u>Utility</u>
<b>ASSETS</b>				
Current assets:				
Equity in central treasury	\$ 3,009,229	12,545,460	3,629,962	2,469,257
Receivables, net of allowance for doubtful accounts:				
Accounts	565,438	11,432,405	431,474	1,083,525
Other	-	406,726	-	-
Inventories	496,291	1,862,305	386,392	1,167,924
Prepaid items	-	998,276	-	-
Total current assets	<u>4,070,958</u>	<u>27,245,172</u>	<u>4,447,828</u>	<u>4,720,706</u>
Non-current assets:				
Restricted assets:				
Equity in central treasury	4,045,223	23,876,473	3,395,087	4,754,119
Special assessments receivable	-	-	31,395	201,869
Receivables:				
State of Alaska	16,580	148,059	5,291	387,459
Federal government	598,954	-	-	-
Bond issuance costs	7,642	468,546	56,111	6,285
Capital assets:				
Land	13,363,761	254,925	252,393	850,562
Buildings and improvements	61,739,631	29,661,260	84,835,986	82,140,257
Machinery, equipment and fixtures	7,016,380	23,397,029	490,403	2,867,619
Construction work in progress	9,501,718	36,734,839	5,484,272	4,074,002
Less accumulated depreciation	(40,655,145)	(34,254,895)	(34,233,851)	(35,169,240)
Total capital assets (net of accumulated depreciation)	<u>50,966,345</u>	<u>55,793,158</u>	<u>56,829,203</u>	<u>54,763,200</u>
Total noncurrent assets	<u>55,634,744</u>	<u>80,286,236</u>	<u>60,317,087</u>	<u>60,112,932</u>
Total assets	\$ <u>59,705,702</u>	<u>107,531,408</u>	<u>64,764,915</u>	<u>64,833,638</u>

Enterprise Funds							
Boat Harbors	Other Enterprise Funds	Totals			Internal Service Funds		
		2006	2005	2004	2006	2005	2004
1,381,211	2,660,316	25,695,435	24,911,402	21,165,140	7,568,560	6,738,593	5,384,785
868,965	447,152	14,828,959	12,737,582	11,772,794	-	-	-
-	-	406,726	287,619	344,778	1,108,319	399,559	190,446
6,594	-	3,919,506	3,505,979	3,473,877	278,732	289,966	273,952
-	-	998,276	189,871	149,188	1,984	133,710	1,984
<u>2,256,770</u>	<u>3,107,468</u>	<u>45,848,902</u>	<u>41,632,453</u>	<u>36,905,777</u>	<u>8,957,595</u>	<u>7,561,828</u>	<u>5,851,167</u>
4,887,089	2,101,196	43,059,187	51,202,040	25,073,223	-	-	-
-	-	233,264	323,808	448,645	-	-	-
401,454	-	958,843	1,576,435	2,416,835	-	-	-
-	72,297	671,251	1,180,448	249,160	-	-	-
125,091	20,916	684,591	747,882	319,185	-	-	-
2,532,439	611,496	17,865,576	16,814,304	16,814,304	-	-	-
19,271,372	21,468,534	299,117,040	296,240,914	285,622,494	17,828	17,828	17,828
1,482,098	267,770	35,521,299	32,299,998	31,339,602	15,551,111	12,673,175	12,841,945
17,552,141	3,242,133	76,589,105	51,221,485	36,945,988	-	-	-
(7,424,070)	(8,408,057)	(160,145,258)	(148,674,224)	(136,534,759)	(8,653,268)	(8,015,119)	(7,682,547)
<u>33,413,980</u>	<u>17,181,876</u>	<u>268,947,762</u>	<u>247,902,477</u>	<u>234,187,629</u>	<u>6,915,671</u>	<u>4,675,884</u>	<u>5,177,226</u>
<u>38,827,614</u>	<u>19,376,285</u>	<u>314,554,898</u>	<u>302,933,090</u>	<u>262,694,677</u>	<u>6,915,671</u>	<u>4,675,884</u>	<u>5,177,226</u>
<u>41,084,384</u>	<u>22,483,753</u>	<u>360,403,800</u>	<u>344,565,543</u>	<u>299,600,454</u>	<u>15,873,266</u>	<u>12,237,712</u>	<u>11,028,393</u>

(Continued)

## CITY and BOROUGH OF JUNEAU

## Proprietary Funds

## Statement of Net Assets, continued

June 30, 2006

with comparative total amounts for 2005 and 2004

	Business-type Activities			
	Juneau International <u>Airport</u>	Bartlett Regional <u>Hospital</u>	Areawide Water <u>Utility</u>	Areawide Sewer <u>Utility</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 79,578	1,425,095	47,428	100,826
Contracts payable	60,000	330,606	-	-
Accrued salaries, payroll taxes and withholdings payable	77,879	918,474	57,384	144,687
Accrued annual leave and compensation time	87,301	1,269,618	49,906	189,465
Accrued interest and other liabilities	-	384,789	43,891	67,813
Deferred revenues	13,490	2,746,863	-	-
State of Alaska extension loans payable	-	-	70,000	429,513
General obligation bonds payable	-	45,000	-	-
Revenue bonds payable	-	500,000	161,750	33,250
Total current liabilities	<u>318,248</u>	<u>7,620,445</u>	<u>430,359</u>	<u>965,554</u>
Non-current liabilities:				
Restricted liabilities:				
Interfund payable to General Fund	100,499	-	5,469	219,823
Accounts and contracts payable	530,445	1,745,950	17,713	164,276
Deferred revenues	532,603	-	37,850	-
Accrued annual leave and compensation time	107,152	829,271	62,199	210,504
Pension benefit payable	366,454	1,330,448	217,472	498,419
Long-term contracts payable	60,000	845,266	-	-
Unamortized bond premium	-	91,201	8,531	1,908
State of Alaska extension loans payable	-	-	1,189,997	6,457,019
General obligation bonds payable	-	90,000	-	-
Revenue bonds payable	-	28,345,000	1,313,250	421,750
Total non-current liabilities	<u>1,697,153</u>	<u>33,277,136</u>	<u>2,852,481</u>	<u>7,973,699</u>
Total liabilities	<u>2,015,401</u>	<u>40,897,581</u>	<u>3,282,840</u>	<u>8,939,253</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	50,853,987	25,629,842	54,097,895	47,358,232
Restricted:				
Capital projects	3,497,210	22,278,582	3,370,741	4,959,348
Unrestricted	<u>3,339,104</u>	<u>18,725,403</u>	<u>4,013,439</u>	<u>3,576,805</u>
Total net assets	<u>\$ 57,690,301</u>	<u>66,633,827</u>	<u>61,482,075</u>	<u>55,894,385</u>

Adjustments to reflect the consolidation of internal  
service fund activities related to enterprise funds

Net assets of business-type activities

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

Enterprise Funds							
Boat Harbors	Other Enterprise Funds	Totals			Internal Service Funds		
		2006	2005	2004	2006	2005	2004
10,540	31,045	1,694,512	1,775,370	2,183,322	456,797	165,158	195,468
129,016	-	519,622	335,492	377,988	51,780	16,776	64,459
67,914	29,412	1,295,750	1,152,604	1,005,502	24,268	26,298	26,574
53,298	2,991	1,652,579	1,524,288	1,454,337	21,706	31,311	19,040
-	-	496,493	179,911	232,500	3,291,167	3,206,522	3,049,585
1,146,542	-	3,906,895	1,864,600	1,830,567	-	-	-
-	-	499,513	549,085	411,268	-	-	-
-	-	45,000	1,058,505	1,033,576	-	-	-
-	-	695,000	195,000	190,000	-	-	-
<u>1,407,310</u>	<u>63,448</u>	<u>10,805,364</u>	<u>8,634,855</u>	<u>8,719,060</u>	<u>3,845,718</u>	<u>3,446,065</u>	<u>3,355,126</u>
407,195	60,940	793,926	1,304,905	2,475,883	-	-	-
100,168	283,232	2,841,784	3,954,306	1,679,192	-	-	-
-	-	570,453	369,433	264,765	-	-	-
72,112	4,076	1,285,314	1,175,901	1,097,558	29,571	41,779	59,010
265,996	135,151	2,813,940	2,022,145	-	38,069	-	-
1,378,808	-	2,284,074	1,149,140	-	226,700	-	16,780
-	-	101,640	132,416	27,994	-	-	-
-	-	7,647,016	8,041,882	8,548,674	-	-	-
-	-	90,000	135,000	1,193,505	-	-	-
-	-	30,080,000	30,775,000	2,125,000	-	-	-
<u>2,224,279</u>	<u>483,399</u>	<u>48,508,147</u>	<u>49,060,128</u>	<u>17,412,571</u>	<u>294,340</u>	<u>41,779</u>	<u>75,790</u>
<u>3,631,589</u>	<u>546,847</u>	<u>59,313,511</u>	<u>57,694,983</u>	<u>26,131,631</u>	<u>4,140,058</u>	<u>3,487,844</u>	<u>3,430,916</u>
32,031,247	17,202,792	227,173,995	206,098,928	220,366,309	6,634,687	4,658,923	5,095,081
4,781,180	1,829,321	40,716,382	48,654,087	23,768,023	-	-	-
640,368	2,904,793	33,199,912	32,117,545	29,334,491	5,098,521	4,090,945	2,502,396
<u>37,452,795</u>	<u>21,936,906</u>	301,090,289	286,870,560	273,468,823	<u>11,733,208</u>	<u>8,749,868</u>	<u>7,597,477</u>
		3,718,773	3,205,533	2,603,082			
	\$	<u>304,809,062</u>	<u>290,076,093</u>	<u>276,071,905</u>			

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Net Assets

For the fiscal year ended June 30, 2006

with comparative total amounts for 2005 and 2004

	Business-type Activities			
	Juneau International <u>Airport</u>	Bartlett Regional <u>Hospital</u>	Areawide Water <u>Utility</u>	Areawide Sewer <u>Utility</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Unpledged	\$ 1,498,720	60,020,800	-	-
Pledged as security for revenue bonds	-	-	3,317,529	7,811,727
Building and land rentals or sales	2,249,059	12,597	-	-
Total operating revenues	<u>3,747,779</u>	<u>60,033,397</u>	<u>3,317,529</u>	<u>7,811,727</u>
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	1,838,490	31,483,451	1,443,608	3,496,365
Contracted services	672,222	11,227,103	52,770	194,809
Materials and utilities	957,592	8,333,762	364,697	1,789,821
Insurance premiums	-	-	-	-
Claims	-	-	-	-
Other	450,186	2,335,673	450,925	861,038
	<u>3,918,490</u>	<u>53,379,989</u>	<u>2,312,000</u>	<u>6,342,033</u>
Depreciation	2,685,468	2,459,744	2,598,151	2,676,111
Total operating expenses	<u>6,603,958</u>	<u>55,839,733</u>	<u>4,910,151</u>	<u>9,018,144</u>
Operating income (loss)	<u>(2,856,179)</u>	<u>4,193,664</u>	<u>(1,592,622)</u>	<u>(1,206,417)</u>
<b>NONOPERATING INCOME (EXPENSES)</b>				
Interest income	80,805	215,154	182,360	146,796
Federal grants	173,040	-	-	-
State sources	122,925	-	42,672	91,789
Amortization of bond issuance costs	(460)	(26,189)	(5,815)	-
Interest expense	-	(49,991)	(95,665)	(133,327)
Gain (loss) on disposal of assets	(7,896)	(3,162)	(404,526)	-
Net nonoperating revenues	<u>368,414</u>	<u>135,812</u>	<u>(280,974)</u>	<u>105,258</u>
Income (loss) before contributions and transfers	<u>(2,487,765)</u>	<u>4,329,476</u>	<u>(1,873,596)</u>	<u>(1,101,159)</u>
Capital contributions	2,363,602	2,531,691	265,443	488,349
Transfers from other funds	-	2,889,200	195,159	1,201,276
Transfers to other funds	-	-	(186)	(19,314)
Change in net assets	<u>(124,163)</u>	<u>9,750,367</u>	<u>(1,413,180)</u>	<u>569,152</u>
Total net assets - beginning	<u>57,814,464</u>	<u>56,883,460</u>	<u>62,895,255</u>	<u>55,325,233</u>
Total net assets - ending	<u>\$ 57,690,301</u>	<u>66,633,827</u>	<u>61,482,075</u>	<u>55,894,385</u>

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds  
Change in net assets of business-type activities (pages 16 and 17)

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		
		2006	2005	2004	2006	2005	2004
2,047,444	1,951,832	65,518,796	58,326,198	55,978,209	16,928,966	15,770,016	14,943,612
-	-	11,129,256	10,890,526	9,887,507	-	-	-
267,768	459,519	2,988,943	3,378,650	3,123,861	-	-	-
<u>2,315,212</u>	<u>2,411,351</u>	<u>79,636,995</u>	<u>72,595,374</u>	<u>68,989,577</u>	<u>16,928,966</u>	<u>15,770,016</u>	<u>14,943,612</u>
1,121,687	672,498	40,056,099	38,670,824	34,505,738	654,123	618,923	614,320
116,711	908,055	13,171,670	12,372,226	12,003,234	241,364	41,252	292,293
465,810	149,281	12,060,963	11,153,288	10,204,830	258,546	211,182	236,830
-	-	-	-	-	10,758,822	10,453,156	10,122,153
-	-	-	-	-	1,997,251	1,640,616	2,024,911
432,283	314,745	4,844,850	4,473,583	4,564,516	923,956	848,578	526,662
<u>2,136,491</u>	<u>2,044,579</u>	<u>70,133,582</u>	<u>66,669,921</u>	<u>61,278,318</u>	<u>14,834,062</u>	<u>13,813,707</u>	<u>13,817,169</u>
1,194,428	800,987	12,414,889	12,363,657	11,813,044	1,064,701	877,708	889,646
<u>3,330,919</u>	<u>2,845,566</u>	<u>82,548,471</u>	<u>79,033,578</u>	<u>73,091,362</u>	<u>15,898,763</u>	<u>14,691,415</u>	<u>14,706,815</u>
(1,015,707)	(434,215)	(2,911,476)	(6,438,204)	(4,101,785)	1,030,203	1,078,601	236,797
64,593	83,479	773,187	725,784	258,590	82,386	84,707	19,866
-	-	173,040	172,975	157,256	937,222	-	-
371,868	18,162	647,416	377,995	303,450	20,994	3,445	159,135
(7,148)	(20,916)	(60,528)	(68,992)	(70,414)	-	-	-
(64,819)	-	(343,802)	(370,381)	(430,451)	(2,261)	(1,840)	(5,649)
(6,026)	(3,648)	(425,258)	(79,872)	(229,042)	55,796	(12,522)	10,850
<u>358,468</u>	<u>77,077</u>	<u>764,055</u>	<u>757,509</u>	<u>(10,611)</u>	<u>1,094,137</u>	<u>73,790</u>	<u>184,202</u>
<u>(657,239)</u>	<u>(357,138)</u>	<u>(2,147,421)</u>	<u>(5,680,695)</u>	<u>(4,112,396)</u>	<u>2,124,340</u>	<u>1,152,391</u>	<u>420,999</u>
4,994,340	(1,810)	10,641,615	10,583,825	9,441,157	-	-	-
1,366,000	1,203,800	6,855,435	8,544,772	21,033,423	859,000	-	-
-	(1,110,400)	(1,129,900)	(46,165)	(53,400)	-	-	-
<u>5,703,101</u>	<u>(265,548)</u>	<u>14,219,729</u>	<u>13,401,737</u>	<u>26,308,784</u>	<u>2,983,340</u>	<u>1,152,391</u>	<u>420,999</u>
<u>31,749,694</u>	<u>22,202,454</u>				<u>8,749,868</u>	<u>7,597,477</u>	<u>7,176,478</u>
<u>37,452,795</u>	<u>21,936,906</u>				<u>11,733,208</u>	<u>8,749,868</u>	<u>7,597,477</u>
		513,240	602,451	219,091			
		<u>\$ 14,732,969</u>	<u>14,004,188</u>	<u>26,527,875</u>			



CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Cash Flows

For the fiscal year ended June 30, 2006  
with comparative total amounts for 2005 and 2004

	Business-type Activities			
	Juneau International <u>Airport</u>	Bartlett Regional <u>Hospital</u>	Areawide Water <u>Utility</u>	Areawide Sewer <u>Utility</u>
Increase (decrease) in cash and cash equivalents:				
<b>Cash flows from operating activities:</b>				
Cash receipts from customers	\$ 4,027,878	59,590,113	3,262,814	7,754,277
Payments to suppliers for goods and services	(2,387,226)	(16,922,414)	(663,185)	(2,396,825)
Payments to employees for services	(1,654,408)	(31,054,600)	(1,338,558)	(3,209,327)
Payments for interfund exchange transactions	(340,713)	(5,198,539)	(376,855)	(787,184)
Net cash provided (used) by operating activities	<u>(354,469)</u>	<u>6,414,560</u>	<u>884,216</u>	<u>1,360,941</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers to other funds	-	-	(186)	(19,314)
Transfers from other funds	-	2,889,200	195,159	1,201,276
Cash from federal sources	173,040	-	-	-
Cash from state sources	122,925	-	42,672	91,789
Net cash provided by noncapital financing activities	<u>295,965</u>	<u>2,889,200</u>	<u>237,645</u>	<u>1,273,751</u>
<b>Cash flows from capital and related financing activities:</b>				
Cash received from revenue and general obligation bonds	-	-	-	-
Cash received from long-term loan	-	146,733	-	110,155
Cash paid for bond issuance costs	-	-	-	-
Cash received on disposal of assets	-	-	-	-
Cash received from federal and state capital grants	2,122,078	1,159,643	29,651	1,979
Cash received from contributed capital	764,342	1,344,813	232,436	188,668
Cash paid for acquisition and construction of capital assets	(1,904,289)	(19,216,557)	(2,848,729)	(1,866,226)
Principal paid on general obligation bond maturities	-	(876,055)	-	(182,450)
Principal paid on revenue bond maturities	-	-	(161,750)	(33,250)
Principal paid on long-term loans and contracts	(60,000)	(275,492)	(70,000)	(484,593)
Interest paid on bonds and contracts	-	(77,717)	(97,987)	(131,290)
Net cash provided (used) by capital and related financing activities	<u>922,131</u>	<u>(17,794,632)</u>	<u>(2,916,379)</u>	<u>(2,397,007)</u>
<b>Cash flows from investing activities:</b>				
Earnings from invested proceeds	80,805	215,154	182,360	146,796
Net cash provided by investing activities	<u>80,805</u>	<u>215,154</u>	<u>182,360</u>	<u>146,796</u>
Net increase (decrease) in cash and cash equivalents:	<u>944,432</u>	<u>(8,275,718)</u>	<u>(1,612,158)</u>	<u>384,481</u>
Cash and cash equivalents at beginning of year	6,110,020	44,697,651	8,637,207	6,838,895
Cash and cash equivalents at end of year	\$ <u>7,054,452</u>	<u>36,421,933</u>	<u>7,025,049</u>	<u>7,223,376</u>



Enterprise Funds							
Boat Harbors	Other Enterprise Funds	Totals			Internal Service Funds		
		2006	2005	2004	2006	2005	2004
2,644,879	2,391,675	79,671,636	71,830,443	69,414,499	17,157,428	15,560,903	14,936,368
(2,185,140)	(793,372)	(25,348,162)	(18,705,754)	(18,983,135)	(13,660,695)	(13,215,897)	(12,778,833)
(1,009,172)	(617,389)	(38,883,454)	(36,353,283)	(34,158,987)	(639,897)	(624,159)	(603,798)
(211,602)	(295,121)	(7,210,014)	(7,288,560)	(6,729,128)	-	-	-
<u>(761,035)</u>	<u>685,793</u>	<u>8,230,006</u>	<u>9,482,846</u>	<u>9,543,249</u>	<u>2,856,836</u>	<u>1,720,847</u>	<u>1,553,737</u>
-	(1,110,400)	(1,129,900)	(46,165)	(53,400)	-	-	-
1,366,000	1,203,800	6,855,435	8,544,772	21,033,423	859,000	-	-
-	-	173,040	172,975	186,012	20,994	-	-
371,868	18,162	647,416	377,995	303,450	-	-	-
<u>1,737,868</u>	<u>111,562</u>	<u>6,545,991</u>	<u>9,049,577</u>	<u>21,469,485</u>	<u>879,994</u>	<u>-</u>	<u>-</u>
-	-	-	28,845,000	-	-	-	-
1,378,808	-	1,635,696	1,663,950	2,608,479	278,480	-	-
-	-	-	(500,524)	(302,337)	-	-	-
(6,026)	-	(6,026)	3,819	31,091	55,796	30,345	12,736
5,704,792	-	9,018,143	7,819,270	4,870,900	-	3,445	159,135
310,546	(1,810)	2,838,995	2,915,330	2,489,926	-	-	-
(7,956,513)	(87,095)	(33,879,409)	(27,523,347)	(17,586,026)	(3,304,489)	(419,232)	(975,267)
-	-	(1,058,505)	(1,033,576)	(1,012,209)	-	-	-
-	-	(195,000)	(190,000)	(190,000)	-	-	-
-	-	(890,085)	(986,282)	(850,503)	(16,527)	(64,463)	(137,504)
(64,819)	-	(371,813)	(396,768)	(440,026)	(2,509)	(1,841)	(5,648)
<u>(633,212)</u>	<u>(88,905)</u>	<u>(22,908,004)</u>	<u>10,616,872</u>	<u>(10,380,705)</u>	<u>(2,989,249)</u>	<u>(451,746)</u>	<u>(946,548)</u>
64,593	83,479	773,187	725,784	258,590	82,386	84,707	19,866
<u>64,593</u>	<u>83,479</u>	<u>773,187</u>	<u>725,784</u>	<u>258,590</u>	<u>82,386</u>	<u>84,707</u>	<u>19,866</u>
408,214	791,929	(7,358,820)	29,875,079	20,890,619	829,967	1,353,808	627,055
5,860,086	3,969,583	76,113,442	46,238,363	25,347,744	6,738,593	5,384,785	4,757,730
<u>6,268,300</u>	<u>4,761,512</u>	<u>68,754,622</u>	<u>76,113,442</u>	<u>46,238,363</u>	<u>7,568,560</u>	<u>6,738,593</u>	<u>5,384,785</u>

(Continued)

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Cash Flows, continued

For the fiscal year ended June 30, 2006  
with comparative total amounts for 2005 and 2004

	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 income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (2,856,179)	4,193,664	(1,592,622)	(1,206,417)
Adjustments to reconcile net operating loss to net cash provided (used) by operating activities:				
Depreciation	2,685,468	2,459,744	2,598,151	2,676,111
(Increase) decrease in assets:				
Accounts receivable	79,089	(1,917,659)	(54,725)	(57,450)
Due from Federal government	-	-	-	-
Other receivables	-	(119,107)	-	-
Inventories	(107,740)	(259,608)	31,404	(77,583)
Prepaid expenses	-	(808,405)	-	-
Increase (decrease) in liabilities:				
Accounts payable	(540,199)	466,009	(199,340)	(203,463)
Accrued salaries payable	(8,562)	140,068	(398)	17,121
Accrued annual leave and compensation time	29,443	157,575	7,446	44,543
Deferred revenues	201,010	1,593,482	10	-
Pension benefit payable	163,201	131,208	98,002	225,374
Accrued and other liabilities	-	377,589	(3,712)	(57,295)
Total adjustments	<u>2,501,710</u>	<u>2,220,896</u>	<u>2,476,838</u>	<u>2,567,358</u>
Net cash provided (used) by operating activities	\$ <u>(354,469)</u>	<u>6,414,560</u>	<u>884,216</u>	<u>1,360,941</u>

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

		Enterprise Funds			Internal Service Funds		
Boat Harbors	Other Enterprise Funds	Totals			2006	2005	2004
		2006	2005	2004			
(1,015,707)	(434,215)	(2,911,476)	(6,438,204)	(4,101,785)	1,030,203	1,078,601	236,797
1,194,428	800,987	12,414,889	12,363,657	11,813,044	1,064,701	877,708	889,646
(119,146)	(21,486)	(2,091,377)	(964,788)	(8,565)	-	-	-
-	1,810	1,810	3,998	(78,105)	-	-	-
-	-	(119,107)	57,159	38,514	228,462	(209,113)	(7,244)
-	-	(413,527)	(32,101)	(102,805)	11,234	(16,014)	(302)
-	-	(808,405)	(40,683)	(40,113)	131,726	(131,726)	423
(1,381,938)	283,588	(1,575,343)	2,130,156	1,159,433	291,639	(30,310)	(58,012)
(4,856)	(227)	143,146	147,102	187,375	(2,030)	(276)	4,587
576	(1,879)	237,704	148,294	159,376	(21,813)	(4,960)	5,935
448,813	-	2,243,315	138,700	473,078	-	-	-
116,795	57,215	791,795	2,022,145	-	38,069	-	-
-	-	316,582	(52,589)	43,802	84,645	156,937	481,907
254,672	1,120,008	11,141,482	15,921,050	13,645,034	1,826,633	642,246	1,316,940
(761,035)	685,793	8,230,006	9,482,846	9,543,249	2,856,836	1,720,847	1,553,737

## Fiduciary Funds

## Comparative Statement of Fiduciary Assets and Liabilities

*June 30, 2006, 2005 and 2004*

	Agency Funds		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>			
Equity in central treasury	\$ 961,795	937,725	909,407
Plant and equipment	<u>7,588</u>	<u>7,588</u>	<u>7,588</u>
Total assets	<u>\$ 969,383</u>	<u>945,313</u>	<u>916,995</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	2,000	-
Accrued and other liabilities	<u>969,383</u>	<u>943,313</u>	<u>916,995</u>
Total liabilities	<u>\$ 969,383</u>	<u>945,313</u>	<u>916,995</u>

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

*June 30, 2006*

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**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.

**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, gravel pits, hazardous waste disposal, and recycling.

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 7) 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.

**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

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

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 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.

**Unearned Revenue** - Unearned 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, 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 *Lands Fund* accounts for revenues and expenditures relating to land sales, non-enterprise fund leases and gravel sales.

The *General Debt Service Fund* accounts for the 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.

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.

**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).

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

**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. However, the majority of materials and supplies are accounted for as expenditures at the time of purchase.

**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, 2006, 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.

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 (table located on the following page):

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

<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.

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

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

**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.

**Unreserved fund Balance - Designated**

Designations represent management's self-imposed limitations on the use of otherwise available current financial resources.

**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.

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 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, 2006. 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, 2006			
General Fund: Other - Nondepartmental	\$ -	2,605	(2,605)
Port Debt Service Fund	1,515,000	1,516,047	(1,047)

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

## C. FUND DEFICITS

	<u>July 1, 2005</u> <u>Balance (Deficit)</u>	<u>Net</u> <u>Change</u>	<u>June 30, 2006</u> <u>Deficit</u>
Special Revenue Funds - Fund Balance (Deficit):			
Eaglecrest	\$ (717,418)	(111,813)	(829,231)
Port Development	465,360	(574,413)	(109,053)

The fund deficit for Eaglecrest is being addressed in the biennial budget process. This will be a multi-year process to develop and implement the plan to correct the deficit position. The Port Development fund had a deficit position after funding a capital project, this deficit will be corrected during FY07.

## 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 overdraft 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 \$ 153,456,088 reported in the fund balance sheets as "equity in central treasury" represents the total actual central treasury balances as of June 30, 2006.

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

CBJ had the following demand deposits at June 30, 2006:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand deposits	<u>\$ 4,028,913</u>	<u>\$ 5,869,722</u>

## Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party.

CBJ maintains a collateral agreement with a depository financial institution, First National Bank of Alaska (FNBA), in which FNBA pledges collateral held by a custodian, Bank of New York (BNY), as agent to CBJ. The minimum collateral balance is \$3 million. Deposits and investments in repurchase agreements that are not insured by the Federal Deposit Insurance Corporation are secured pursuant to the pledge agreement and the collateral covered by the pledge agreement held by the custodian.

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

**Investments**

A summary of CBJ's investments at June 30, 2006 is displayed below by type of instrument.

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>				<u>June 30, 2006</u>
	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Greater Than 10</u>	
U.S. Treasury	\$ 582,066	\$ 5,938,007	\$ 3,022,398	\$ -	\$ 9,542,471
Federal Agency	102,748,665	18,127,889	-	-	120,876,554
Fed Agency pass through	-	1,477,456	26,473	-	1,503,929
Asset-backed	-	493,121	250,011	1,850,294	2,593,426
Corporate	243,190	1,007,005	1,923,922	174,206	3,348,323
Commercial Paper	984,611	-	-	-	984,611
Managed pool accounts	1,440,097	-	-	-	1,440,097
Investment pool (AMLIP) <sup>1</sup>	<u>9,137,764</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,137,764</u>
Total Fair Value	<u>\$ 115,136,393</u>	<u>\$ 27,043,478</u>	<u>\$ 5,222,804</u>	<u>\$ 2,024,500</u>	<u>\$ 149,427,175</u>

<sup>1</sup> 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, 2006, the fair value of CBJ's position in the pool approximates the value of CBJ's pool shares.

**Investment Policies**

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

Under internal portfolio management:

1. Obligations of, or obligations insured or guaranteed by, the United States or agencies or instrumentalities of the United States;
2. Commercial paper issued by corporations or businesses and rated at least A2/P2 by a nationally recognized rating service, and collateralized commercial paper with no time limit;
3. Bankers acceptances drawn on and accepted by a rated bank and eligible for rediscount with or purchase by Federal Reserve System banks;
4. Negotiable certificates of deposit issued by rated banks;
5. Nonnegotiable certificates of deposit secured as provided in Section 57.25.030;
6. Repurchase and reverse repurchase agreements secured by obligations insured or guaranteed by the United States or agencies or instrumentalities of the United States;
7. Bank obligations secured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Association;
8. U.S. dollar denominated corporate bonds and rated investment grade or higher by a nationally recognized rating agency at the time of purchase;
9. Mortgage-backed securities issued by an agency of the United States Government;
10. Custodial money market funds;
11. Loans to specified funds of the City and Borough for the purpose of capital acquisition, made as provided in Section 57.05.045;
12. An investment pool for public entities authorized by AS 37.23

Under external portfolio management:

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

1. Money market funds and other mutual funds;
2. 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;
3. Futures and options subject to certain limitations.

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. CBJ limits its exposure to credit risk by limiting investments to the quality permitted in its investment policies and by requiring each portfolio be diversified with regard to specific issuer, industry and sector.

The credit quality ratings of CBJ's investments as of June 30, 2006, as described by the nationally recognized statistical rating organization Standard & Poor's, are shown below:

	S&P <u>Rating</u>	Investment <u>Fair Value</u>	% of <u>Total</u>
U.S. Treasury	AAA	\$ 9,542,471	6.39
Federal Agency	AAA	120,876,554	80.89
Fed Agency pass through	AAA	1,503,929	1.01
Asset-backed	AAA	2,593,426	1.74
Corporate	AAA	554,511	.37
Corporate	AA	412,892	.28
Corporate	A	1,232,116	.82
Corporate	BBB	1,148,804	.77
Commercial Paper	A1	984,611	.66
Managed pool accounts	Unrated	1,440,097	.96
External investment pool (AMLIP)	Unrated	<u>9,137,764</u>	<u>6.12</u>
		<u>\$ 149,427,175</u>	<u>100.00</u>

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. CBJ's investment policy limits this risk by limiting investments from one issuer to no greater than ten percent of the portfolio with the exception of securities of the U.S. government or agencies, the Alaska Municipal League Investment Pool (AMLIP) or collateralized investments.

As of June 30, 2006, CBJ had the following concentrations exceeding five percent from any issuer, with the exception of AMILP, which is considered to have no credit risk:

	<u>Investment Fair Value</u>	<u>Percent of Portfolio</u>
Federal Home Loan Bank	\$ 77,792,618	52.1%
Federal National Mtg. Assn.	18,677,540	12.5%
Federal Home Loan Mtg. Corp.	25,910,324	17.3%

**Custodial Credit Risk - Investments**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in possession of an outside party. To mitigate custodial credit risk for its investments, CBJ maintains an independent custody bank (Bank of New York) to hold all investments registered in CBJ's name and requires delivery versus payment (DVP), in which the securities are provided at the same time or before payment is made.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from increasing interest rates, CBJ's investment policy limits the maturity and duration of its portfolio segments as follows:

Short-term investments, set up to meet current cash requirements, are restricted to maturities of less than twenty-four months, a duration of less than one year, and must be held to maturity.

Short-Intermediate investments, set up to meet cash requirements over the next two to five years, are restricted to maturities of less than sixty-six months, a duration of less than three years, and are usually held to maturity.



## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

Intermediate investments, consisting of funds not needed within the next five years, have no specific maturity restriction but is controlled by the duration limits of the Lehman Intermediate Gov/Credit Index. The Lehman Intermediate Government/Credit Index at June 30, 2006 was 3.62.

**Modified Duration**

Duration is a measure of a debt investments' exposure to fair value changes arising from changing interest rates. For example, if interest rates fell by 1 percent, the value of a security or portfolio having a modified duration of 3.0 generally would increase in price by 3 percent.

The modified duration for CBJ's investments as of June 30, 2006 is as follows:

Investment Type	Investment Fair Value	Modified Duration
U.S. Treasury	\$ 9,542,471	4.237
Federal Agency Discount	998,310	0.038
Federal Agency Coupon	119,878,244	1.224
Federal Agency Pass through	1,503,929	1.240
Corporate Coupon	3,348,323	5.104
Corporate Asset-backed	2,593,426	5.421
Commercial Paper	984,611	0.498
Managed pool accounts	1,440,097	0.000
External investment pool (AMLIP)	<u>9,137,764</u>	0.000
	<u>\$ 149,427,175</u>	
Portfolio modified duration		1.478

**Demand Deposits and Investments - Reconciliation to Equity in Central Treasury**

## Demand Deposits and Investments:

Demand Deposits (carrying amount)	\$ 4,028,913
Investments	<u>149,427,175</u>
Demand Deposits and Investments	<u>\$ 153,456,088</u>

## Equity in Central Treasury:

Equity in central treasury	\$ 51,091,087
Restricted assets: Equity in central treasury	98,851,953
School District component unit	2,551,253
Agency funds	<u>961,795</u>
Equity in central Treasury	<u>\$ 153,456,088</u>

**NOTE 4 - RECEIVABLES DETAIL**

Receivables at June 30, 2006 are as follows:

	Governmental Activities		Business-type Activities		Total
	Receivables	Allowance for Uncollectibles	Receivables	Allowance for Uncollectibles	
Customers	\$ 3,881,275	(573,113)	18,918,076	(4,089,117)	18,137,121
Taxes	7,426,690	(389,719)	-	-	7,036,971
Long-term notes	1,984,832	(1,088)	-	-	1,983,744
Special assessments	196,398	-	-	-	196,398
Other	937,222	-	577,823	-	1,515,045
Totals	<u>\$ 14,426,417</u>	<u>(963,920)</u>	<u>19,495,899</u>	<u>(4,089,117)</u>	<u>28,869,279</u>

**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.

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

## 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 \$793,926 at June 30, 2006. 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 2006 do not exceed the current year deficit cash balance.

	Fund Level					Government-wide Internal balances
	Interfund payable	Interfund payable - Restricted assets	Interfund Receivable		Additions (Eliminations)	
			General Fund	Roaded Service Area		
<b>Interfund payables/receivables:</b>						
<b>Governmental Funds:</b>						
School Capital Projects	\$ -	344,802	344,802	-	(344,802)	-
Lands	418,144	-	418,144	-	(418,144)	-
Non-major governmental funds	1,941,990	377,026	2,319,016	-	(2,319,016)	-
<b>Enterprise Funds:</b>						
Juneau International Airport	-	100,499	100,499	-	-	100,499
Areawide Water Utility	-	5,469	5,469	-	-	5,469
Areawide Sewer Utility	-	219,823	219,823	-	-	219,823
Boat Harbors	-	407,195	407,195	-	-	407,195
Non-major enterprise funds	-	60,940	60,940	-	-	60,940
Internal service reallocation	-	-	-	-	(1,162,109)	(1,162,109)
	<u>2,360,134</u>	<u>1,515,754</u>	<u>3,875,888</u>	<u>-</u>	<u>(4,244,071)</u>	<u>(368,183)</u>
Less:						
Payable from governmental funds	<u>2,360,134</u>	<u>721,828</u>	<u>3,081,962</u>	<u>-</u>	<u>(3,081,962)</u>	<u>-</u>
Net short-term government-wide internal balances	\$ <u>-</u>	<u>793,926</u>	<u>793,926</u>	<u>-</u>	<u>(1,162,109)</u>	<u>(368,183)</u>
<b>Advances:</b>						
<b>Governmental Funds:</b>						
Non-major governmental funds	\$ -	-	-	-	-	-
Less:						
Payable to General Fund from governmental funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net long-term government-wide internal balances	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Interfund transfers for the year ended June 30, 2006, were as follows:

Fund or Component Unit	Transfer Fund Level	Reclassification/ Elimination	Transfer Government-wide		Component Unit
			Governmental	Proprietary	
<b>Transfers in:</b>					
<b>Primary government:</b>					
General Fund	\$ 13,493,218	(13,473,718)	19,500	-	-
Roaded Service Area Fund	6,532,400	(6,532,400)	-	-	-
General Debt Service Fund	9,092,500	(9,092,500)	-	-	-
Schools Capital Projects Fund	6,316,044	(6,316,044)	-	-	-
Non-major governmental funds	23,416,129	(23,073,005)	343,124	-	-
Governmental subtotal	<u>58,850,291</u>	<u>(58,487,667)</u>	<u>362,624</u>	<u>-</u>	<u>-</u>
<b>Enterprise funds:</b>					
Bartlett Regional Hospital	2,889,200	-	-	2,889,200	-
Areawide Water Utility	195,159	-	-	195,159	-
Areawide Sewer Utility	1,201,276	-	-	1,201,276	-
Boat Harbors	1,366,000	-	-	1,366,000	-
Non-major enterprise funds	1,203,800	-	-	1,203,800	-
Enterprise subtotal	<u>6,855,435</u>	<u>-</u>	<u>-</u>	<u>6,855,435</u>	<u>-</u>
<b>Internal Service Funds:</b>					
Central Equipment Services	859,000	(859,000)	-	-	-
Total transfers in	\$ <u>66,564,726</u>	<u>(59,346,667)</u>	<u>362,624</u>	<u>6,855,435</u>	<u>-</u>

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

Fund or Component Unit	Transfer Fund Level	Reclassification/ Elimination	Transfer Government-wide		
			Governmental	Proprietary	Component Unit
<b>Transfers out:</b>					
Primary government:					
General Fund	\$ 10,243,700	(9,455,300)	788,400	-	-
Roaded Service Area Fund	3,873,600	(3,553,600)	320,000	-	-
Sales Tax Fund	37,148,800	(34,337,000)	2,811,800	-	-
Lands Fund	1,325,000	(1,325,000)	-	-	-
Schools Capital Projects Fund	606,044	(606,044)	-	-	-
Non-major governmental funds	12,237,682	(10,069,723)	2,167,959	-	-
Governmental subtotal	<u>65,434,826</u>	<u>(59,346,667)</u>	<u>6,088,159</u>	-	-
Enterprise funds:					
Areawide Water Utility	186	-	-	186	-
Areawide Sewer Utility	19,314	-	-	19,314	-
Non-major enterprise funds	1,110,400	-	-	1,110,400	-
Enterprise subtotal	<u>1,129,900</u>	<u>-</u>	<u>-</u>	<u>1,129,900</u>	<u>-</u>
Total transfers out	<u>\$ 66,564,726</u>	<u>(59,346,667)</u>	<u>6,088,159</u>	<u>1,129,900</u>	<u>-</u>
Net transfers government-wide level			\$ <u>(5,725,535)</u>	<u>5,725,535</u>	<u>-</u>

Transfers are used to 1) move revenues from funds with collection authorization, including Sales Tax, Hotel Tax, Tobacco Excise Tax and Marine Passenger Fees, to the various recipient funds including the General Fund, debt service funds and various capital projects funds, 2) move funds to the debt service fund to create mandatory reserve accounts established by bond resolutions(s), 3) move unrestricted funds to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amount provided as subsidiaries or matching funds for various grant programs.

**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.

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

	Juneau Gold	Douglas Gold
City and Borough of Juneau	68.14%	31.84%
AJT Mining Properties, Inc.	31.86%	68.16%

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

	<u>Total</u>	<u>CBJ</u>
<u>Juneau Gold:</u>		
<i>Balance sheet at June 30, 2006</i>		
Asset - cash	\$ 11,061	8,547
Venture equity	\$ 11,061	8,547
<i>Statement of revenue, expenditures and changes in fund balance for the period ended June 30, 2006</i>		
Revenue	\$ 34	27
Fund balance at beginning of year	11,027	8,520
Fund balance at end of year	\$ 11,061	8,547
	<u>Total</u>	<u>CBJ</u>
<u>Douglas Gold:</u>		
<i>Balance sheet at June 30, 2006</i>		
Asset - cash	\$ 11,891	4,879
Venture equity	\$ 11,891	4,879
<i>Statement of revenue, expenditures and changes in fund balance for the period ended June 30, 2006</i>		
Revenue	\$ 37	15
Fund balance at beginning of year	11,854	4,864
Fund balance at end of year	\$ 11,891	4,879

## NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2006 was as follows:

	Beginning <u>Balance</u>	Primary Government		Ending <u>Balance</u>
		<u>Additions</u>	<u>Retirements</u>	
<b>Governmental Funds:</b>				
Non-depreciable assets:				
Land	\$ 36,500,884	805,224	-	37,306,108
Infrastructure in progress	10,970,593	3,465,137	(2,582,717)	11,853,013
Construction in progress	45,031,023	15,642,338	(2,552,619)	58,120,742
Depreciable assets:				
Buildings and improvements	185,247,753	1,024,272	(5,022,955)	181,249,070
Equipment	37,618,525	3,383,545	(1,654,593)	39,347,477
Infrastructure	178,656,572	2,637,501	-	181,294,073
<b>Totals at historical cost</b>	<u>494,025,350</u>	<u>26,958,017</u>	<u>(11,812,884)</u>	<u>509,170,483</u>
Less accumulated depreciation for:				
Buildings and improvements	78,556,517	6,338,765	-	84,895,282
Equipment	25,334,279	2,854,180	(1,423,413)	26,765,046
Infrastructure	116,290,613	7,189,076	-	123,479,689
<b>Total accumulated depreciation</b>	<u>220,181,409</u>	<u>16,382,021</u>	<u>(1,423,413)</u>	<u>235,140,017</u>
<b>Governmental fund capital assets, net</b>	\$ <u>273,843,941</u>	<u>10,575,996</u>	<u>(10,389,471)</u>	<u>274,030,466</u>

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

	Beginning <u>Balance</u>	Primary Government		Ending <u>Balance</u>
		<u>Additions</u>	<u>Retirements</u>	
<b>Proprietary Funds:</b>				
Non-depreciable assets:				
Land and land rights	\$ 16,814,304	1,051,272	-	17,865,576
Construction in progress	51,221,485	37,452,396	(12,084,776)	76,589,105
Depreciable assets:				
Buildings and improvements	296,240,914	3,392,114	(515,988)	299,117,040
Equipment	<u>32,319,103</u>	<u>4,153,289</u>	<u>(941,714)</u>	<u>35,530,678</u>
<b>Totals at historical cost</b>	<u>396,595,806</u>	<u>46,049,071</u>	<u>(13,542,478)</u>	<u>429,102,399</u>
Less accumulated depreciation for:				
Buildings and improvements	128,221,901	10,159,961	(255,544)	138,126,318
Equipment	<u>20,470,698</u>	<u>2,255,136</u>	<u>(698,037)</u>	<u>22,027,797</u>
<b>Total accumulated depreciation</b>	<u>148,692,599</u>	<u>12,415,097</u>	<u>(953,581)</u>	<u>160,154,115</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 247,903,207</u>	<u>33,633,974</u>	<u>(12,588,897)</u>	<u>268,948,284</u>

## Depreciation expense was charged as follow:

## Governmental funds:

Legislative	\$ 40,215
Legal	704
Administration	33,662
Education	5,091,016
Finance	15,340
Libraries	259,922
Recreation	1,100,381
Community development & lands management	283,780
Public safety	543,518
Public works	7,311,504
Public transportation	382,577
Tourism and conventions	254,909
Central equipment	<u>1,064,493</u>
<b>Total depreciation expense governmental funds</b>	<u>\$ 16,382,021</u>

## Proprietary funds:

Airport	\$ 2,685,468
Harbors	1,194,428
Docks	777,546
Hospital	2,459,744
Water	2,598,151
Sewer	2,676,111
Waste management	23,441
Self-insurance	<u>208</u>
<b>Total depreciation expense proprietary funds</b>	<u>\$ 12,415,097</u>

June 30, 2006

## 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 Internal Service Fund, Lands Special Revenue 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.

A summary of long-term debt at June 30, 2006, by fund or function follows:

		Governmental activities						
		School						
		General	Facilities	Eaglecrest	Port			
		<u>Government</u>	<u>&amp; Equipment</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Subtotal</u>		
General obligation bonds	\$	13,763,000	65,859,000	-	-	79,622,000		
Revenue bonds		-	-	-	1,490,000	1,490,000		
State of Alaska extension loans		-	-	-	-	-		
Purchase agreements		-	-	278,480	-	278,480		
Subtotal		13,763,000	65,859,000	278,480	1,490,000	81,390,480		
Unamortized bond premium		-	616,266	-	6,337	622,603		
	\$	<u>13,763,000</u>	<u>66,475,266</u>	<u>278,480</u>	<u>1,496,337</u>	<u>82,013,083</u>		
		Business-type activities						
		Juneau	Bartlett	Areawide	Areawide			
		International	Regional	Water	Sewer			
		<u>Harbor</u>	<u>Airport</u>	<u>Hospital</u>	<u>Utility</u>	<u>Utility</u>	<u>Subtotal</u> <u>Total</u>	
General obligation bonds	\$	-	-	135,000	-	-	135,000      79,757,000	
Revenue bonds		-	-	28,845,000	1,475,000	455,000	30,775,000      32,265,000	
State of Alaska extension loans		-	-	-	1,259,997	6,886,532	8,146,529      8,146,529	
Purchase agreements		1,507,824	120,000	1,175,872	-	-	2,803,696      3,082,176	
		1,507,824	120,000	30,155,872	2,734,997	7,341,532	41,860,225      123,250,705	
Unamortized bond premium		-	-	91,201	8,531	1,908	101,640      724,243	
	\$	<u>1,507,824</u>	<u>120,000</u>	<u>30,247,073</u>	<u>2,743,528</u>	<u>7,343,440</u>	<u>41,961,865</u> <u>123,974,948</u>	

## NOTES TO BASIC FINANCIAL STATEMENTS

A summary of long-term debt excluding compensated absences at June 30, 2006 follows:

Description	Interest		Issue dates	Date of maturity	Date callable
	Rates (%)	Dates			
<b>General obligation bonds:</b>					
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	4.75-5.0	Jun. 15/Dec. 15	Dec. 15, 2000	2015	Noncallable
2002 General Obligation School Bonds	4.375-5.0	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
2004A General Obligation School Bonds	2.5-3.75	May 1/Nov. 1	Nov. 1, 2004	2014	Noncallable
2004B General Obligation School Bonds	4.3-4.375	May 1/Nov. 1	Nov. 1, 2004	2014	Noncallable
2004C General Obligation School Bonds	2.5-3.75	May 1/Nov. 1	Nov. 1, 2004	2014	Noncallable
2005A General Obligation School Bonds	3.25-4.0	Mar. 1/Sep. 1	Mar. 1, 2005	2020	Mar. 1, 2016
2006A General Obligation School Bonds	3.85-4.65	May 1/Nov. 1	May 1, 2006	2021	Noncallable
Total general obligation bonds					
<b>Revenue bonds:</b>					
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
2004 Hospital Revenue Bonds	3.25-5.0	Jan. 1/Jul. 1	Aug. 26, 2004	2035	Jan. 1, 2015
Total revenue bonds					
<b>State of Alaska extension loans:</b>					
DEC Belt Filter Press Loan #445011	4.64/2.5/1.5	Dec. 1	Dec. 1, 1997	2007	-
DEC Sewer Loan #445021	4.56/2.5	Dec. 1	May 5, 1994	2003	-
DEC Sewer Loan #445031	4.23/2.5/1.5	Dec. 1	May 20, 1996	2005	-
DEC Sewer Loan #445041	4.05/2.5/1.5	Dec. 1	June 19, 1995	2005	-
DEC Sewer Loan #445051	4.09/2.5/1.5	Dec. 1	April 8, 1999	2008	-
DEC ABTP Loan #445061	3.83/2.5/1.5	Dec. 1	Mar. 15, 1999	2019	-
DEC Sewer Loan #445071	2.5/1.5	Dec. 1	Dec. 28, 2001	2022	-
DEC JDTP Loan #445091	2.5/1.5	Dec. 1	Nov. 16, 1999	2022	-
DEC MTP Loan #445101	2.5	Dec. 1	Feb. 07, 2000	2024	-
DEC Sewer Loan #445131	2.5/1.5	Dec. 1	Nov. 22, 2002	2023	-
DEC Sewer Loan #445141	2.5	Dec. 1	Jul. 23, 2003	2024	-
DEC Water Loan #445151	2.5	Dec. 1	Mar. 12, 2003	2023	-
Total DEC Loans					
<b>Other long-term debt:</b>					
Equipment purchase agreements	2.899-4.49	Qtrly/Annually	Various	Various	-
Property purchase agreements	5.00	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, 2006 are as follows:

Year ending June 30	General obligation bonds			Revenue bonds		
	Principal	Interest	Total	Principal	Interest	Total
2007	\$ 6,255,000	3,086,066	9,341,066	2,185,000	1,484,736	3,669,736
2008	6,818,000	2,859,625	9,677,625	720,000	1,438,336	2,158,336
2009	6,698,000	2,607,384	9,305,384	745,000	1,413,399	2,158,399
2010	6,387,000	2,363,031	8,750,031	770,000	1,386,274	2,156,274
2011	6,684,000	2,113,867	8,797,867	795,000	1,358,249	2,153,249
2012-2016	29,716,000	6,891,068	36,607,068	3,990,000	6,305,619	10,295,619
2017-2021	14,164,000	1,971,065	16,135,065	4,210,000	5,408,381	9,618,381
2022-2026	3,035,000	220,830	3,255,830	5,265,000	4,235,388	9,500,388
2027-2031	-	-	-	6,790,000	2,751,000	9,541,000
2032-2035	-	-	-	6,795,000	870,250	7,665,250
	<u>\$ 79,757,000</u>	<u>22,112,936</u>	<u>101,869,936</u>	<u>32,265,000</u>	<u>26,651,632</u>	<u>58,916,632</u>

June 30, 2006

Amount authorized	Prior Years		Balance at June 30, 2005	Current Year		Balance at June 30, 2006	2006 interest paid
	Issued	Retired		Issued	Retired		
\$ 900,000	900,000	725,000	175,000	-	40,000	135,000	6,975
2,354,500	2,354,500	2,354,500	-	-	-	-	-
300,000	300,000	264,000	36,000	-	36,000	-	1,980
527,000	527,000	278,000	249,000	-	30,000	219,000	11,912
3,383,000	3,383,000	1,823,000	1,560,000	-	385,000	1,175,000	60,920
657,000	657,000	497,000	160,000	-	-	160,000	9,687
10,060,000	10,060,000	2,875,000	7,185,000	-	840,000	6,345,000	327,805
12,995,000	12,995,000	2,030,000	10,965,000	-	730,000	10,235,000	508,545
5,000,000	4,250,000	2,820,000	1,430,000	-	1,430,000	-	21,450
1,550,000	1,420,000	935,000	485,000	-	485,000	-	14,550
1,000,000	1,000,000	5,000	995,000	-	12,000	983,000	41,946
20,000,000	20,000,000	-	20,000,000	-	-	20,000,000	745,303
13,250,000	13,250,000	-	13,250,000	-	470,000	12,780,000	548,553
8,155,000	8,155,000	-	8,155,000	-	705,000	7,450,000	246,256
4,345,000	4,345,000	-	4,345,000	-	350,000	3,995,000	179,700
6,945,000	6,945,000	-	6,945,000	-	605,000	6,340,000	209,938
8,000,000	8,000,000	-	8,000,000	-	-	8,000,000	284,530
2,000,000	-	-	-	1,940,000	-	1,940,000	-
<u>101,421,500</u>	<u>98,541,500</u>	<u>14,606,500</u>	<u>83,935,000</u>	<u>1,940,000</u>	<u>6,118,000</u>	<u>79,757,000</u>	<u>3,220,050</u>
2,685,000	2,685,000	560,000	2,125,000	-	195,000	1,930,000	88,663
6,165,000	5,685,000	2,750,000	2,935,000	-	1,445,000	1,490,000	69,988
<u>31,000,000</u>	<u>28,845,000</u>	<u>-</u>	<u>28,845,000</u>	<u>-</u>	<u>-</u>	<u>28,845,000</u>	<u>1,381,524</u>
<u>39,850,000</u>	<u>37,215,000</u>	<u>3,310,000</u>	<u>33,905,000</u>	<u>-</u>	<u>1,640,000</u>	<u>32,265,000</u>	<u>1,540,175</u>
255,501	255,501	178,879	76,622	-	25,541	51,081	1,460
1,620,500	1,140,843	1,140,843	-	-	-	-	-
536,000	402,000	361,800	40,200	-	40,200	-	766
166,000	148,800	133,920	14,880	-	14,880	-	284
359,775	228,000	136,800	91,200	-	22,800	68,400	1,738
656,000	656,000	164,163	491,837	-	32,789	459,048	9,372
400,000	400,000	40,000	360,000	-	20,000	340,000	6,860
1,680,000	1,680,000	168,000	1,512,000	-	84,000	1,428,000	28,811
1,527,500	1,439,003	-	1,439,003	88,497	76,375	1,451,125	142,200
2,203,000	2,065,686	103,284	1,962,402	-	103,284	1,859,118	37,393
1,300,000	1,272,826	-	1,272,826	21,658	64,724	1,229,760	35,702
1,510,000	1,399,997	70,000	1,329,997	-	70,000	1,259,997	33,250
<u>12,214,276</u>	<u>11,088,656</u>	<u>2,497,689</u>	<u>8,590,967</u>	<u>110,155</u>	<u>554,593</u>	<u>8,146,529</u>	<u>297,836</u>
8,148,149	9,827,581	8,326,173	1,501,408	425,213	352,268	1,574,353	34,724
950,000	950,000	914,303	35,697	1,600,000	127,874	1,507,823	65,941
<u>9,098,149</u>	<u>10,777,581</u>	<u>9,240,476</u>	<u>1,537,105</u>	<u>2,025,213</u>	<u>480,142</u>	<u>3,082,176</u>	<u>100,665</u>
<u>\$ 162,583,925</u>	<u>157,622,737</u>	<u>29,654,665</u>	<u>127,968,072</u>	<u>4,075,368</u>	<u>8,792,735</u>	<u>123,250,705</u>	<u>5,158,726</u>

State of Alaska extension loans			Other long-term debt			Totals		
Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
499,513	134,798	634,311	571,402	121,236	692,638	9,510,915	4,826,836	14,337,751
499,516	126,605	626,121	590,441	102,198	692,639	8,627,957	4,526,764	13,154,721
473,972	118,412	592,384	550,641	81,998	632,639	8,467,613	4,221,193	12,688,806
451,172	110,603	561,775	363,074	62,465	425,539	7,971,246	3,922,373	11,893,619
451,172	103,135	554,307	220,265	50,166	270,431	8,150,437	3,625,417	11,775,854
2,255,862	403,664	2,659,526	786,353	100,734	887,087	36,748,215	13,701,085	50,449,300
2,223,073	216,974	2,440,047	-	-	-	20,597,073	7,596,420	28,193,493
1,292,249	45,640	1,337,889	-	-	-	9,592,249	4,501,858	14,094,107
-	-	-	-	-	-	6,790,000	2,751,000	9,541,000
-	-	-	-	-	-	6,795,000	870,250	7,665,250
<u>8,146,529</u>	<u>1,259,831</u>	<u>9,406,360</u>	<u>3,082,176</u>	<u>518,797</u>	<u>3,600,973</u>	<u>123,250,705</u>	<u>50,543,196</u>	<u>173,793,901</u>



## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

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, 2005	Current Year		Balance at June 30, 2006	Current Portion	Long-term balance at June 30, 2006
		Issued	Retired			
<b>Governmental activities:</b>						
General obligation bonds	\$ 82,741,495	1,940,000	5,059,495	79,622,000	6,210,000	73,412,000
Revenue bonds	2,935,000	-	1,445,000	1,490,000	1,490,000	-
Purchase agreements	52,473	278,480	52,473	278,480	51,780	226,700
Unamortized bond premium	827,397	-	204,794	622,603	159,872	462,731
	<u>86,556,365</u>	<u>2,218,480</u>	<u>6,761,762</u>	<u>82,013,083</u>	<u>7,911,652</u>	<u>74,101,431</u>
Compensated absences	2,928,653	3,220,298	3,124,563	3,024,388	1,341,051	1,683,337
Total governmental activities	<u>89,485,018</u>	<u>5,438,778</u>	<u>9,886,325</u>	<u>85,037,471</u>	<u>9,252,703</u>	<u>75,784,768</u>
<b>Business-type activities:</b>						
General obligation bonds	1,193,505	-	1,058,505	135,000	45,000	90,000
Revenue bonds	30,970,000	-	195,000	30,775,000	695,000	30,080,000
Purchase agreements	1,484,632	1,746,733	427,669	2,803,696	519,622	2,284,074
State of Alaska extension loans	8,590,967	110,155	554,593	8,146,529	499,513	7,647,016
Unamortized bond premium	132,416	-	30,776	101,640	-	101,640
	<u>42,371,520</u>	<u>1,856,888</u>	<u>2,266,543</u>	<u>41,961,865</u>	<u>1,759,135</u>	<u>40,202,730</u>
Compensated absences	2,733,427	4,427,555	4,190,796	2,970,186	1,666,249	1,303,937
Total business-type activities	<u>45,104,947</u>	<u>6,284,443</u>	<u>6,457,339</u>	<u>44,932,051</u>	<u>3,425,384</u>	<u>41,506,667</u>
Total long-term debt	\$ <u>134,589,965</u>	<u>11,723,221</u>	<u>16,343,664</u>	<u>129,969,522</u>	<u>12,678,087</u>	<u>117,291,435</u>

**Bonds**

Amounts in the General and Port Debt Service Funds to service the general obligation and port revenue bonds and property purchase agreements as of June 30, 2006 are \$6,104,576 and \$579,664, respectively. The large fund balance in the general obligation debt service fund includes \$4,075,080 of sales tax contributions to be used to fund 30% of the \$12.5 million JDHS Renovation bond debt service.

**General Obligation Bonds**

On October 5, 2004, the voters of the CBJ approved the issuance of \$54 million in general obligation bonds for the design, construction, and equipping of a new high school. Of the \$54 million authorized, \$8 million was issued in fiscal year 2005 on March 1, 2005 for the purpose of funding the first year of design, site preparation and initial construction of the new high school facility in the Dimond Park area. In fiscal year 2006, on May 1, 2006, a second series in the amount of \$1.94 million was issued in an over-the-counter bond issue. The third and final series of the \$54 million authorization for the new high school was issued in the amount of \$44.06 million on September 15, 2006, in subsequent fiscal year 2007.

On October 4, 2005, the voters of the CBJ approved the issuance of \$5.995 million in general obligation bonds for the cost of repairing and renovating Glacier Valley Elementary School. These bonds were issued on September 15, 2006.

**Description of Leasing Arrangements****Capital Leases**

CBJ has entered into various leasing arrangements. CBJ has entered into lease agreements for a snow-grooming vehicle and for parking lot equipment. For the snow grooming vehicle the lease term is five years and will terminate in fiscal year 2011. The parking lot lease term is five years and will terminate in fiscal year 2008.

Bartlett Regional Hospital has entered into leases for imaging equipment and operating room equipment. The imaging equipment lease is for five-year term expiring in fiscal year 2010. The operating room equipment lease is for a three-year term expiring in FY09.

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

The following is an analysis of equipment leased under capital leases as of June 30, 2006:

	Enterprise Funds	Internal Service Funds
Machinery & equipment	\$ 1,832,414	278,480
Less: accumulated depreciation	<u>680,714</u>	<u>19,924</u>
Carrying Value	<u>\$ 1,151,700</u>	<u>258,556</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, 2006:

	Enterprise Funds	Internal Service Funds
Fiscal year ending June 30:		
2007	\$ 390,606	51,780
2008	400,706	53,668
2009	351,117	55,625
2010	153,444	57,653
2011	-	<u>59,754</u>
Total minimum lease payments	<u>1,295,873</u>	<u>278,480</u>
Less: Amount representing interest	<u>65,857</u>	<u>27,039</u>
Present value of future minimum lease payments	<u>\$ 1,230,016</u>	<u>251,441</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, 2006:

Fiscal year ending June 30:	Amount
2007	\$ 503,308
2008	513,189
2009	522,545
2010	3,754
Later years	-
Total minimum payments required	<u>\$ 1,542,796</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.

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

## NOTE 10 - ACCRUED LIABILITIES

Accrued liabilities at June 30, 2006 are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>		
			<u>2006</u>	<u>2005</u>	<u>2004</u>
Accrued salaries, payroll taxes and withholdings	\$ 1,684,821	1,304,412	2,989,233	2,679,632	2,457,927
Permit and other deposits	1,228,951	-	1,228,951	1,172,679	1,000,266
Reserve for claims liabilities	-	3,288,663	3,288,663	3,206,337	3,048,679
Totals	<u>\$ 2,913,772</u>	<u>4,593,075</u>	<u>7,506,847</u>	<u>7,058,648</u>	<u>6,506,872</u>

## NOTE 11 - PENSION PLANS

State of Alaska Public Employees' Retirement SystemPlan 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. The actuarially determined rate for the year ended June 30, 2006 was 27.48% of annual covered payroll, but the legal rate for the year ended June 30, 2006 was 16.22% of annual covered payroll. The difference between these rates resulted in a net pension obligation for the year ended June 30, 2006.

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

<u>Contribution rates:</u>	<u>Employee</u>	<u>Employer</u>
General Government	6.75%	16.22%
Police and Fire	7.50%	16.22%
School District	6.75%	17.93%
Bartlett Regional Hospital	6.75%	16.13%

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

	<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	\$4,464,506	\$2,976,338	\$1,359,221	\$906,148	\$1,961,224	\$1,307,483
Contributions made	\$2,633,954	\$1,755,970	\$957,220	\$638,148	\$1,896,556	\$1,264,370
Actuarial Valuation date	6/30/2004	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	Same	Same	Same	Same	Same
Asset valuation method	5yr smoothed 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 trends:						
Medical	N/A	9.00%	N/A	9.00%	N/A	9.00%
Rx	N/A	13.00%	N/A	13.00%	N/A	13.00%

The CBJ has chosen to early implement GASB Statement No. 45. The components of annual pension cost (in thousands) (including both pension and post-employment health costs whose net obligations are collectively referred to as "NPO") as of June 30, 2006 are as follows:

	<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 required contribution (ARC)	\$ 4,465	2,976	1,359	906	1,961	1,307
Interest on net pension obligation (NPO)	226	92	45	30	70	29
Adjustment to the ARC	(172)	(70)	(34)	(23)	(54)	(22)
Annual pension cost (APC)	4,518	2,998	1,370	913	1,978	1,314
Contributions made	(2,634)	(1,756)	(957)	(638)	(1,897)	(1,264)
Increase in NPO	1,884	1,242	413	275	81	50
NPO, beginning of year	2,735	1,118	632	270	851	348
NPO, end of year	\$ 4,619	2,360	1,045	545	932	398

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

Three years trend information (in thousands) follows:

	Year Ending <u>6/30</u>	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (NPO)
<b>General Government:</b>				
Pension	2004	\$ 1,159	100%	\$ -
	2005	4,788	43%	2,735
	2006	5,336	58%	4,955
Post employment health care	2004	474	100%	-
	2005	1,956	43%	1,118
	2006	2,180	58%	2,025
<b>School District:</b>				
Pension	2004	467	100%	-
	2005	1,361	54%	632
	2006	1,370	70%	1,045
Post employment health care	2004	200	100%	-
	2005	583	54%	270
	2006	913	70%	545
<b>Bartlett Regional Hospital:</b>				
Pension	2004	813	100%	-
	2005	2,423	65%	851
	2006	2,337	96%	944
Post employment health care	2004	332	100%	-
	2005	990	65%	348
	2006	955	96%	386

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

#### Plan Description

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, 2006, required employee and employer contribution rates were 8.65% and 21%, respectively. The amounts contributed to TRS by the CBJ School District during the years ended June 30, 2006, 2005 and 2004 were \$4,412,391, \$3,221,984, and \$2,436,024, 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).

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.

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

**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:

	Actuarial Valuation Year Ended <u>6/30</u>	Actuarial Value of Plan Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded Actuarial Accrued Liability (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
<b>General Government:</b>							
Pension Benefits	2003	\$ 89,530	123,264	33,734	73%	\$ 24,872	136%
	2004	93,276	130,162	36,886	72%	25,103	147%
	2005	92,492	138,945	46,453	67%	26,910	173%
Post Employment Health Care Benefits	2003	59,389	82,385	22,546	73%	24,872	91%
	2004	65,771	91,779	26,008	72%	25,103	104%
	2005	72,613	109,081	36,469	67%	26,910	136%
Total	2003	148,919	205,649	56,280	73%	24,872	227%
	2004	159,047	221,941	62,894	72%	25,103	251%
	2005	165,105	248,026	82,922	67%	26,910	309%
<b>School District:</b>							
Pension Benefits	2003	22,855	32,712	9,857	70%	8,465	116%
	2004	25,028	35,509	10,481	70%	8,836	119%
	2005	20,088	31,612	11,524	64%	9,465	122%
Post Employment Health Care Benefits	2003	15,275	21,863	6,588	70%	8,465	78%
	2004	17,648	25,038	7,390	70%	8,836	84%
	2005	24,913	39,205	14,292	64%	9,465	151%
Total	2003	38,130	54,575	16,445	70%	8,465	194%
	2004	42,676	60,547	17,871	70%	8,836	203%
	2005	45,001	70,817	25,816	64%	9,465	273%
<b>Bartlett Regional Hospital</b>							
Pension Benefits	2003	24,875	30,627	5,752	81%	17,611	33%
	2004	26,199	32,588	6,389	80%	18,114	35%
	2005	27,105	35,311	8,206	77%	18,730	44%
Post Employment Health Care Benefits	2003	16,625	20,470	3,845	81%	17,611	22%
	2004	18,474	22,978	4,504	80%	18,114	25%
	2005	23,093	30,085	6,992	77%	18,730	37%
Total	2003	41,500	51,097	9,597	81%	17,611	55%
	2004	44,673	55,566	10,893	80%	18,114	60%
	2005	50,198	65,396	15,198	77%	18,730	81%

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

## 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, 2006:

	Governmental Activities	Business-Type Activities	Total
Land	\$ 37,306,108	17,865,576	55,171,684
Infrastructure in progress	11,853,013	-	11,853,013
Construction in progress	58,120,742	76,589,105	134,709,847
Plant and equipment	220,596,547	334,647,718	555,244,265
Infrastructure	<u>181,294,073</u>	<u>-</u>	<u>181,294,073</u>
	509,170,483	429,102,399	938,272,882
Accumulated depreciation	<u>235,140,017</u>	<u>160,154,115</u>	<u>395,294,132</u>
Net capital assets	<u>274,030,466</u>	<u>268,948,284</u>	<u>542,978,750</u>
Unexpended bond proceeds	24,930,808	-	24,930,808
Unamortized bond issuance costs	<u>729,442</u>	<u>684,591</u>	<u>1,414,033</u>
Total invested in capital assets	<u>299,690,716</u>	<u>269,632,875</u>	<u>569,323,591</u>
Less:			
Bonds and loans due in less than one year	7,911,652	1,759,135	9,670,787
Accrued interest	798,483	496,493	1,294,976
Bonds and loans due in more than one year	<u>74,101,431</u>	<u>40,202,730</u>	<u>114,304,161</u>
Total related debt	<u>82,811,566</u>	<u>42,458,358</u>	<u>125,269,924</u>
Net assets, invested in capital assets, net of related debt	<u>\$ 216,879,150</u>	<u>227,174,517</u>	<u>444,053,667</u>

## NOTE 13 - CONSTRUCTION COMMITMENTS

A summary of capital projects commitments by fund and project type at June 30, 2006, follows:

Project type	Authorization	Expended to date	Encumbered	Committed	Required future financing
Capital Projects Funds:					
Schools	\$ 128,335,074	45,677,132	51,125,267	31,532,675	-
Roads and Sidewalks	19,352,331	11,853,014	3,449,694	4,049,623	-
Fire and Safety	5,208,997	2,150,414	168,074	2,890,509	-
Community Development	11,920,658	4,492,709	410,125	7,090,031	72,207
Parks and Recreation	<u>11,370,194</u>	<u>5,820,313</u>	<u>629,478</u>	<u>4,920,403</u>	<u>-</u>
Total Capital Projects Funds	<u>176,187,254</u>	<u>69,993,582</u>	<u>55,782,638</u>	<u>50,483,241</u>	<u>72,207</u>
Enterprise Funds:					
Airport	18,195,194	9,510,908	435,090	8,255,021	5,825
Hospital	55,117,484	35,343,143	23,157,153	-	3,382,812
Harbors	22,890,194	17,695,102	59,725	5,135,367	-
Port	5,173,613	3,242,133	252,224	1,679,256	-
Water	8,993,100	5,529,878	152,205	3,311,017	-
Sewer	<u>10,931,803</u>	<u>4,074,002</u>	<u>1,318,753</u>	<u>5,539,048</u>	<u>-</u>
Total Enterprise Funds	<u>121,301,388</u>	<u>75,395,166</u>	<u>25,375,150</u>	<u>23,919,709</u>	<u>3,388,637</u>
Total	<u>\$ 297,488,642</u>	<u>145,388,748</u>	<u>81,157,788</u>	<u>74,402,950</u>	<u>3,460,844</u>

*June 30, 2006***NOTES TO BASIC FINANCIAL STATEMENTS****NOTE 14 - SALES TAX**

CBJ levies a combination of permanent and temporary sales taxes totaling 5%. The sales tax levy is applied to the retail selling of goods, rents and services occurring within the City and Borough unless specifically exempted. The sales tax levy rates required voter approval. Specific sales tax exemptions are determined by the City and Borough Assembly. While State law precludes local governments from dedicating future tax revenues, it has been the City and Borough's policy that the specific uses of sales tax levies be identified when they are presented to the voters for approval.

The identified uses for the sales tax levies are as follows:

- 1% permanent to be used for general governmental operations,
- 3% temporary to be used for a combination of general operations and capital projects and
- 1% temporary to be used for specific capital improvement projects.

The temporary 3% levy currently in place will expire on June 30, 2007. On October 3, 2006, voters approved a five year extension of this levy. The extension moves the expiration date of this levy to June 30, 2012. The temporary 1% levy will expire on September 30, 2008.

**NOTE 15 - EXCISE TAX**

On October 7, 2003, local voters approved a change to the Tobacco Excise Tax. Effective January 1, 2004, the tax on cigarettes increased to 6% of the wholesale price (approximately \$0.15 a pack) to \$0.30 a pack and the tax on other tobacco products increased from 6% to 12% of the wholesale price. This change generated a significant increase in revenue during FY05, the first full year of the tax increase, due to both the tax increase and tobacco purchasers stocking up prior to the increase taking effect.

**NOTE 16 - 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 17 - 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, 2006 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.

**NOTE 18 - 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, 2006 for this bond issue is \$16.2 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 date. The amount held in the sinking fund at June 30, 2006 is \$355,312. 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.



## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

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, 2006 for this construction loan is \$5,180,143. The construction loan is expected to be paid in full May 5, 2019. The bond matures August 1, 2033.

**NOTE 19 - 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.

Changes in the Fund's claims liability amount in fiscal years 2006, 2005 and 2004 were:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	Claim <u>Payments</u>	Balance at Fiscal Year End <u>Year End</u>
2006				
General liability claims	\$ 262,699	416,172	326,117	352,754
Auto claims	81,913	146,534	126,304	102,143
Property claims	-	12,349	12,349	-
Workers compensation claims	1,621,725	1,875,825	1,460,765	2,036,785
Health benefits claims	1,240,000	8,307,061	8,750,080	796,981
	<u>\$ 3,206,337</u>	<u>10,757,941</u>	<u>10,675,615</u>	<u>3,288,663</u>

June 30, 2006

## NOTES TO BASIC FINANCIAL STATEMENTS

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	Claim <u>Payments</u>	Balance at Fiscal Year End <u>Year End</u>
<b>2005</b>				
General liability claims	\$ 401,928	17,209	156,438	262,699
Auto claims	162,441	(75,574)	4,954	81,913
Property claims	-	57,759	57,759	-
Workers compensation claims	1,247,792	1,887,042	1,513,109	1,621,725
Health benefits claims	1,236,518	8,465,495	8,462,013	1,240,000
	<u>\$ 3,048,679</u>	<u>10,351,931</u>	<u>10,194,273</u>	<u>3,206,337</u>
<b>2004</b>				
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>



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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

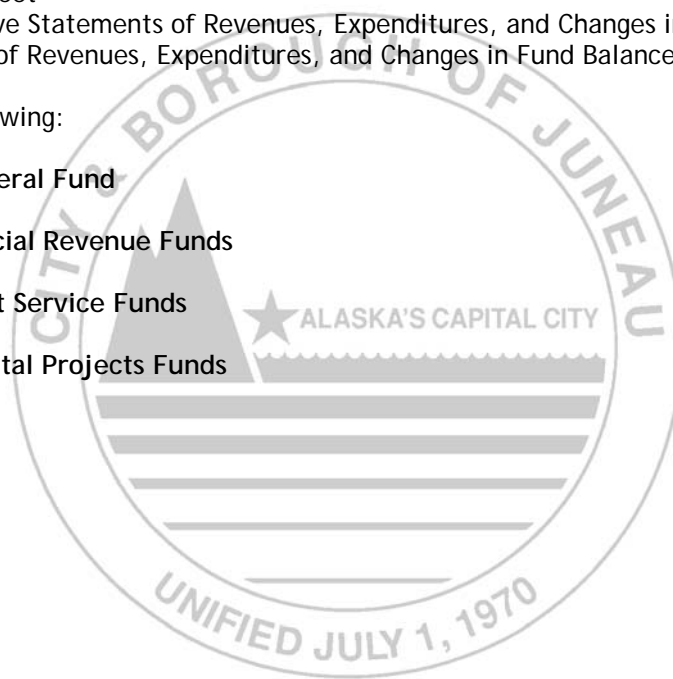
For the following:

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, 2006

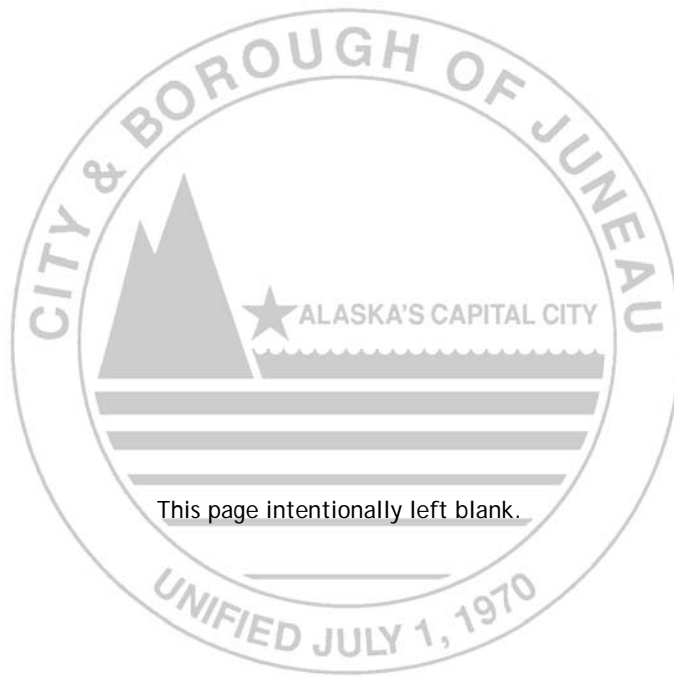
	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>ASSETS</b>				
Equity in central treasury	\$ 2,350,690	579,664	-	2,930,354
Receivables, net of allowance for doubtful accounts:				
Accounts	1,120,037	-	-	1,120,037
Taxes	297,247	-	-	297,247
Federal government	38,101	-	-	38,101
Long-term notes	670,582	-	-	670,582
Inventories	580,856	-	-	580,856
Restricted assets:				
Equity in central treasury	-	-	20,421,165	20,421,165
Receivables:				
State of Alaska	-	-	108,427	108,427
Federal	-	-	459,679	459,679
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	\$ <u>5,057,513</u>	<u>579,664</u>	<u>20,989,271</u>	<u>26,626,448</u>
<b>LIABILITIES</b>				
Interfund payable to other funds	\$ 1,941,990	-	-	1,941,990
Accounts payable	70,432	-	-	70,432
Accrued salaries, payroll taxes and withholding payable	356,057	-	-	356,057
Deferred revenues	312,745	-	-	312,745
Payable from restricted assets:				
Interfund payable to General Fund	-	-	377,026	377,026
Accounts and contracts payable	-	-	671,837	671,837
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>2,681,224</u>	<u>-</u>	<u>1,048,863</u>	<u>3,730,087</u>
<b>FUND BALANCES</b>				
Reserved:				
Subsequent year expenditures	122,800	-	-	122,800
Encumbrances	64,322	-	4,657,370	4,721,692
Long-term notes receivable	411,582	-	-	411,582
Unreserved:				
Designated:				
Compensated absences	632,274	-	-	632,274
Undesignated, reported in:				
Special Revenue Funds	1,145,311	-	-	1,145,311
Debt Service Funds	-	579,664	-	579,664
Capital Projects Funds	-	-	15,283,038	15,283,038
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>2,376,289</u>	<u>579,664</u>	<u>19,940,408</u>	<u>22,896,361</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	\$ <u>5,057,513</u>	<u>579,664</u>	<u>20,989,271</u>	<u>26,626,448</u>

## Non-Major Governmental Funds

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

For the fiscal year ended June 30, 2006

	Special Revenue	Debt Service	Capital Projects	Total
<b>REVENUES</b>				
Taxes	\$ 2,171,509	-	-	2,171,509
State sources:				
State shared revenue	177,143	-	-	177,143
Grants - other	434,857	-	433,176	868,033
Federal sources	129,855	-	517,148	647,003
Local sources	473,922	-	-	473,922
Charges for services	1,957,322	-	-	1,957,322
Contracted services	385,900	-	-	385,900
Licenses, permits and fees	6,512,117	-	-	6,512,117
Interest	-	-	10,000	10,000
Land sales	(17,412)	-	-	(17,412)
Rentals	211,567	-	-	211,567
Other	172,660	1,842	-	174,502
Total revenues	<u>12,609,440</u>	<u>1,842</u>	<u>960,324</u>	<u>13,571,606</u>
<b>EXPENDITURES</b>				
Current:				
Recreation	1,795,484	-	-	1,795,484
Community development and lands management	241,002	-	-	241,002
Public safety	2,405,183	-	-	2,405,183
Public transportation	4,259,551	-	-	4,259,551
Tourism and conventions	1,492,154	-	-	1,492,154
Other	225,531	1,060	-	226,591
Debt service:				
Principal	-	1,445,000	-	1,445,000
Interest	-	69,987	-	69,987
Capital projects	-	-	5,754,392	5,754,392
Total expenditures	<u>10,418,905</u>	<u>1,516,047</u>	<u>5,754,392</u>	<u>17,689,344</u>
Excess (deficiency) of revenues over expenditures	<u>2,190,535</u>	<u>(1,514,205)</u>	<u>(4,794,068)</u>	<u>(4,117,738)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	6,247,702	1,525,000	15,643,427	23,416,129
Transfers to other funds	(8,650,600)	-	(3,587,082)	(12,237,682)
Total other financing sources (uses)	<u>(2,402,898)</u>	<u>1,525,000</u>	<u>12,056,345</u>	<u>11,178,447</u>
Net change in fund balances	(212,363)	10,795	7,262,277	7,060,709
Fund balances at the beginning of year	<u>2,588,652</u>	<u>568,869</u>	<u>12,678,131</u>	<u>15,835,652</u>
Fund balances at end of year	<u>\$ 2,376,289</u>	<u>579,664</u>	<u>19,940,408</u>	<u>22,896,361</u>



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# GENERAL FUND

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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.







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CITY and BOROUGH OF JUNEAU

GENERAL FUND

Comparative Balance Sheets

June 30, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>			
Equity in central treasury	\$ 207,822	1,620,584	-
Receivables, net of allowance for doubtful accounts:			
Accounts	1,730,994	1,738,271	1,955,533
Special assessments	196,398	601,300	722,914
Taxes	298,297	249,928	285,542
State of Alaska	44,796	62,094	68,780
Federal government	-	16,500	-
Interfund receivable from other funds	3,875,888	3,430,439	4,474,086
Inventories	497,064	444,642	425,292
Deposits	527,026	533,026	511,943
Prepaid items	497,258	21,648	22,496
Advance to Special Revenue Fund	-	-	115,084
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	\$ <u>7,875,543</u>	<u>8,718,432</u>	<u>8,581,670</u>
 <b>LIABILITIES</b>			
Accounts payable	\$ 601,314	659,791	608,486
Accrued salaries, payroll taxes and withholdings payable	749,510	662,097	648,253
Accrued and other liabilities	1,228,951	1,172,679	1,000,266
Deferred revenues	766,744	1,059,931	971,320
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>3,346,519</u>	<u>3,554,498</u>	<u>3,228,325</u>
 <b>FUND BALANCE</b>			
Reserved:			
Advance to Special Revenue Fund	-	-	115,084
Subsequent year expenditures	734,000	478,200	927,800
Encumbrances	595,167	157,366	241,510
Prepaid items	497,258	21,648	22,496
Unreserved:			
Designated - compensated absences	1,224,052	1,166,591	1,104,027
Unreserved - undesignated	1,478,547	3,340,129	2,942,428
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>4,529,024</u>	<u>5,163,934</u>	<u>5,353,345</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balance	\$ <u>7,875,543</u>	<u>8,718,432</u>	<u>8,581,670</u>

## GENERAL FUND

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

For the fiscal years ended June 30, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 24,328,598	18,381,384	17,849,902
Penalties, interest and discounts	402,870	235,333	815,165
State sources:			
State shared revenue	574,485	14,348	305,955
Debt reimbursement	4,117,599	2,574,166	2,060,509
Grants - other	291,274	360,813	307,203
In lieu of taxes	33,084	29,866	35,705
Federal sources:			
In lieu of taxes	830,968	805,498	787,841
Licenses, permits and fees	1,081,532	746,148	869,781
Ambulance and air medivac	902,426	782,393	552,343
Fines and forfeitures	37,756	38,246	40,587
Investment and interest income	1,437,971	2,065,011	539,881
Rentals	1,883	1,299	1,292
Special assessments	439,546	169,426	567,060
Other	193,502	67,934	84,027
Total revenues	<u>34,673,494</u>	<u>26,271,865</u>	<u>24,817,251</u>
<b>EXPENDITURES</b>			
Current:			
Legislative	2,499,024	2,321,087	2,469,481
Legal	1,032,375	1,192,783	1,171,372
Administration	2,963,779	2,739,129	2,667,931
Education	20,087,664	18,958,000	18,404,200
Finance	2,114,239	1,929,445	2,070,169
Engineering	600,696	501,475	513,031
Libraries	1,955,096	1,825,304	1,782,517
Community development and lands management	2,412,526	2,204,322	2,168,846
Public safety	2,815,225	2,336,600	2,295,400
Facility maintenance	2,132,154	2,010,803	1,943,359
Special assessments	-	-	168,314
Other - Nondepartmental	(54,856)	(53,962)	(59,766)
Total expenditures	<u>38,557,922</u>	<u>35,964,986</u>	<u>35,594,854</u>
Deficiency of revenues over expenditures	<u>(3,884,428)</u>	<u>(9,693,121)</u>	<u>(10,777,603)</u>

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from:			
Special Revenue Funds:			
Sales Tax	\$ 11,950,500	14,750,500	13,697,800
Marine Passenger Fee	1,161,000	1,033,000	925,000
Tobacco Excess Tax	331,000	275,000	65,000
Enterprise Funds:			
Sewer	19,314	27,928	22,718
Water	186	372	682
Capital Projects Funds	31,218	-	50,000
Transfers to:			
Special Revenue Funds:			
Visitor Services	(185,000)	(185,000)	-
Mental Health	-	(115,300)	(129,000)
Eaglecrest	(500,000)	(363,100)	(363,100)
Marine Passenger Fee	(3,000)	(25,290)	-
General Debt Service Fund	(7,432,300)	(5,004,200)	(4,372,100)
Enterprise Funds:			
Bartlett Regional Hospital	(788,400)	(790,200)	(801,200)
Internal Service Funds:	(835,000)	-	-
Capital Projects Funds	(500,000)	(100,000)	-
Total other financing sources (uses)	<u>3,249,518</u>	<u>9,503,710</u>	<u>9,095,800</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses	(634,910)	(189,411)	(1,681,803)
Fund balance at beginning of year	<u>5,163,934</u>	<u>5,353,345</u>	<u>7,035,148</u>
Fund balance at end of year	<u>\$ 4,529,024</u>	<u>5,163,934</u>	<u>5,353,345</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, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 24,701,500	24,701,500	24,328,598	(372,902)
Penalties, interest and discounts	398,000	398,000	402,870	4,870
State sources:				
State shared revenue	14,000	570,976	574,485	3,509
Debt reimbursement	4,140,000	4,140,000	4,117,599	(22,401)
Grants - other	238,100	395,779	291,274	(104,505)
In lieu of taxes	45,000	45,000	33,084	(11,916)
Federal sources:				
In lieu of taxes	823,700	823,700	830,968	7,268
Licenses, permits and fees	763,300	763,300	1,081,532	318,232
Ambulance and air medivac	694,000	694,000	902,426	208,426
Fines and forfeitures	41,000	41,000	37,756	(3,244)
Investment and interest income	2,576,600	2,576,600	1,437,971	(1,138,629)
Rental	1,300	1,300	1,883	583
Special assessments	113,000	113,000	439,546	326,546
Other	100,600	122,600	193,502	70,902
Total revenues	<u>34,650,100</u>	<u>35,386,755</u>	<u>34,673,494</u>	<u>(713,261)</u>
<b>EXPENDITURES</b>				
Current:				
Legislative	2,688,800	2,692,608	2,513,910	178,698
Legal	1,299,321	1,340,619	1,324,960	15,659
Administration	3,567,148	3,303,101	3,119,867	183,234
Education	20,090,900	20,087,664	20,087,664	-
Finance	2,174,443	2,316,013	2,146,868	169,145
Engineering	581,888	695,265	645,534	49,731
Libraries	1,921,400	1,972,002	1,956,012	15,990
Community development and lands management	2,328,800	2,502,671	2,445,231	57,440
Public safety	2,741,900	2,815,225	2,815,225	-
Facility maintenance	2,222,800	2,288,765	2,152,674	136,091
Other - nondepartmental	-	-	2,605	(2,605)
Total expenditures and encumbrances	<u>39,617,400</u>	<u>40,013,933</u>	<u>39,210,550</u>	<u>803,383</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(4,967,300)</u>	<u>(4,627,178)</u>	<u>(4,537,056)</u>	<u>90,122</u>

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from:				
Special Revenue Funds:				
Sales Tax	\$ 11,950,500	11,950,500	11,950,500	-
Marine Passenger Fee	1,161,000	1,161,000	1,161,000	-
Tobacco Excise Tax	331,000	331,000	331,000	-
Enterprise Fund:				
Water	186	186	186	-
Sewer	19,314	19,314	19,314	-
Capital Projects Funds	-	31,218	31,218	-
Transfers to:				
Special Revenue Funds:				
Visitor Services	(185,000)	(185,000)	(185,000)	-
Eaglecrest	(500,000)	(500,000)	(500,000)	-
Marine Passenger Fee	-	(3,000)	(3,000)	-
General Debt Service Fund	(7,432,300)	(7,432,300)	(7,432,300)	-
Enterprise Funds:				
Bartlett Regional Hospital	(788,400)	(788,400)	(788,400)	-
Internal Service Funds:				
Central Equipment Service Fund	-	(835,000)	(835,000)	-
Capital Project Fund	-	(500,000)	(500,000)	-
Total other financing sources (uses)	4,556,300	3,249,518	3,249,518	-
Net change in fund balance	\$ (411,000)	(1,377,660)	(1,287,538)	90,122
Fund balance at beginning of year			5,163,934	
Fund balance at end of year			3,876,396	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			595,167	
Change in compensated absences, designation of fund balance			57,461	
Fund balance at end of year - GAAP basis			\$ 4,529,024	



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## SPECIAL REVENUE FUNDS

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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, 2006. 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-Multiple Projects, Areawide-Capital Projects, Areawide CIP/Sales Tax Reserve and Liquor Sales.

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

**Visitor Services** - To account for revenues and expenditures for the operation of the convention center and for support to Juneau Convention and Visitors Bureau.

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

**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, 2006

	Hotel Tax	Tobacco Excise Tax	Capital Transit	Community Development Block Grant
<b>ASSETS</b>				
Equity in central treasury	\$ -	67,492	338,626	-
Receivables, net of allowance for doubtful accounts:				
Accounts	-	-	61,195	150,363
Taxes	286,076	-	-	-
Federal government	-	-	-	-
Long-term notes	-	-	-	89,674
Inventories	-	-	305,787	-
<b>Total assets</b>	<b>\$ 286,076</b>	<b>67,492</b>	<b>705,608</b>	<b>240,037</b>
<b>LIABILITIES</b>				
Interfund payable to other funds	\$ 60,815	-	-	38,723
Accounts payable	-	-	15,099	-
Accrued salaries, payroll taxes, and withholdings payable	-	-	137,377	-
Deferred revenues	-	-	-	89,674
<b>Total liabilities</b>	<b>60,815</b>	<b>-</b>	<b>152,476</b>	<b>128,397</b>
<b>FUND BALANCES (DEFICITS)</b>				
Reserved:				
Subsequent year expenditures	17,800	33,400	-	-
Encumbrances	-	-	10,541	-
Long-term notes receivable	-	-	-	-
Unreserved:				
Designated-Compensated absences	-	-	205,948	-
Undesignated	207,461	34,092	336,643	111,640
<b>Total fund balances (deficits)</b>	<b>225,261</b>	<b>67,492</b>	<b>553,132</b>	<b>111,640</b>
<b>Total liabilities and fund balances</b>	<b>\$ 286,076</b>	<b>67,492</b>	<b>705,608</b>	<b>240,037</b>



<u>Mental Health</u>	<u>Visitor Services</u>	<u>Library Minor Contributions</u>	<u>Eaglecrest</u>	<u>Down-town Parking</u>	<u>Port Development</u>
11,285	164,779	114,252	-	221,658	-
2,715	60,247	-	-	-	207,963
-	-	-	-	-	-
-	-	-	-	-	-
-	9,517	-	244,615	-	-
<u>14,000</u>	<u>234,543</u>	<u>114,252</u>	<u>244,615</u>	<u>221,658</u>	<u>207,963</u>
-	-	-	1,053,618	-	317,016
-	6,984	-	1,263	3,733	-
-	17,483	-	18,965	-	-
-	13,725	-	-	31,912	-
-	38,192	-	1,073,846	35,645	317,016
-	17,600	-	-	44,500	-
-	4,157	-	44,599	-	-
-	-	-	-	-	-
-	14,391	-	-	-	-
14,000	160,203	114,252	(873,830)	141,513	(109,053)
<u>14,000</u>	<u>196,351</u>	<u>114,252</u>	<u>(829,231)</u>	<u>186,013</u>	<u>(109,053)</u>
<u>14,000</u>	<u>234,543</u>	<u>114,252</u>	<u>244,615</u>	<u>221,658</u>	<u>207,963</u>

(Continued)

## Non-Major Special Revenue Funds

Combining Balance Sheet, continued

June 30, 2006

	Low- income Housing	Fire Service Area	Marine Passenger Fee	Total
<b>ASSETS</b>				
Equity in central treasury	\$ 499,316	933,282	-	2,350,690
Receivables, net of allowance for doubtful accounts:				
Accounts	-	1,486	636,068	1,120,037
Taxes	-	11,171	-	297,247
Federal government	-	38,101	-	38,101
Long-term notes	580,908	-	-	670,582
Inventories	-	20,937	-	580,856
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	\$ <u>1,080,224</u>	<u>1,004,977</u>	<u>636,068</u>	<u>5,057,513</u>
<b>LIABILITIES</b>				
Interfund payable to other funds	\$ -	-	471,818	1,941,990
Accounts payable	559	42,794	-	70,432
Accrued salaries, payroll taxes, and withholdings payable	-	182,232	-	356,057
Deferred revenues	169,326	8,108	-	312,745
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	169,885	233,134	471,818	2,681,224
<b>FUND BALANCES (DEFICITS)</b>				
Reserved:				
Subsequent year expenditures	-	9,500	-	122,800
Encumbrances	-	5,025	-	64,322
Long-term notes receivable	411,582	-	-	411,582
Unreserved:				
Designated-Compensated absences	-	411,935	-	632,274
Undesignated	498,757	345,383	164,250	1,145,311
Total fund balances (deficits)	<u>910,339</u>	<u>771,843</u>	<u>164,250</u>	<u>2,376,289</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	\$ <u>1,080,224</u>	<u>1,004,977</u>	<u>636,068</u>	<u>5,057,513</u>

## 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, 2006

	Hotel <u>Tax</u>	Tobacco <u>Excise Tax</u>	Capital <u>Transit</u>	Community Development Block <u>Grant</u>
<b>REVENUES</b>				
Taxes	\$ 1,061,798	-	-	-
State sources:				
State shared revenue	-	-	87,981	-
Grants - other	-	-	193,856	241,001
Federal sources	-	-	-	-
Local sources	-	473,922	-	-
Charges for services	-	-	701,715	-
Contracted services	-	-	-	-
Licenses, permits and fees	-	-	-	-
Land sales	-	-	-	-
Rentals	-	-	-	-
Other	-	-	3,695	1
Total revenues	<u>1,061,798</u>	<u>473,922</u>	<u>987,247</u>	<u>241,002</u>
<b>EXPENDITURES</b>				
Current:				
Recreation	-	-	-	-
Community development and lands management	-	-	-	241,002
Public safety	-	-	-	-
Public transportation	-	-	4,259,551	-
Tourism and conventions	-	-	-	-
Other	21,915	7,117	-	-
Total expenditures	<u>21,915</u>	<u>7,117</u>	<u>4,259,551</u>	<u>241,002</u>
Excess (deficiency) of revenues over expenditures	<u>1,039,883</u>	<u>466,805</u>	<u>(3,272,304)</u>	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	-	-	3,608,000	-
Transfers to other funds	(915,000)	(600,000)	-	-
Total other financing sources (uses)	<u>(915,000)</u>	<u>(600,000)</u>	<u>3,608,000</u>	-
Excess (deficiency) of revenues and other financing sources over expenditures and financing uses	124,883	(133,195)	335,696	-
Fund balances (deficits) at beginning of year	<u>100,378</u>	<u>200,687</u>	<u>217,436</u>	<u>111,640</u>
Fund balances (deficits) at end of year	<u>\$ 225,261</u>	<u>67,492</u>	<u>553,132</u>	<u>111,640</u>

(Continued)

## Non-Major Special Revenue Funds

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

For the fiscal year ended June 30, 2006

	<u>Mental Health</u>	<u>Visitor Services</u>	<u>Library Minor Contributions</u>	<u>Eaglecrest</u>
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
State sources:				
State shared revenue	-	10,546	-	20,604
Grants - other	-	-	-	-
Federal sources				
Local sources	-	-	-	-
Charges for services	1,851	-	-	1,068,765
Contracted services	-	-	-	-
Licenses, permits and fees	-	-	-	-
Land sales	-	-	-	-
Rentals	-	211,567	-	-
Other	-	133,925	5,797	-
Total revenues	<u>1,851</u>	<u>356,038</u>	<u>5,797</u>	<u>1,089,369</u>
<b>EXPENDITURES</b>				
Current:				
Recreation	-	-	-	1,795,484
Community development and lands management	-	-	-	-
Public safety	-	-	-	-
Public transportation	-	-	-	-
Tourism and conventions	-	1,492,154	-	-
Other	-	-	-	-
Total expenditures	<u>-</u>	<u>1,492,154</u>	<u>-</u>	<u>1,795,484</u>
Excess (deficiency) of revenues over expenditures	<u>1,851</u>	<u>(1,136,116)</u>	<u>5,797</u>	<u>(706,115)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	-	1,240,200	-	594,302
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>1,240,200</u>	<u>-</u>	<u>594,302</u>
Excess (deficiency) of revenues and other financing sources over expenditures and financing uses	1,851	104,084	5,797	(111,813)
Fund balances (deficits) at beginning of year	<u>12,149</u>	<u>92,267</u>	<u>108,455</u>	<u>(717,418)</u>
Fund balances (deficits) at end of year	<u>\$ 14,000</u>	<u>196,351</u>	<u>114,252</u>	<u>(829,231)</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>
-	-	-	1,109,711	-	2,171,509
586	-	-	57,426	-	177,143
-	-	-	-	-	434,857
-	-	-	129,855	-	129,855
-	-	-	-	-	473,922
184,991	-	-	-	-	1,957,322
-	-	-	385,900	-	385,900
-	1,912,587	-	-	4,599,530	6,512,117
-	-	(17,412)	-	-	(17,412)
-	-	-	-	-	211,567
-	-	1,899	27,343	-	172,660
<u>185,577</u>	<u>1,912,587</u>	<u>(15,513)</u>	<u>1,710,235</u>	<u>4,599,530</u>	<u>12,609,440</u>
-	-	-	-	-	1,795,484
-	-	-	-	-	241,002
-	-	-	2,405,183	-	2,405,183
-	-	-	-	-	4,259,551
-	-	-	-	-	1,492,154
196,499	-	-	-	-	225,531
<u>196,499</u>	<u>-</u>	<u>-</u>	<u>2,405,183</u>	<u>-</u>	<u>10,418,905</u>
<u>(10,922)</u>	<u>1,912,587</u>	<u>(15,513)</u>	<u>(694,948)</u>	<u>4,599,530</u>	<u>2,190,535</u>
-	-	-	754,400	50,800	6,247,702
-	(2,487,000)	-	-	(4,648,600)	(8,650,600)
-	<u>(2,487,000)</u>	-	<u>754,400</u>	<u>(4,597,800)</u>	<u>(2,402,898)</u>
(10,922)	(574,413)	(15,513)	59,452	1,730	(212,363)
<u>196,935</u>	<u>465,360</u>	<u>925,852</u>	<u>712,391</u>	<u>162,520</u>	<u>2,588,652</u>
<u>186,013</u>	<u>(109,053)</u>	<u>910,339</u>	<u>771,843</u>	<u>164,250</u>	<u>2,376,289</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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Property taxes	\$ 10,216,475	12,369,049	10,625,288
State sources:			
State shared revenue	414,513	48,650	504,358
Grants	44,759	31,501	22,745
Forest receipts	1,156,451	817,407	806,804
Federal source - grant	1,159	4,426	-
Licenses, permits and fees	1,562,548	1,486,091	1,444,477
Fines and forfeitures	742,248	721,310	591,209
Other	59,175	35,811	29,546
Total revenues	<u>14,197,328</u>	<u>15,514,245</u>	<u>14,024,427</u>
<b>EXPENDITURES</b>			
Education	200,000	190,000	200,000
Parks and recreation	3,236,371	2,997,443	2,886,184
Public safety - police	9,546,608	9,241,101	8,847,322
Public works - roads and street maintenance	3,242,427	3,215,154	3,141,502
Total expenditures	<u>16,225,406</u>	<u>15,643,698</u>	<u>15,075,008</u>
Excess (deficiency) of revenues over expenditures	<u>(2,028,078)</u>	<u>(129,453)</u>	<u>(1,050,581)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from Special Revenue Funds:			
Sales Tax	5,757,400	2,560,000	2,462,000
Marine Passenger Fee	775,000	658,000	571,961
Transfers to:			
Special Revenue Funds:			
Capital Transit	(3,477,000)	(2,917,600)	(2,342,600)
Marine Passenger Fee	(27,600)	(12,500)	-
Eaglecrest	(25,000)	(25,000)	(25,000)
Central Equipment Internal Service Fund	(24,000)	-	-
Capital Project Funds	(320,000)	-	-
Total other financing sources (uses)	<u>2,658,800</u>	<u>262,900</u>	<u>666,361</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	630,722	133,447	(384,220)
Fund balance at beginning of year	<u>3,214,866</u>	<u>3,081,419</u>	<u>3,465,639</u>
Fund balance at end of year	<u>\$ 3,845,588</u>	<u>3,214,866</u>	<u>3,081,419</u>

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 10,363,700	10,363,700	10,216,475	(147,225)
State sources:				
State shared revenue	59,000	411,413	414,513	3,100
Grants	48,600	75,200	44,759	(30,441)
Forest receipts	975,300	975,300	1,156,451	181,151
Federal source - grant	5,000	5,000	1,159	(3,841)
Licenses, permits and fees	1,459,900	1,464,400	1,562,548	98,148
Fines and forfeitures	728,800	728,800	742,248	13,448
Other	31,000	34,900	59,175	24,275
Total revenues	<u>13,671,300</u>	<u>14,058,713</u>	<u>14,197,328</u>	<u>138,615</u>
<b>EXPENDITURES</b>				
Education	200,000	200,000	200,000	-
Parks and recreation	3,283,200	3,411,428	3,282,315	129,113
Public safety - police	9,755,100	10,032,801	9,561,622	471,179
Public works - roads and street maintenance	3,625,300	3,734,727	3,280,263	454,464
Total expenditures and encumbrances	<u>16,863,600</u>	<u>17,378,956</u>	<u>16,324,200</u>	<u>1,054,756</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(3,192,300)</u>	<u>(3,320,243)</u>	<u>(2,126,872)</u>	<u>1,193,371</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Special Revenue Funds:				
Sales Tax	5,757,400	5,757,400	5,757,400	-
Marine Passenger Fee	775,000	775,000	775,000	-
Transfers to:				
Special Revenue Funds:				
Capital Transit	(3,477,000)	(3,477,000)	(3,477,000)	-
Marine Passenger Fee	-	(27,600)	(27,600)	-
Eaglecrest	(25,000)	(25,000)	(25,000)	-
Central Equipment Internal Service Fund	-	(24,000)	(24,000)	-
Capital Project Funds	-	(320,000)	(320,000)	-
Total other financing sources (uses)	<u>3,030,400</u>	<u>2,658,800</u>	<u>2,658,800</u>	<u>-</u>
Net change in fund balance	\$ <u>(161,900)</u>	<u>(661,443)</u>	531,928	<u>1,193,371</u>
Fund balance at beginning of year			<u>3,214,866</u>	
Fund balance at end of year			3,746,794	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			128,254	
Change in compensated absences, designation of fund balance			<u>(29,460)</u>	
Fund balance at end of year - GAAP basis			\$ <u>3,845,588</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
General sales tax:			
Areawide 2%	\$ 14,304,408	13,248,380	12,766,755
Areawide Recreation 1% Prop 2 2001	3,886,978	6,624,190	6,383,377
Areawide Multiple Projects 1% Prop 1 2006	3,265,418	-	-
Areawide Capital Projects 1%	7,152,203	6,624,190	6,383,377
Areawide CIP/Sales Tax Reserve 1%	7,152,205	6,624,190	6,383,377
Total general sales tax	<u>35,761,212</u>	<u>33,120,950</u>	<u>31,916,886</u>
Liquor sales tax - 3%	726,034	722,028	743,837
Miscellaneous	25,823	40,422	41,100
Total revenues	<u>36,513,069</u>	<u>33,883,400</u>	<u>32,701,823</u>
<b>EXPENDITURES - Other</b>	630,787	669,165	620,138
Excess of revenues over expenditures	<u>35,882,282</u>	<u>33,214,235</u>	<u>32,081,685</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers to:			
General Fund	(11,950,500)	(14,750,500)	(13,697,800)
Special Revenue Funds:			
Eaglecrest	-	(100,000)	-
Fire Service Area	(663,400)	(184,000)	(175,000)
Roaded Service Area	(5,757,400)	(2,560,000)	(2,462,000)
Capital Projects Funds	(14,305,500)	(7,300,000)	(5,796,000)
Enterprise Funds:			
Bartlett Regional Hospital	(621,800)	(592,200)	(623,300)
Waste Management	-	(171,720)	-
Capital Projects	(2,190,000)	(6,050,000)	(6,224,000)
General Debt Service Fund	(1,660,200)	(293,600)	(293,100)
Total other financing sources (uses)	<u>(37,148,800)</u>	<u>(32,002,020)</u>	<u>(29,271,200)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	(1,266,518)	1,212,215	2,810,485
Fund balance at beginning of year	<u>11,261,365</u>	<u>10,049,150</u>	<u>7,238,665</u>
Fund balance at end of year	<u>\$ 9,994,847</u>	<u>11,261,365</u>	<u>10,049,150</u>

## SALES TAX

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
General sales tax:				
Areawide 2%	\$ 13,410,000	13,410,000	14,304,408	894,408
Areawide Recreation 1% Prop 2 2001	3,520,000	3,520,000	3,886,978	366,978
Areawide Multiple Projects 1% Prop 1 2006	-	-	3,265,418	3,265,418
Areawide Capital Projects 1%	6,705,000	6,705,000	7,152,203	447,203
Areawide CIP/Sales Tax Reserve 1%	6,705,000	6,705,000	7,152,205	447,205
Total general sales tax	<u>30,340,000</u>	<u>30,340,000</u>	<u>35,761,212</u>	<u>5,421,212</u>
Liquor sales tax - 3%	740,000	740,000	726,034	(13,966)
Miscellaneous	43,700	43,700	25,823	(17,877)
Total revenues	<u>31,123,700</u>	<u>31,123,700</u>	<u>36,513,069</u>	<u>5,389,369</u>
<b>EXPENDITURES - Other</b>	698,700	698,700	630,787	67,913
Excess of revenues over expenditures	<u>30,425,000</u>	<u>30,425,000</u>	<u>35,882,282</u>	<u>5,457,282</u>
<b>OTHER FINANCING USES</b>				
Transfers to:				
General Fund	(11,950,500)	(11,950,500)	(11,950,500)	-
Special Revenue Funds:				
Fire Service Area	(663,400)	(663,400)	(663,400)	-
Roaded Service Area	(5,757,400)	(5,757,400)	(5,757,400)	-
Capital Projects Funds	(6,900,000)	(14,305,500)	(14,305,500)	-
Enterprise Funds:				
Bartlett Regional Hospital	(621,800)	(621,800)	(621,800)	-
Capital Projects	(2,190,000)	(2,190,000)	(2,190,000)	-
General Debt Service Fund	(1,660,200)	(1,660,200)	(1,660,200)	-
Total other financing uses	<u>(29,743,300)</u>	<u>(37,148,800)</u>	<u>(37,148,800)</u>	<u>-</u>
Net change in fund balance	<u>\$ 681,700</u>	<u>(6,723,800)</u>	<u>(1,266,518)</u>	<u>5,457,282</u>
Fund balance at beginning of year			<u>11,261,365</u>	
Fund balance at end of year			<u>\$ 9,994,847</u>	

## CITY and BOROUGH OF JUNEAU

## Major Special Revenue Funds

## LANDS

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

For the fiscal years ended June 30, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Federal Sources - USFS			
raptor center land	\$ -	-	347,725
State shared revenue	4,297	-	-
Interest	32,869	7,502	16,782
Noise abatement loan repayment	67,700	23,000	-
Land sales	301,740	239,487	790,622
Rentals	92,981	49,405	46,090
Equity in earnings of AJT Mining Properties, Inc.			
joint ventures	42	103	103
Gravel & rock sales	674,794	275,516	349,325
Bad debt recovery (expense)	2,997	42,958	(40,797)
Total revenues	<u>1,177,420</u>	<u>637,971</u>	<u>1,509,850</u>
<b>EXPENDITURES</b>			
Land management	326,999	297,835	277,802
Land acquisition	-	480,000	812,746
Land management response	15,937	24,570	7,097
Land selection	100,751	36,425	7,493
Lease maintenance	14,317	19,473	10,639
Gravel pits & quarries	287,036	181,836	301,082
Miscellaneous property examinations	5,362	212	1,129
Foreclosures and LID payments	22,332	3,402	18,006
Other	-	200	-
Total expenditures	<u>772,734</u>	<u>1,043,953</u>	<u>1,435,994</u>
Excess (deficiency) of revenues over expenditures	<u>404,686</u>	<u>(405,982)</u>	<u>73,856</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers:			
From Capital Projects Fund	-	464,000	500,000
To Capital Projects Fund	(1,325,000)	-	(225,000)
Total other financing sources (uses)	<u>(1,325,000)</u>	<u>464,000</u>	<u>275,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(920,314)	58,018	348,856
Fund balance at beginning of year	<u>484,703</u>	<u>426,685</u>	<u>77,829</u>
Fund balance (deficit) at end of year	<u>\$ (435,611)</u>	<u>484,703</u>	<u>426,685</u>

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
State shared revenue	\$ -	4,297	4,297	-
Interest	141,500	141,500	32,869	(108,631)
Noise abatement loan repayment	43,700	43,700	67,700	24,000
Land sales	710,700	1,935,700	301,740	(1,633,960)
Rentals	47,100	47,100	92,981	45,881
Equity in earnings of AJT Mining Properties, Inc. joint ventures	-	-	42	42
Gravel & rock sales	300,000	300,000	674,794	374,794
Bad debt recovery (expense)	-	-	2,997	2,997
Total revenues	<u>1,243,000</u>	<u>2,472,297</u>	<u>1,177,420</u>	<u>(1,294,877)</u>
<b>EXPENDITURES</b>				
Land management	324,400	371,875	339,875	32,000
Land management response	25,000	25,000	16,624	8,376
Land selection	150,000	327,272	125,010	202,262
Lease maintenance	10,200	10,200	14,317	(4,117)
Gravel pits & quarries	263,700	283,617	311,575	(27,958)
Miscellaneous property examinations	25,000	25,000	8,661	16,339
Foreclosures and LID payments	20,000	20,000	24,332	(4,332)
Total expenditures and encumbrances	<u>818,300</u>	<u>1,062,964</u>	<u>840,394</u>	<u>222,570</u>
Excess of revenues over expenditures and encumbrances	<u>424,700</u>	<u>1,409,333</u>	<u>337,026</u>	<u>(1,072,307)</u>
<b>OTHER FINANCING (USES)</b>				
Transfers to Capital Projects Funds	-	(1,325,000)	(1,325,000)	-
Total other financing sources	<u>-</u>	<u>(1,325,000)</u>	<u>(1,325,000)</u>	<u>-</u>
Net change in fund balance	\$ <u>424,700</u>	<u>84,333</u>	(987,974)	<u>(1,072,307)</u>
Fund balance at beginning of year			<u>484,703</u>	
Fund deficit at end of year			(503,271)	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			62,477	
Change in compensated absences, designation of fund balance			<u>5,183</u>	
Fund deficit at end of year - GAAP basis			\$ <u>(435,611)</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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUES - Taxes	\$ 1,061,798	914,001	906,280
EXPENDITURES - Other	21,915	12,151	12,960
Excess of revenues over expenditures	<u>1,039,883</u>	<u>901,850</u>	<u>893,320</u>
OTHER FINANCING USES - Transfer to			
Visitor Services Special Revenue Fund	<u>(915,000)</u>	<u>(743,800)</u>	<u>(939,800)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	124,883	158,050	(46,480)
Fund balance (deficit) at beginning of year	<u>100,378</u>	<u>(57,672)</u>	<u>(11,192)</u>
Fund balance (deficit) at end of year	<u>\$ 225,261</u>	<u>100,378</u>	<u>(57,672)</u>

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	<u>Original</u>	<u>Final</u>		
REVENUES - Taxes	\$ 900,000	900,000	1,061,798	161,798
EXPENDITURES - Other	24,300	24,300	21,915	2,385
Excess of revenues over expenditures	<u>875,700</u>	<u>875,700</u>	<u>1,039,883</u>	<u>164,183</u>
OTHER FINANCING USES - Transfer to Visitor Services Special Revenue Fund	<u>(915,000)</u>	<u>(915,000)</u>	<u>(915,000)</u>	<u>-</u>
Net change in fund balance	\$ <u><u>(39,300)</u></u>	<u><u>(39,300)</u></u>	124,883	<u><u>164,183</u></u>
Fund balance at beginning of year			<u>100,378</u>	
Fund balance at end of year			\$ <u><u>225,261</u></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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUES - Local sources	\$ 473,922	702,088	311,737
EXPENDITURES - Other	7,117	4,251	4,316
Excess of revenues over expenditures	<u>466,805</u>	<u>697,837</u>	<u>307,421</u>
<b>OTHER FINANCING USES</b>			
Transfers to:			
General Fund	(331,000)	(275,000)	(65,000)
Bartlett Regional Hospital Enterprise Fund	<u>(269,000)</u>	<u>(233,200)</u>	<u>(245,500)</u>
Total other financing uses	<u>(600,000)</u>	<u>(508,200)</u>	<u>(310,500)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(133,195)	189,637	(3,079)
Fund balance at beginning of year	<u>200,687</u>	<u>11,050</u>	<u>14,129</u>
Fund balance at end of year	<u>\$ 67,492</u>	<u>200,687</u>	<u>11,050</u>

## TOBACCO EXCISE TAX

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
REVENUES - Local sources	\$ 580,000	580,000	473,922	(106,078)
EXPENDITURES - Other	7,900	7,900	7,117	783
Excess of revenues over expenditures	<u>572,100</u>	<u>572,100</u>	<u>466,805</u>	<u>(105,295)</u>
<b>OTHER FINANCING USES</b>				
Transfers to:				
General Fund	(331,000)	(331,000)	(331,000)	-
Bartlett Regional Hospital Enterprise Fund	<u>(269,000)</u>	<u>(269,000)</u>	<u>(269,000)</u>	-
Total other financing uses	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	-
Net change in fund balance	\$ <u>(27,900)</u>	<u>(27,900)</u>	(133,195)	<u>(105,295)</u>
Fund balance at beginning of year			<u>200,687</u>	
Fund balance at end of year			\$ <u>67,492</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
State sources:			
State shared revenue	\$ 87,981	-	-
Urban Mass Transportation Administration grant	193,856	80,616	120,000
Charges for services	701,715	678,243	659,362
Bad debt recovery (expense)	2,045	(2,143)	2,838
Other	1,650	640	2,285
Total revenues	<u>987,247</u>	<u>757,356</u>	<u>784,485</u>
<b>EXPENDITURES</b>			
Operations	3,158,553	2,874,364	2,883,183
Maintenance	1,100,998	897,006	859,438
Total expenditures	<u>4,259,551</u>	<u>3,771,370</u>	<u>3,742,621</u>
Deficiency of revenues over expenditures	<u>(3,272,304)</u>	<u>(3,014,014)</u>	<u>(2,958,136)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from Special Revenue Funds:			
Roaded Service Area	3,477,000	2,917,600	2,342,600
Marine Passenger Fee	131,000	275,000	205,000
Total other financing sources	<u>3,608,000</u>	<u>3,192,600</u>	<u>2,547,600</u>
Excess (deficiency) of revenues and other financing sources over expenditures	335,696	178,586	(410,536)
Fund balance at beginning of year	<u>217,436</u>	<u>38,850</u>	<u>449,386</u>
Fund balance at end of year	<u>\$ 553,132</u>	<u>217,436</u>	<u>38,850</u>

## CAPITAL TRANSIT

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
State sources:				
State shared revenue	\$ -	87,981	87,981	-
Urban Mass Transportation Administration grant	135,900	198,977	193,856	(5,121)
Charges for services	589,100	623,100	701,715	78,615
Bad debt recovery (expense)	-	-	2,045	2,045
Other	3,000	3,000	1,650	(1,350)
Total revenues	<u>728,000</u>	<u>913,058</u>	<u>987,247</u>	<u>74,189</u>
<b>EXPENDITURES</b>				
Operations	3,168,100	3,273,244	3,213,363	59,881
Maintenance	1,085,200	1,167,676	1,100,998	66,678
Total expenditures and encumbrances	<u>4,253,300</u>	<u>4,440,920</u>	<u>4,314,361</u>	<u>126,559</u>
Deficiency of revenues over expenditures and encumbrances	<u>(3,525,300)</u>	<u>(3,527,862)</u>	<u>(3,327,114)</u>	<u>200,748</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from Special Revenue Funds:				
Roaded Service Area	3,477,000	3,477,000	3,477,000	-
Marine Passenger Fee	131,000	131,000	131,000	-
Total other financing sources	<u>3,608,000</u>	<u>3,608,000</u>	<u>3,608,000</u>	<u>-</u>
Net change in fund balance	<u>\$ 82,700</u>	<u>80,138</u>	280,886	<u>200,748</u>
Fund balance at beginning of year			<u>217,436</u>	
Fund balance at end of year			498,322	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			10,541	
Change in compensated absences, designation of fund balance			<u>44,269</u>	
Fund balance at end of year - GAAP basis			<u>\$ 553,132</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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Community Development Block Grant	\$ 241,001	325,021	-
Bad debt recovery	1	1	-
Total revenues	<u>241,002</u>	<u>325,022</u>	<u>-</u>
<b>EXPENDITURES</b>			
Community development and lands management	<u>241,002</u>	<u>324,552</u>	<u>441</u>
Excess (deficiency) of revenues over expenditures	-	470	(441)
Fund balance at beginning of year	<u>111,640</u>	<u>111,170</u>	<u>111,611</u>
Fund balance at end of year	<u><u>\$ 111,640</u></u>	<u><u>111,640</u></u>	<u><u>111,170</u></u>

## COMMUNITY DEVELOPMENT BLOCK GRANT

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

*For the fiscal year ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Community Development Block Grant	\$ -	553,399	241,001	(312,398)
Bad debt recovery	-	-	1	1
Total revenues	<u>-</u>	<u>553,399</u>	<u>241,002</u>	<u>(312,397)</u>
<b>EXPENDITURES - Community development and lands management</b>	<u>-</u>	<u>553,399</u>	<u>241,002</u>	<u>312,397</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at beginning of year			<u>111,640</u>	
Fund balance at end of year			<u>\$ 111,640</u>	

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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Bad debt recovery	\$ 1,851	5,670	13,240
Total revenues	<u>1,851</u>	<u>5,670</u>	<u>13,240</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from:			
General Fund	-	115,300	129,000
Total other financing sources	<u>-</u>	<u>115,300</u>	<u>129,000</u>
Excess of revenues and other financing sources over expenditures	1,851	120,970	142,240
Fund balance (deficit) at beginning of year	<u>12,149</u>	<u>(108,821)</u>	<u>(251,061)</u>
Fund balance (deficit) at end of year	<u>\$ 14,000</u>	<u>12,149</u>	<u>(108,821)</u>

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

*For the fiscal year ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Bad debt recovery	\$ -	-	1,851	1,851
Total revenues	<u>-</u>	<u>-</u>	<u>1,851</u>	<u>1,851</u>
<b>OTHER FINANCING SOURCES -</b>				
Transfer from General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>1,851</u>	<u>1,851</u>
Fund balance at beginning of year			<u>12,149</u>	
Fund balance at end of year			<u>\$ 14,000</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
State shared revenues	\$ 10,546	-	-
Rental income	211,567	181,292	186,413
Concessions	51,510	25,680	29,876
Other	82,415	48,957	59,193
Total revenues	<u>356,038</u>	<u>255,929</u>	<u>275,482</u>
<b>EXPENDITURES</b>			
Operations	705,254	708,540	677,007
Support to Juneau Convention and Visitor Bureau	786,900	648,800	757,800
Total expenditures	<u>1,492,154</u>	<u>1,357,340</u>	<u>1,434,807</u>
Deficiency of revenues over expenditures	<u>(1,136,116)</u>	<u>(1,101,411)</u>	<u>(1,159,325)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from General Fund	185,000	185,000	-
Transfers from Special Revenue Funds:			
Hotel Tax	915,000	743,800	939,800
Marine Passenger Fee	100,000	100,000	97,000
Transfers from Dock Enterprise Fund	40,200	-	-
Total other financing sources	<u>1,240,200</u>	<u>1,028,800</u>	<u>1,036,800</u>
Excess (deficiency) of revenues and other financing sources over expenditures	104,084	(72,611)	(122,525)
Fund balance at beginning of year	<u>92,267</u>	<u>164,878</u>	<u>287,403</u>
Fund balance at end of year	<u>\$ 196,351</u>	<u>92,267</u>	<u>164,878</u>

## VISITOR SERVICES

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
State shared revenues	\$ -	10,546	10,546	-
Rental income	203,000	203,000	211,567	8,567
Concessions	42,000	42,000	51,510	9,510
Other	57,300	57,300	82,415	25,115
Total revenues	<u>302,300</u>	<u>312,846</u>	<u>356,038</u>	<u>43,192</u>
<b>EXPENDITURES</b>				
Operations	739,200	752,530	713,557	38,973
Support to Juneau Convention and Visitors Bureau	746,700	786,900	786,900	-
Total expenditures and encumbrances	<u>1,485,900</u>	<u>1,539,430</u>	<u>1,500,457</u>	<u>38,973</u>
Deficiency of revenues over expenditures and encumbrances	<u>(1,183,600)</u>	<u>(1,226,584)</u>	<u>(1,144,419)</u>	<u>82,165</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from General Fund	185,000	185,000	185,000	-
Transfers from Special Revenue Funds:				
Hotel Tax	915,000	915,000	915,000	-
Marine Passenger Fee	100,000	100,000	100,000	-
Transfers from Dock Enterprise Fund	-	40,200	40,200	-
Total other financing sources	<u>1,200,000</u>	<u>1,240,200</u>	<u>1,240,200</u>	<u>-</u>
Net change in fund balance	<u>\$ 16,400</u>	<u>13,616</u>	95,781	<u>82,165</u>
Fund balance at beginning of year			<u>92,267</u>	
Fund balance at end of year			188,048	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			4,157	
Change in compensated absences, designation of fund balance			<u>4,146</u>	
Fund balance at end of year - GAAP basis			<u>\$ 196,351</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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUES - Donations	\$ 5,797	4,263	4,969
EXPENDITURES - Materials	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	5,797	4,263	4,969
Fund balance at beginning of year	<u>108,455</u>	<u>104,192</u>	<u>99,223</u>
Fund balance at end of year	<u>\$ 114,252</u>	<u>108,455</u>	<u>104,192</u>

## LIBRARY MINOR CONTRIBUTIONS

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

*For the fiscal year ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	<u>Original</u>	<u>Final</u>		
REVENUES - Donations	\$ 4,800	4,800	5,797	997
EXPENDITURES - Materials	<u>4,800</u>	<u>4,800</u>	<u>-</u>	<u>4,800</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>-</u>	5,797	<u>5,797</u>
Fund balance at beginning of year			<u>108,455</u>	
Fund balance at end of year			<u>\$ 114,252</u>	

## 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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
State shared revenues	\$ 20,604	-	-
Charges for services:			
Ski tickets	691,827	679,460	668,341
Ski school fees	82,616	93,973	109,986
Other	294,322	284,495	332,096
Total revenues	<u>1,089,369</u>	<u>1,057,928</u>	<u>1,110,423</u>
<b>EXPENDITURES</b>			
Ski area operations	1,429,755	1,189,140	1,247,292
Ski school operations	78,929	110,989	151,640
Ski area maintenance	286,800	310,166	242,938
Total expenditures	<u>1,795,484</u>	<u>1,610,295</u>	<u>1,641,870</u>
Deficiency of revenues over expenditures	<u>(706,115)</u>	<u>(552,367)</u>	<u>(531,447)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from:			
General Fund	500,000	363,100	363,100
Special Revenue Funds:			
Sales Tax	-	100,000	-
Roaded Service Area	25,000	25,000	25,000
Capital Project Funds	69,302	-	-
Total other financing sources	<u>594,302</u>	<u>488,100</u>	<u>388,100</u>
Deficiency of revenues and other financing sources over expenditures	(111,813)	(64,267)	(143,347)
Fund deficit at beginning of the year	<u>(717,418)</u>	<u>(653,151)</u>	<u>(509,804)</u>
Fund deficit at end of year	<u>\$ (829,231)</u>	<u>(717,418)</u>	<u>(653,151)</u>

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
State shared revenues	\$ -	20,604	20,604	-
Charges for services:				
Ski tickets	831,000	831,000	691,827	(139,173)
Ski school fees	120,000	120,000	82,616	(37,384)
Other	499,000	499,000	294,322	(204,678)
Total revenues	<u>1,450,000</u>	<u>1,470,604</u>	<u>1,089,369</u>	<u>(381,235)</u>
<b>EXPENDITURES</b>				
Ski area operations	1,510,600	1,603,882	1,485,508	118,374
Ski school operations	106,600	106,600	78,929	27,671
Ski area maintenance	331,000	332,854	286,800	46,054
Total expenditures and encumbrances	<u>1,948,200</u>	<u>2,043,336</u>	<u>1,851,237</u>	<u>192,099</u>
Deficiency of revenues over expenditures and encumbrances	<u>(498,200)</u>	<u>(572,732)</u>	<u>(761,868)</u>	<u>(189,136)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from:				
General Fund	500,000	500,000	500,000	-
Roaded Service Area Special Revenue Fund	25,000	25,000	25,000	-
Capital Projects Funds	-	69,302	69,302	-
Total other financing sources	<u>525,000</u>	<u>594,302</u>	<u>594,302</u>	<u>-</u>
Net change in fund balance (deficit)	\$ <u>26,800</u>	<u>21,570</u>	(167,566)	<u>(189,136)</u>
Fund deficit at beginning of year			<u>(717,418)</u>	
Fund deficit at end of year			(884,984)	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			44,599	
Change in compensated absences, designation of fund balance			<u>11,154</u>	
Fund deficit at end of year - GAAP basis			\$ <u>(829,231)</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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
State shared revenues	\$ 586	-	-
Charges for parking	184,991	207,935	239,615
Total revenues	<u>185,577</u>	<u>207,935</u>	<u>239,615</u>
<b>EXPENDITURES</b>			
Salaries and fringe benefits	18,428	10,883	14,806
Utilities	21,629	20,419	22,768
Contractual services	26,967	30,495	26,018
Maintenance services	87,374	67,975	69,318
Other	42,101	42,012	42,536
Total expenditures	<u>196,499</u>	<u>171,784</u>	<u>175,446</u>
Excess (deficiency) of revenues over expenditures	(10,922)	36,151	64,169
<b>OTHER FINANCING USES</b>			
Transfer to Capital Projects Funds	<u>-</u>	<u>(293,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing uses over expenditures	(10,922)	(256,849)	64,169
Fund balance at beginning of year	<u>196,935</u>	<u>453,784</u>	<u>389,615</u>
Fund balance at end of year	<u>\$ 186,013</u>	<u>196,935</u>	<u>453,784</u>

## DOWNTOWN PARKING

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
State shared revenues	\$ -	586	586	-
Charges for parking	223,900	223,900	184,991	(38,909)
Total revenues	<u>223,900</u>	<u>224,486</u>	<u>185,577</u>	<u>(38,909)</u>
<b>EXPENDITURES</b>				
Salaries and fringe benefits	19,200	19,786	18,428	1,358
Utilities	21,900	21,900	21,629	271
Contractual services	35,100	35,100	26,967	8,133
Maintenance services	73,600	84,100	87,374	(3,274)
Other	42,500	42,500	42,101	399
Total expenditures	<u>192,300</u>	<u>203,386</u>	<u>196,499</u>	<u>6,887</u>
Excess (deficiency) of revenues over expenditures	31,600	21,100	(10,922)	(32,022)
<b>OTHER FINANCING USES</b>				
Transfer to Capital Projects Funds	-	-	-	-
Net change in fund balance	<u>\$ 31,600</u>	<u>21,100</u>	<u>(10,922)</u>	<u>32,022</u>
Fund balance at beginning of year			<u>196,935</u>	
Fund balance at end of year			<u>\$ 186,013</u>	

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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUES - Port fees	\$ 1,912,587	1,375,017	1,099,825
<b>OTHER FINANCING USES</b>			
Transfers to:			
Port Debt Service Fund	(1,225,000)	(1,138,000)	(1,138,800)
Enterprise Funds Capital Projects	(1,262,000)	-	(125,000)
Total other financing uses	<u>(2,487,000)</u>	<u>(1,138,000)</u>	<u>(1,263,800)</u>
Excess (deficiency) of revenues over other financing uses	(574,413)	237,017	(163,975)
Fund balance at beginning of year	<u>465,360</u>	<u>228,343</u>	<u>392,318</u>
Fund balance (deficit) at end of year	<u>\$ (109,053)</u>	<u>465,360</u>	<u>228,343</u>

## PORT DEVELOPMENT

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

*For the fiscal year ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
REVENUES - Port fees	\$ 2,031,700	2,031,700	1,912,587	(119,113)
<b>OTHER FINANCING USES</b>				
Transfers to:				
Port Debt Service Fund	(1,225,000)	(1,225,000)	(1,225,000)	-
Enterprise Funds Capital Projects	(1,262,000)	(1,262,000)	(1,262,000)	-
Total other financing uses	<u>(2,487,000)</u>	<u>(2,487,000)</u>	<u>(2,487,000)</u>	<u>-</u>
Net change in fund balance	\$ <u>(455,300)</u>	<u>(455,300)</u>	(574,413)	<u>(119,113)</u>
Fund balance at beginning of year			<u>465,360</u>	
Fund deficit at end of year			\$ <u>(109,053)</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Loan repayments	\$ (17,412)	17,398	56,951
Rehabilitation Loans	-	-	27,000
Less: bad debt expense	1,899	(1,820)	-
Total revenues	<u>(15,513)</u>	<u>15,578</u>	<u>83,951</u>
<b>EXPENDITURES</b>			
Affordable Housing Permit	-	-	210
Contingency	-	-	1,800
Thane Road Campground grant	-	-	459
Total expenditures	<u>-</u>	<u>-</u>	<u>2,469</u>
Excess (deficiency) of revenues over expenditures	(15,513)	15,578	81,482
Fund balance at beginning of year	<u>925,852</u>	<u>910,274</u>	<u>828,792</u>
Fund balance at end of year	<u>\$ 910,339</u>	<u>925,852</u>	<u>910,274</u>

## LOW-INCOME HOUSING

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES:</b>				
Loan repayments	\$ -	-	(17,412)	(17,412)
Less: bad debt expense	-	-	1,899	1,899
Total revenues	<u>-</u>	<u>-</u>	<u>(15,513)</u>	<u>(15,513)</u>
<b>EXPENDITURES</b>				
Affordable Housing Permit	-	-	-	-
Thane Road Campground grant	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures and encumbrances	\$ <u>-</u>	<u>-</u>	(15,513)	<u>(15,513)</u>
Fund balance at beginning of year			<u>925,852</u>	
Fund balance at end of year			\$ <u>910,339</u>	

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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>REVENUES</b>			
Property taxes	\$ 1,109,711	1,831,679	1,691,116
State shared revenue - entitlement and other	57,426	-	4,419
Federal source - grant	129,855	-	-
Contracted services - fire	385,900	385,000	331,700
Other	27,343	10,006	6,438
Total revenues	<u>1,710,235</u>	<u>2,226,685</u>	<u>2,033,673</u>
<b>EXPENDITURES</b>			
Fire protection services	<u>2,405,183</u>	<u>2,401,103</u>	<u>2,150,693</u>
Deficiency of revenues over expenditures	<u>(694,948)</u>	<u>(174,418)</u>	<u>(117,020)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from Special Revenue Funds:			
Sales Tax	663,400	184,000	175,000
Marine Passenger Fee	91,000	70,000	60,300
Total other financing sources	<u>754,400</u>	<u>254,000</u>	<u>235,300</u>
Excess of revenues and other financing sources over expenditures	59,452	79,582	118,280
Fund balance at beginning of year	<u>712,391</u>	<u>632,809</u>	<u>514,529</u>
Fund balance at end of year	\$ <u><u>771,843</u></u>	<u><u>712,391</u></u>	<u><u>632,809</u></u>

## FIRE SERVICE AREA

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 1,112,300	1,112,300	1,109,711	(2,589)
State shared revenue - other	-	57,426	57,426	-
Federal source - grant	-	152,794	129,855	(22,939)
Contracted services - fire	385,900	385,900	385,900	-
Other	-	3,000	27,343	24,343
Total revenues	<u>1,498,200</u>	<u>1,711,420</u>	<u>1,710,235</u>	<u>(1,185)</u>
<b>EXPENDITURES</b>				
Fire protection services	2,339,900	2,487,197	2,343,358	143,839
Fire inspection and education grants	-	110,712	90,700	20,012
Total expenditures and encumbrances	<u>2,339,900</u>	<u>2,597,909</u>	<u>2,434,058</u>	<u>163,851</u>
Deficiency of revenues over expenditures and encumbrances	<u>(841,700)</u>	<u>(886,489)</u>	<u>(723,823)</u>	<u>162,666</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from Special Revenue Funds:				
Sales Tax	663,400	663,400	663,400	-
Marine Passenger Fee	91,000	91,000	91,000	-
Total other financing sources	<u>754,400</u>	<u>754,400</u>	<u>754,400</u>	<u>-</u>
Net change in fund balance	<u>\$ (87,300)</u>	<u>(132,089)</u>	30,577	<u>162,666</u>
Fund balance at beginning of year			<u>712,391</u>	
Fund balance at end of year			742,968	
Reconciliation to GAAP fund balance:				
Encumbrances at end of year			5,025	
Change in compensated absences, designation of fund balance			<u>23,850</u>	
Fund balance at end of year - GAAP basis			\$ <u><u>771,843</u></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, 2006, 2005 and 2004

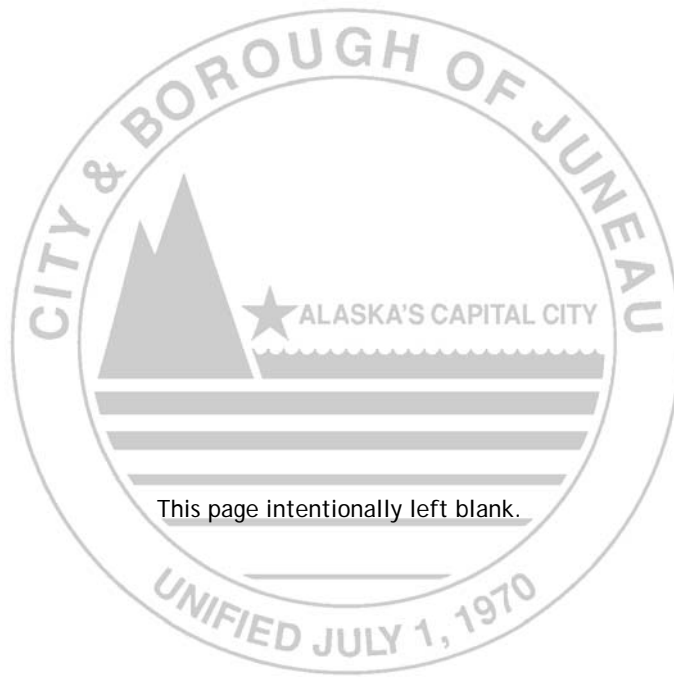
	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUES - Marine passenger fees	\$ 4,599,530	4,495,121	4,052,004
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from:			
General Fund	3,000	25,290	-
Roaded Service Area Special Revenue Fund	27,600	12,500	-
Dock Enterprise Fund	20,200	14,562	-
Transfers to:			
General Fund	(1,161,000)	(1,033,000)	(925,000)
Special Revenue Funds:			
Capital Transit	(131,000)	(275,000)	(205,000)
Visitor Services	(100,000)	(100,000)	(97,000)
Roaded Service Area	(775,000)	(658,000)	(571,961)
Fire Service Area	(91,000)	(70,000)	(60,300)
Dock Enterprise Fund	(75,800)	(71,000)	(29,106)
Capital Projects Funds	(2,014,800)	(2,020,590)	(1,719,221)
Port Debt Service	(300,000)	(375,800)	(322,200)
Total other financing sources (uses)	<u>(4,597,800)</u>	<u>(4,551,038)</u>	<u>(3,929,788)</u>
Excess (deficiency) of revenues over other financing sources (uses)	1,730	(55,917)	122,216
Fund balance at beginning of year	<u>162,520</u>	<u>218,437</u>	<u>96,221</u>
Fund balance at end of year	\$ <u><u>164,250</u></u>	<u><u>162,520</u></u>	<u><u>218,437</u></u>

## MARINE PASSENGER FEE

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
REVENUES - Marine passenger fees	\$ 4,634,000	4,634,000	4,599,530	(34,470)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from:				
General Fund	-	3,000	3,000	-
Roaded Service Area Special Revenue Fund	-	27,600	27,600	-
Dock Enterprise Fund	-	20,200	20,200	-
Transfers to:				
General Fund	(1,161,000)	(1,161,000)	(1,161,000)	-
Special Revenue Funds:				
Capital Transit	(131,000)	(131,000)	(131,000)	-
Visitor Services	(100,000)	(100,000)	(100,000)	-
Roaded Service Area	(775,000)	(775,000)	(775,000)	-
Fire Service Area	(91,000)	(91,000)	(91,000)	-
Dock Enterprise Fund	(75,800)	(75,800)	(75,800)	-
Capital Projects Funds	(1,964,000)	(2,014,800)	(2,014,800)	-
Port Debt Service	(300,000)	(300,000)	(300,000)	-
Total other financing sources (uses)	<u>(4,597,800)</u>	<u>(4,597,800)</u>	<u>(4,597,800)</u>	<u>-</u>
Net change in fund balance	\$ <u>36,200</u>	<u>36,200</u>	1,730	<u>(34,470)</u>
Fund balance at beginning of year			<u>162,520</u>	
Fund balance at end of year			\$ <u>164,250</u>	



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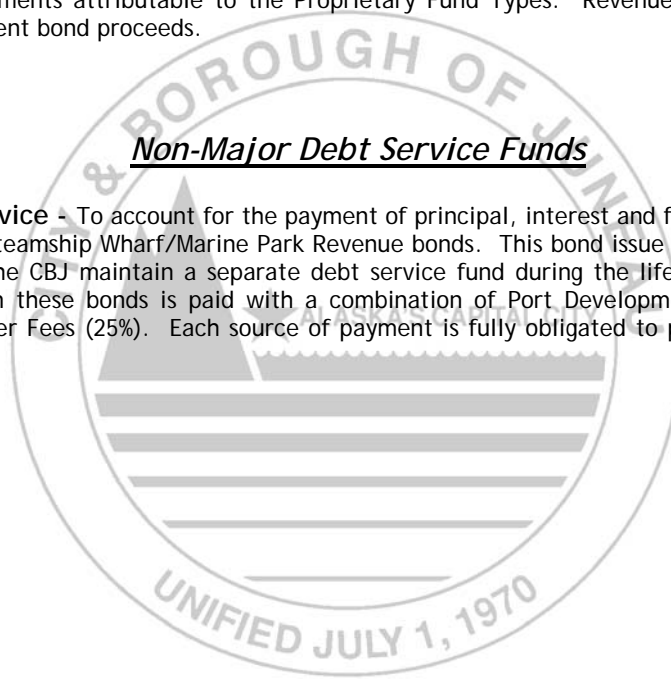
## DEBT SERVICE FUNDS

### *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.

### *Non-Major Debt Service Funds*

**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

## Major Debt Service Funds

## GENERAL DEBT SERVICE FUND

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

For the fiscal years ended June 30, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUE - Investment and interest income	\$ 153,640	69,565	-
<b>EXPENDITURES</b>			
Debt service:			
Principal on bonds	5,059,495	2,854,424	3,069,790
Interest on bonds	3,198,325	2,717,321	1,793,254
Fiscal agent and letter of credit fees	8,204	6,518	3,951
Total expenditures	<u>8,266,024</u>	<u>5,578,263</u>	<u>4,866,995</u>
Deficiency of revenue over expenditures	<u>(8,112,384)</u>	<u>(5,508,698)</u>	<u>(4,866,995)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from:			
General Fund	7,432,300	5,004,200	4,372,100
Sales Tax Special Revenue Fund	1,660,200	293,600	293,100
Capital Projects Funds	-	-	4,475,362
Transfers to Enterprise Funds:			
Airport	-	-	(250,000)
Bartlett Regional Hospital	-	-	(4,600)
Harbor	-	-	(9,250,000)
Water	-	-	(2,950,000)
Premium on bonds issued	-	316,039	399,222
Issuance of long-term debt	-	-	12,450,000
Total other financing sources (uses)	<u>9,092,500</u>	<u>5,613,839</u>	<u>9,535,184</u>
Excess of revenue and other financing sources over expenditures and other financing uses	980,116	105,141	4,668,189
Fund balance at beginning of year	<u>5,124,460</u>	<u>5,019,319</u>	<u>351,130</u>
Fund balance at end of year	<u>\$ 6,104,576</u>	<u>5,124,460</u>	<u>5,019,319</u>

## CITY and BOROUGH OF JUNEAU

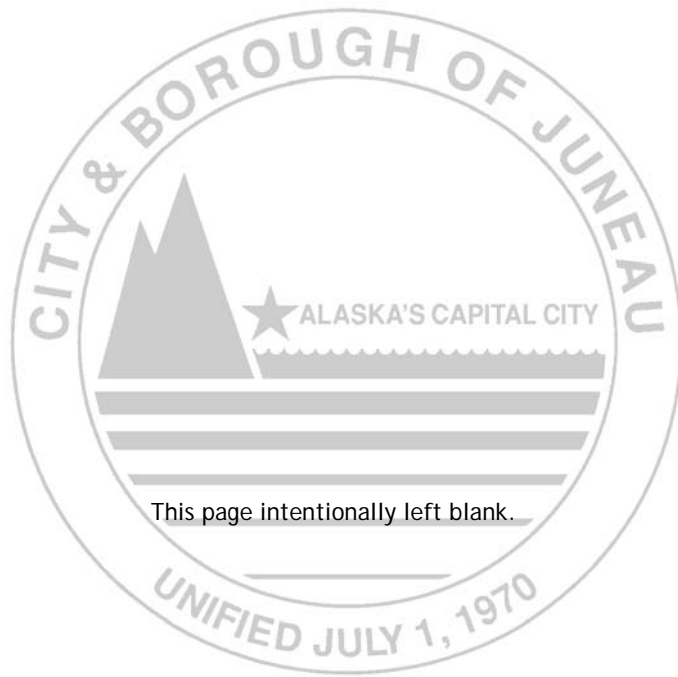
## MAJOR DEBT SERVICE FUNDS

## GENERAL DEBT SERVICE FUND

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
REVENUE - Investment and interest income	\$ 175,800	269,676	153,640	(116,036)
<b>EXPENDITURES</b>				
Debt service:				
Principal on bonds	5,059,400	6,178,267	5,059,495	1,118,772
Interest on bonds	3,229,800	2,842,041	3,198,325	(356,284)
Fiscal agent and letter of credit fees	6,800	6,399	8,204	(1,805)
Total expenditures	<u>8,296,000</u>	<u>9,026,707</u>	<u>8,266,024</u>	<u>760,683</u>
Deficiency of revenue over expenditures	<u>(8,120,200)</u>	<u>(8,757,031)</u>	<u>(8,112,384)</u>	<u>644,647</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from:				
General Fund	7,432,300	6,752,700	7,432,300	679,600
Special Revenue Funds:				
Sales Tax	1,660,200	1,660,200	1,660,200	-
Tobacco Tax	-	130,800	-	(130,800)
Port Development	-	900,000	-	(900,000)
Total other financing sources	<u>9,092,500</u>	<u>9,443,700</u>	<u>9,092,500</u>	<u>(351,200)</u>
Net change in fund balance	\$ <u>972,300</u>	<u>686,669</u>	980,116	<u>293,447</u>
Fund balance at beginning of year			<u>5,124,460</u>	
Fund balance at end of year			\$ <u>6,104,576</u>	



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CITY and BOROUGH OF JUNEAU  
 Non-Major Debt Service Funds  
**PORT DEBT SERVICE FUND**  
 Comparative Balance Sheets  
*June 30, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>			
Equity in central treasury	\$ <u>579,664</u>	<u>568,869</u>	<u>569,757</u>
Total assets	\$ <u><u>579,664</u></u>	<u><u>568,869</u></u>	<u><u>569,757</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>			
Fund balances - unreserved - undesignated for debt service	\$ <u>579,664</u>	<u>568,869</u>	<u>569,757</u>
Total liabilities and fund balances	\$ <u><u>579,664</u></u>	<u><u>568,869</u></u>	<u><u>569,757</u></u>

CITY and BOROUGH OF JUNEAU

Non-Major Debt Service Funds

PORT DEBT SERVICE FUND

Statement of Revenue, Expenditures, and Changes in Fund Balance

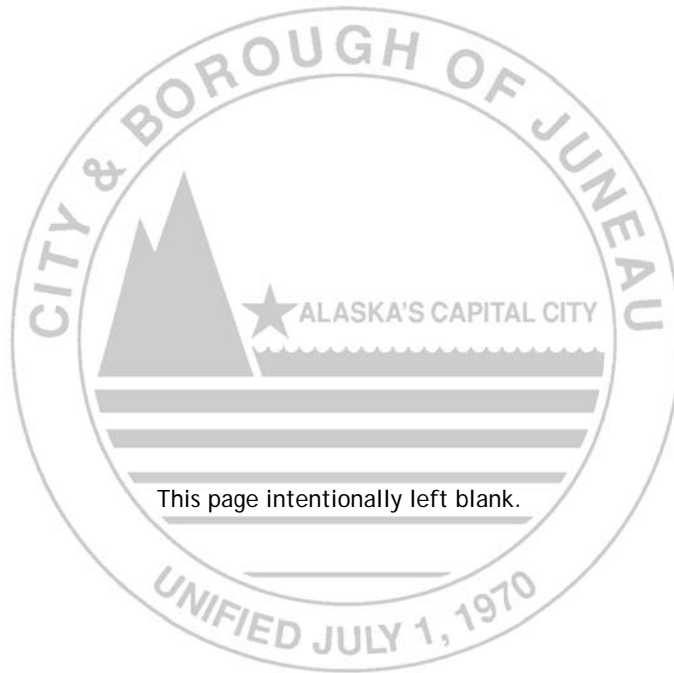
For the fiscal year ended June 30, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUE - Miscellaneous income	\$ <u>1,842</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal on bonds	1,445,000	1,395,000	1,355,000
Interest on bonds	69,987	119,688	157,650
Fiscal agent and letter of credit fees	1,060	-	-
Total expenditures	<u>1,516,047</u>	<u>1,514,688</u>	<u>1,512,650</u>
Deficiency of revenue over expenditures	<u>(1,514,205)</u>	<u>(1,514,688)</u>	<u>(1,512,650)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from Special Revenue Funds:			
Port Development	1,225,000	1,138,000	1,138,800
Marine Passenger Fee	300,000	375,800	322,200
Total other financing sources (uses)	<u>1,525,000</u>	<u>1,513,800</u>	<u>1,461,000</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	10,795	(888)	(51,650)
Fund balance at beginning of year	<u>568,869</u>	<u>569,757</u>	<u>621,407</u>
Fund balance at end of year	\$ <u><u>579,664</u></u>	<u><u>568,869</u></u>	<u><u>569,757</u></u>

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
REVENUE - Miscellaneous income	\$ -	-	1,842	1,842
<b>EXPENDITURES</b>				
Debt service:				
Principal on bonds	1,445,000	1,445,000	1,445,000	-
Interest on bonds	70,000	70,000	69,987	13
Fiscal agent and letter of credit fees	-	-	1,060	(1,060)
Total expenditures	<u>1,515,000</u>	<u>1,515,000</u>	<u>1,516,047</u>	<u>(1,047)</u>
Deficiency of revenue over expenditures	<u>(1,515,000)</u>	<u>(1,515,000)</u>	<u>(1,514,205)</u>	<u>795</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from Special Revenue Funds:				
Port Development	1,225,000	1,225,000	1,225,000	-
Marine Passenger Fee	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	-
Total other financing sources	<u>1,525,000</u>	<u>1,525,000</u>	<u>1,525,000</u>	-
Net change in fund balance	\$ <u>10,000</u>	<u>10,000</u>	10,795	<u>795</u>
Fund balance at beginning of year			<u>568,869</u>	
Fund balance at end of year			\$ <u>579,664</u>	



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## CAPITAL PROJECT FUNDS

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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.

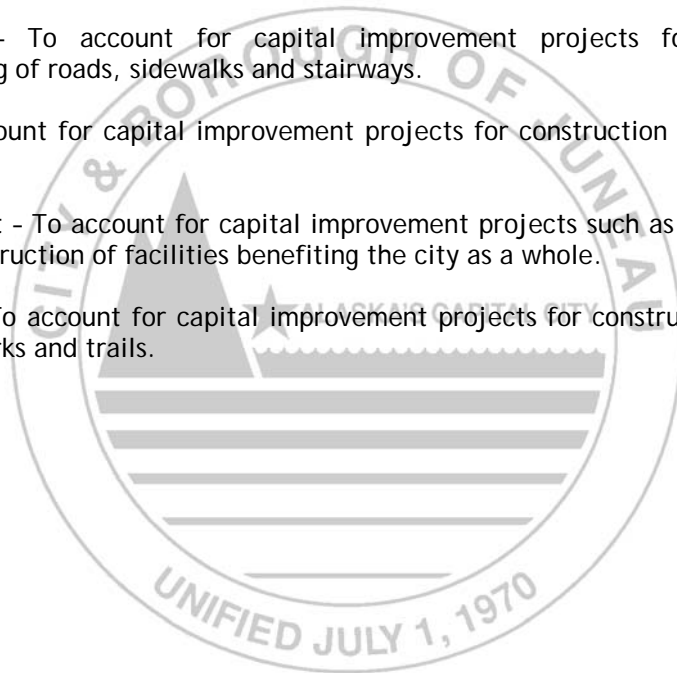
### *Non-Major Capital Project Funds*

**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, 2006

	<u>Roads and Sidewalks</u>	<u>Fire and Safety</u>	<u>Community Development</u>
<b>ASSETS</b>			
Equity in central treasury	\$ 7,644,268	133,870	7,246,645
Receivables:			
State of Alaska	-	57,576	1,318
Federal government	-	305,788	153,072
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 7,644,268</u>	<u>497,234</u>	<u>7,401,035</u>
<b>LIABILITIES</b>			
Interfund payable to other funds	\$ -	344,338	24,852
Accounts payable	450,601	19,028	134,768
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>450,601</u>	<u>363,366</u>	<u>159,620</u>
<b>FUND BALANCES</b>			
Reserved for encumbrances	3,449,694	168,073	410,125
Unreserved - undesignated	3,743,973	(34,205)	6,831,290
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>7,193,667</u>	<u>133,868</u>	<u>7,241,415</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$ 7,644,268</u>	<u>497,234</u>	<u>7,401,035</u>



<u>Parks and Recreation</u>	<u>Total</u>
5,396,382	20,421,165
49,533	108,427
819	459,679
<u>5,446,734</u>	<u>20,989,271</u>
7,836	377,026
<u>67,440</u>	<u>671,837</u>
<u>75,276</u>	<u>1,048,863</u>
629,478	4,657,370
<u>4,741,980</u>	<u>15,283,038</u>
<u>5,371,458</u>	<u>19,940,408</u>
<u>5,446,734</u>	<u>20,989,271</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, 2006

	<u>Roads and Sidewalks</u>	<u>Fire and Safety</u>	<u>Community Development</u>
<b>REVENUES</b>			
State sources	\$ -	277,528	22,752
Federal sources	48,857	273,307	194,165
Interest	-	-	10,000
Total revenues	<u>48,857</u>	<u>550,835</u>	<u>226,917</u>
<b>EXPENDITURES</b>			
Capital outlay	3,465,136	573,389	727,159
Total expenditures	<u>3,465,136</u>	<u>573,389</u>	<u>727,159</u>
Deficiency of revenues over expenditures	<u>(3,416,279)</u>	<u>(22,554)</u>	<u>(500,242)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	8,390,647	-	5,216,089
Transfers to other funds	<u>(3,150,884)</u>	<u>-</u>	<u>(334,507)</u>
Total other financing sources (uses)	<u>5,239,763</u>	<u>-</u>	<u>4,881,582</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,823,484	(22,554)	4,381,340
Fund balances at beginning of year	<u>5,370,183</u>	<u>156,422</u>	<u>2,860,075</u>
Fund balances at end of year	<u>\$ 7,193,667</u>	<u>133,868</u>	<u>7,241,415</u>



<u>Parks and Recreation</u>	<u>Total</u>
132,896	433,176
819	517,148
-	10,000
<u>133,715</u>	<u>960,324</u>
988,708	5,754,392
<u>988,708</u>	<u>5,754,392</u>
<u>(854,993)</u>	<u>(4,794,068)</u>
2,036,691	15,643,427
<u>(101,691)</u>	<u>(3,587,082)</u>
<u>1,935,000</u>	<u>12,056,345</u>
1,080,007	7,262,277
<u>4,291,451</u>	<u>12,678,131</u>
<u>5,371,458</u>	<u>19,940,408</u>



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## ENTERPRISE FUNDS

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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, 2006

	<u>Dock</u>	<u>Waste Management</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Equity in central treasury	\$ 2,170,105	490,211	2,660,316
Receivables, net of allowance for doubtful accounts:			
Accounts	<u>357,407</u>	<u>89,745</u>	<u>447,152</u>
Total current assets	<u>2,527,512</u>	<u>579,956</u>	<u>3,107,468</u>
Non-current assets:			
Restricted assets:			
Equity in central treasury	2,101,196	-	2,101,196
Receivables:			
Federal government	72,297	-	72,297
Bond issuance costs	20,916	-	20,916
Capital assets:			
Land	611,496	-	611,496
Buildings and improvements	21,168,534	300,000	21,468,534
Machinery, equipment and fixtures	74,554	193,216	267,770
Construction work in progress	3,242,133	-	3,242,133
Less accumulated depreciation	(8,271,972)	(136,085)	(8,408,057)
Total capital assets (net of accumulated depreciation)	<u>16,824,745</u>	<u>357,131</u>	<u>17,181,876</u>
Total noncurrent assets	<u>19,019,154</u>	<u>357,131</u>	<u>19,376,285</u>
Total assets	<u>21,546,666</u>	<u>937,087</u>	<u>22,483,753</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 8,222	22,823	31,045
Accrued salaries, payroll taxes and withholdings payable	29,412	-	29,412
Accrued annual leave and compensation time	2,991	-	2,991
Total current liabilities	<u>40,625</u>	<u>22,823</u>	<u>63,448</u>
Non-current liabilities:			
Restricted liabilities:			
Interfund payable to General Fund	60,940	-	60,940
Accounts and contracts payable	283,232	-	283,232
Accrued annual leave and compensation time	4,076	-	4,076
Pension benefit payable	127,490	7,661	135,151
Total non-current liabilities	<u>475,738</u>	<u>7,661</u>	<u>483,399</u>
Total liabilities	<u>516,363</u>	<u>30,484</u>	<u>546,847</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	16,845,661	357,131	17,202,792
Restricted:			
Capital projects	1,829,321	-	1,829,321
Unrestricted	<u>2,355,321</u>	<u>549,472</u>	<u>2,904,793</u>
Total net assets	<u>\$ 21,030,303</u>	<u>906,603</u>	<u>21,936,906</u>

## NON-MAJOR ENTERPRISE FUNDS

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

For the fiscal year ended June 30, 2006

	<u>Dock</u>	<u>Waste Management</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,140,380	811,452	1,951,832
Buildings and land rentals or sales	459,519	-	459,519
Total operating revenues	<u>1,599,899</u>	<u>811,452</u>	<u>2,411,351</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	612,207	60,291	672,498
Contracted services	79,171	828,884	908,055
Materials and utilities	146,363	2,918	149,281
Other	236,971	77,774	314,745
	<u>1,074,712</u>	<u>969,867</u>	<u>2,044,579</u>
Depreciation	777,546	23,441	800,987
Total operating expenses	<u>1,852,258</u>	<u>993,308</u>	<u>2,845,566</u>
Operating loss	(252,359)	(181,856)	(434,215)
<b>NONOPERATING INCOME</b>			
Interest income	63,143	20,336	83,479
State sources	16,600	1,562	18,162
Amortization of bond issuance costs	(20,916)	-	(20,916)
Gain (loss) on disposal of assets	(3,648)	-	(3,648)
Total nonoperating income	<u>55,179</u>	<u>21,898</u>	<u>77,077</u>
Net loss before contributions and transfers	(197,180)	(159,958)	(357,138)
Capital contributions	(1,810)	-	(1,810)
Transfers in	1,203,800	-	1,203,800
Transfers out	(1,110,400)	-	(1,110,400)
Change in net assets	<u>(105,590)</u>	<u>(159,958)</u>	<u>(265,548)</u>
Total net assets - beginning	<u>21,135,893</u>	<u>1,066,561</u>	<u>22,202,454</u>
Total net assets - ending	<u>\$ 21,030,303</u>	<u>906,603</u>	<u>21,936,906</u>



## CITY AND BOROUGH OF JUNEAU

## NON-MAJOR ENTERPRISE FUNDS

## Combining Statement of Cash Flows

For the fiscal year ended June 30, 2006

	<u>Dock</u>	<u>Waste Management</u>	<u>Total</u>
Increase (decrease) in cash and cash equivalents:			
<b>Cash flows from operating activities:</b>			
Cash receipts from customers	\$ 1,575,321	816,354	2,391,675
Payments to suppliers for goods and services	100,553	(893,925)	(793,372)
Payments to employees for services	(560,636)	(56,753)	(617,389)
Payments for interfund exchange transactions	(261,786)	(33,335)	(295,121)
Net cash provided (used) by operating activities	<u>853,452</u>	<u>(167,659)</u>	<u>685,793</u>
<b>Cash flows from noncapital financing activities:</b>			
Transfers to other funds	(1,110,400)	-	(1,110,400)
Transfers from other funds	1,203,800	-	1,203,800
Cash from state sources	16,600	1,562	18,162
Net cash provided by noncapital financing activities	<u>110,000</u>	<u>1,562</u>	<u>111,562</u>
<b>Cash flows from capital and related financing activities:</b>			
Cash received from contributed capital	(1,810)	-	(1,810)
Cash paid for acquisition and construction of capital assets	(87,095)	-	(87,095)
Net cash used by capital and related financing activities	<u>(88,905)</u>	<u>-</u>	<u>(88,905)</u>
<b>Cash flows from investing activities:</b>			
Earnings from invested proceeds	<u>63,143</u>	<u>20,336</u>	<u>83,479</u>
Net increase (decrease) in cash and cash equivalents:	<u>937,690</u>	<u>(145,761)</u>	<u>791,929</u>
Cash and cash equivalents at beginning of year	<u>3,333,611</u>	<u>635,972</u>	<u>3,969,583</u>
Cash and cash equivalents at end of year	<u>\$ 4,271,301</u>	<u>490,211</u>	<u>4,761,512</u>

(Continued)



	<u>Dock</u>	<u>Waste Management</u>	<u>Total</u>
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>			
Operating loss	\$ <u>(252,359)</u>	<u>(181,856)</u>	<u>(434,215)</u>
<b>Adjustments to reconcile net operating loss to net cash provided (used) by operating activities:</b>			
Depreciation	777,546	23,441	800,987
<b>(Increase) decrease in assets:</b>			
Accounts receivable	(26,388)	4,902	(21,486)
Due from Federal government	1,810	-	1,810
<b>Increase (decrease) in liabilities:</b>			
Accounts payable	301,272	(17,684)	283,588
Accrued salaries payable	(227)	-	(227)
Accrued annual leave and compensation time	(1,879)	-	(1,879)
Pension benefit payable	<u>53,677</u>	<u>3,538</u>	<u>57,215</u>
Total adjustments	<u>1,105,811</u>	<u>14,197</u>	<u>1,120,008</u>
<b>Net cash provided (used) by operating activities</b>	\$ <u><u>853,452</u></u>	<u><u>(167,659)</u></u>	<u><u>685,793</u></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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Landing fees	\$ 1,078,487	1,059,834	1,016,159
Tie-down and parking fees	122,854	106,545	107,446
Fuel flowage fee	165,763	166,376	195,118
Other	131,616	115,078	71,103
Building and land rentals	2,249,059	2,243,069	2,132,316
Total operating revenues	<u>3,747,779</u>	<u>3,690,902</u>	<u>3,522,142</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	1,838,490	1,779,101	1,558,625
Contracted services	672,222	730,410	663,913
Materials and utilities	957,592	843,010	686,144
Other	450,186	469,946	431,250
	<u>3,918,490</u>	<u>3,822,467</u>	<u>3,339,932</u>
Depreciation	2,685,468	2,728,809	2,779,311
Total operating expenses	<u>6,603,958</u>	<u>6,551,276</u>	<u>6,119,243</u>
Operating loss	<u>(2,856,179)</u>	<u>(2,860,374)</u>	<u>(2,597,101)</u>
<b>NONOPERATING INCOME (EXPENSES)</b>			
Investment and interest income	80,805	79,725	17,566
State shared revenue	122,925	79,777	82,015
Federal operating grants	173,040	172,975	157,256
Amortization of bond issuance costs	(460)	(460)	(629)
Gain (loss) on disposal of capital assets	(7,896)	(57,886)	19,998
Net nonoperating income	<u>368,414</u>	<u>274,131</u>	<u>276,206</u>
Net loss before capital contributions and transfers	(2,487,765)	(2,586,243)	(2,320,895)
Capital contributions	2,363,602	5,177,477	5,447,414
Transfers in	-	-	250,000
Change in net assets	<u>(124,163)</u>	<u>2,591,234</u>	<u>3,376,519</u>
Total net assets - beginning	<u>57,814,464</u>	<u>55,223,230</u>	<u>51,846,711</u>
Total net assets - ending	<u>\$ 57,690,301</u>	<u>57,814,464</u>	<u>55,223,230</u>

## JUNEAU INTERNATIONAL AIRPORT

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services:				
Landing fees	\$ 1,005,000	1,005,000	1,078,487	73,487
Tie-down and parking fees	108,000	108,000	122,854	14,854
Fuel flowage fee	170,000	170,000	165,763	(4,237)
Other	147,800	147,800	131,616	(16,184)
Building and land rentals	2,250,700	2,250,700	2,249,059	(1,641)
Total operating revenues	<u>3,681,500</u>	<u>3,681,500</u>	<u>3,747,779</u>	<u>66,279</u>
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	1,669,700	1,725,359	1,675,289	50,070
Contracted services	770,600	776,085	729,906	46,179
Materials and utilities	898,300	1,038,223	972,000	66,223
Capital outlay	72,000	72,000	26,996	45,004
Debt principal	-	-	60,000	(60,000)
Other	535,100	535,100	452,971	82,129
Total operating expenses	<u>3,945,700</u>	<u>4,146,767</u>	<u>3,917,162</u>	<u>229,605</u>
Operating loss	<u>(264,200)</u>	<u>(465,267)</u>	<u>(169,383)</u>	<u>295,884</u>
<b>NONOPERATING INCOME (EXPENSES)</b>				
Investment and interest income	78,700	78,700	80,805	2,105
State shared revenue	80,000	135,659	122,925	(12,734)
Federal operating grants	175,400	175,400	173,040	(2,360)
Amortization of bond issuance costs	-	-	(460)	(460)
Gain (loss) on disposal of capital assets	-	-	(7,896)	(7,896)
Net nonoperating income	<u>334,100</u>	<u>389,759</u>	<u>368,414</u>	<u>(21,345)</u>
Change in net assets (Non-GAAP)	\$ <u>69,900</u>	<u>(75,508)</u>	199,031	<u>274,539</u>
Encumbrance adjustment			74,877	
Capitalization of assets			26,996	
Depreciation expense			(2,685,468)	
Pension expense			(163,201)	
Principal paid on debt			60,000	
Capital contributions			2,363,602	
Change in net assets			\$ <u>(124,163)</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services - patient	\$ 60,020,800	53,866,887	51,682,527
Building and land rentals	12,597	7,847	7,847
Total operating revenues	<u>60,033,397</u>	<u>53,874,734</u>	<u>51,690,374</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	31,483,451	30,452,271	27,592,342
Contracted services	11,227,103	10,503,435	10,329,207
Materials and utilities	8,333,762	7,879,214	7,257,051
Other	2,335,673	2,032,831	2,368,470
	<u>53,379,989</u>	<u>50,867,751</u>	<u>47,547,070</u>
Depreciation	2,459,744	2,655,904	2,825,358
Total operating expenses	<u>55,839,733</u>	<u>53,523,655</u>	<u>50,372,428</u>
Operating income	<u>4,193,664</u>	<u>351,079</u>	<u>1,317,946</u>
<b>NONOPERATING INCOME (EXPENSES)</b>			
Investment and interest income	215,154	180,887	82,561
Amortization of bond issuance costs	(26,189)	(34,303)	(19,009)
Interest expense	(49,991)	(69,309)	(106,687)
Gain (loss) on disposal of capital assets	(3,162)	(5,252)	11,093
Net nonoperating income (expenses)	<u>135,812</u>	<u>72,023</u>	<u>(32,042)</u>
Net income before contributions and transfers	4,329,476	423,102	1,285,904
Capital contributions	2,531,691	1,013,452	1,114,592
Transfers in	2,889,200	7,665,600	7,062,600
Change in net assets	<u>9,750,367</u>	<u>9,102,154</u>	<u>9,463,096</u>
Total net assets - beginning	<u>56,883,460</u>	<u>47,781,306</u>	<u>38,318,210</u>
Total net assets - ending	<u>\$ 66,633,827</u>	<u>56,883,460</u>	<u>47,781,306</u>

## BARTLETT REGIONAL HOSPITAL

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

For the fiscal years ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services - patient	\$ 55,188,000	55,188,000	60,020,800	4,832,800
Building and land rentals	8,900	8,900	12,597	3,697
Total operating revenues	<u>55,196,900</u>	<u>55,196,900</u>	<u>60,033,397</u>	<u>4,836,497</u>
<b>OPERATING EXPENSES</b>				
Administration:				
Hospital board	479,600	496,700	604,871	(108,171)
Administration	5,803,900	6,115,600	5,419,691	695,909
Admitting and accounting	3,505,600	3,693,800	3,442,513	251,287
Health care:				
Nursing	17,199,700	18,123,500	17,980,449	143,051
Professional	19,077,200	20,101,900	19,640,040	461,860
General services	6,236,700	6,571,700	6,161,217	410,483
Capital outlay	500,000	800,000	1,029,050	(229,050)
Debt principal	1,290,600	1,290,600	1,151,546	139,054
Reserves	1,500,000	3,100,000	3,100,000	-
Total operating expenses	<u>55,593,300</u>	<u>60,293,800</u>	<u>58,529,377</u>	<u>1,764,423</u>
Operating income (loss)	<u>(396,400)</u>	<u>(5,096,900)</u>	<u>1,504,020</u>	<u>6,600,920</u>
<b>NONOPERATING INCOME (EXPENSES)</b>				
Investment and interest income	232,100	232,100	215,154	(16,946)
Amortization of bond issuance costs	(26,200)	(26,200)	(26,189)	11
Interest expense	(62,900)	(62,900)	(49,991)	12,909
Net nonoperating income (expenses)	<u>143,000</u>	<u>143,000</u>	<u>138,974</u>	<u>(4,026)</u>
Income (loss) before other sources (uses)	<u>(253,400)</u>	<u>(4,953,900)</u>	<u>1,642,994</u>	<u>6,596,894</u>
<b>OTHER SOURCES (USES)</b>				
Transfers from:				
General Fund	788,400	788,400	788,400	-
Special Revenue Funds:				
Sales Tax	621,800	621,800	621,800	-
Tobacco Excise Tax	269,000	269,000	269,000	-
Transfers to Capital Projects Funds	(5,200,000)	(5,200,000)	(5,200,000)	-
Total other sources (uses)	<u>(3,520,800)</u>	<u>(3,520,800)</u>	<u>(3,520,800)</u>	<u>-</u>
Change in net assets (Non-GAAP)	\$ <u>(3,774,200)</u>	<u>(8,474,700)</u>	<u>(1,877,806)</u>	<u>6,596,894</u>
Reserves			3,100,000	
Capitalization of assets			1,029,050	
Depreciation expense			(2,459,744)	
Pension expense			(131,208)	
Principal payments on loans			1,151,546	
Loss on disposal of capital assets			(3,162)	
Capital contributions			2,531,691	
Transfers for capital projects			6,410,000	
Change in net assets			<u>\$ 9,750,367</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Water fees	\$ 3,261,159	3,188,020	3,037,821
Other	56,370	31,706	11,960
Total operating revenues	<u>3,317,529</u>	<u>3,219,726</u>	<u>3,049,781</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	1,443,608	1,322,182	1,026,399
Contracted services	52,770	82,727	49,824
Materials and utilities	364,697	382,498	341,079
Other	450,925	450,846	444,686
	<u>2,312,000</u>	<u>2,238,253</u>	<u>1,861,988</u>
Depreciation	2,598,151	2,571,630	2,055,368
Total operating expenses	<u>4,910,151</u>	<u>4,809,883</u>	<u>3,917,356</u>
Operating loss	<u>(1,592,622)</u>	<u>(1,590,157)</u>	<u>(867,575)</u>
<b>NONOPERATING INCOME (EXPENSES)</b>			
Investment and interest income	182,360	207,617	54,561
State shared revenue	42,672	-	-
Loss on disposal of fixed assets	(404,526)	-	-
Amortization of bond issuance costs	(5,815)	(6,165)	(5,370)
Interest expense	(95,665)	(103,533)	(83,619)
Net nonoperating income (expenses)	<u>(280,974)</u>	<u>97,919</u>	<u>(34,428)</u>
Net loss before contributions and transfers	(1,873,596)	(1,492,238)	(902,003)
Capital contributions	265,443	339,312	622,841
Transfer in	195,159	-	3,025,000
Transfers out	(186)	(3,675)	(682)
Change in net assets	<u>(1,413,180)</u>	<u>(1,156,601)</u>	<u>2,745,156</u>
Total net assets - beginning	<u>62,895,255</u>	<u>64,051,856</u>	<u>61,306,700</u>
Total net assets - ending	<u>\$ 61,482,075</u>	<u>62,895,255</u>	<u>64,051,856</u>

## AREAWIDE WATER UTILITY

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

For the fiscal years ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services:				
Water fees	\$ 3,143,600	3,143,600	3,261,159	117,559
Other	13,400	13,400	56,370	42,970
Total operating revenues	<u>3,157,000</u>	<u>3,157,000</u>	<u>3,317,529</u>	<u>160,529</u>
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	1,251,000	1,290,450	1,345,606	(55,156)
Contracted services	100,000	103,523	63,896	39,627
Materials and utilities	489,900	490,202	364,794	125,408
Other	479,500	480,460	450,925	29,535
	<u>2,320,400</u>	<u>2,364,635</u>	<u>2,225,221</u>	<u>139,414</u>
Capital outlay	40,000	40,000	17,499	22,501
Debt principal	231,800	231,800	231,750	50
Replacement reserve	200,000	200,000	-	200,000
Total operating expenses	<u>2,792,200</u>	<u>2,836,435</u>	<u>2,474,470</u>	<u>361,965</u>
Operating income	<u>364,800</u>	<u>320,565</u>	<u>843,059</u>	<u>522,494</u>
<b>NONOPERATING INCOME (EXPENSES)</b>				
Contributions for water extensions	115,000	115,000	166,373	51,373
Investment and interest income	221,700	221,700	182,360	(39,340)
State shared revenue	-	42,672	42,672	-
Water extension additions	(180,800)	(209,468)	(190,190)	19,278
Amortization of bond issuance costs	-	-	(5,815)	(5,815)
Interest expense	(101,200)	(101,200)	(95,665)	5,535
Net nonoperating income (expenses)	<u>54,700</u>	<u>68,704</u>	<u>99,735</u>	<u>31,031</u>
Net income before other uses	419,500	389,269	942,794	553,525
<b>OTHER SOURCES (USES)</b>				
Transfer to Capital Projects Funds	(1,250,000)	(1,250,000)	(1,250,000)	-
Change in net assets (Non-GAAP)	<u>\$ (830,500)</u>	<u>(860,731)</u>	<u>(307,206)</u>	<u>553,525</u>
Encumbrance adjustment			14,505	
Capitalization of assets			204,407	
Depreciation expense			(2,598,151)	
Pension expense			(98,002)	
Principal payments on loans			231,750	
Loss on disposal of assets			(404,526)	
Capital contributions from other sources			99,070	
Transfers for capital projects			1,445,159	
Transfers out for special assessments			(186)	
Change in net assets			<u>\$ (1,413,180)</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Sewer fees	\$ 7,504,783	7,441,177	6,671,358
Other	306,944	229,623	166,368
Total operating revenues	<u>7,811,727</u>	<u>7,670,800</u>	<u>6,837,726</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	3,496,365	3,313,062	2,827,563
Contracted services	194,809	194,033	215,337
Materials and utilities	1,789,821	1,419,481	1,329,003
Other	861,038	813,823	783,031
	<u>6,342,033</u>	<u>5,740,399</u>	<u>5,154,934</u>
Depreciation	2,676,111	2,490,687	2,330,447
Total operating expenses	<u>9,018,144</u>	<u>8,231,086</u>	<u>7,485,381</u>
Operating loss	<u>(1,206,417)</u>	<u>(560,286)</u>	<u>(647,655)</u>
<b>NONOPERATING INCOME (EXPENSES)</b>			
Investment and interest income	146,796	135,327	47,769
State shared revenue	91,789	-	-
Loss on disposal of assets	-	(13,600)	-
Interest expense	(133,327)	(197,539)	(240,145)
Net nonoperating income (expenses)	<u>105,258</u>	<u>(75,812)</u>	<u>(192,376)</u>
Net loss before contributions and transfers	(1,101,159)	(636,098)	(840,031)
Capital contributions	488,349	267,821	269,849
Transfers in	1,201,276	20,000	810,000
Transfers out	(19,314)	(27,928)	(22,718)
Change in net assets	<u>569,152</u>	<u>(376,205)</u>	<u>217,100</u>
Total net assets - beginning	<u>55,325,233</u>	<u>55,701,438</u>	<u>55,484,338</u>
Total net assets - ending	<u>\$ 55,894,385</u>	<u>55,325,233</u>	<u>55,701,438</u>

## AREAWIDE SEWER UTILITY

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

For the fiscal years ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services:				
Sewer fees	\$ 7,534,900	7,534,900	7,504,783	(30,117)
Other	29,900	29,900	306,944	277,044
Total operating revenues	<u>7,564,800</u>	<u>7,564,800</u>	<u>7,811,727</u>	<u>246,927</u>
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	3,184,000	3,275,789	3,270,991	4,798
Contracted services	286,800	304,299	195,437	108,862
Materials and utilities	1,570,200	1,581,207	1,790,735	(209,528)
Other	994,500	994,500	865,109	129,391
	<u>6,035,500</u>	<u>6,155,795</u>	<u>6,122,272</u>	<u>33,523</u>
Capital outlay	253,000	267,703	54,266	213,437
Debt principal	617,000	617,000	622,413	(5,413)
Total operating expenses	<u>6,905,500</u>	<u>7,040,498</u>	<u>6,798,951</u>	<u>241,547</u>
Operating income	<u>659,300</u>	<u>524,302</u>	<u>1,012,776</u>	<u>488,474</u>
<b>NONOPERATING INCOME (EXPENSES)</b>				
Contributions for sewer extensions	50,000	50,000	100,059	50,059
Investment and interest income	66,400	66,400	146,796	80,396
State shared revenue	-	91,789	91,789	-
Sewer extension additions	-	-	(31,650)	(31,650)
Interest expense	(327,700)	(327,700)	(133,327)	194,373
Net nonoperating income (expenses)	<u>(211,300)</u>	<u>(119,511)</u>	<u>173,667</u>	<u>293,178</u>
Net income before other uses	448,000	404,791	1,186,443	781,652
<b>OTHER SOURCES (USES)</b>				
Transfer to Capital Projects Funds	(720,000)	(1,920,000)	(1,920,000)	-
Change in net assets (Non-GAAP)	<u>\$ (272,000)</u>	<u>(1,515,209)</u>	<u>(733,557)</u>	<u>781,652</u>
Encumbrance adjustment			5,613	
Capitalization of assets			85,916	
Depreciation expense			(2,676,111)	
Pension expense			(225,374)	
Principal payments on loans			622,413	
Capital contributions			388,290	
Transfer for capital projects			3,121,276	
Transfer out for special assessments			(19,314)	
Change in net assets			<u>\$ 569,152</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Stall rents	\$ 670,952	541,944	507,994
Mooring fees	832,500	607,623	501,743
Transient electric	157,606	144,317	130,560
Launch permit fee	108,283	69,928	69,900
Other	278,103	165,667	203,332
Harbor leases	267,768	265,968	174,000
Total operating revenues	<u>2,315,212</u>	<u>1,795,447</u>	<u>1,587,529</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	1,121,687	1,187,591	994,315
Contracted services	116,711	97,603	73,814
Materials and utilities	465,810	433,299	389,649
Other	432,283	387,717	305,611
	<u>2,136,491</u>	<u>2,106,210</u>	<u>1,763,389</u>
Depreciation	1,194,428	970,550	901,992
Total operating expenses	<u>3,330,919</u>	<u>3,076,760</u>	<u>2,665,381</u>
Operating loss	<u>(1,015,707)</u>	<u>(1,281,313)</u>	<u>(1,077,852)</u>
<b>NONOPERATING INCOME (EXPENSES)</b>			
Investment and interest income	64,593	26,357	29,519
State Shared Revenue	371,868	298,218	221,435
Amortization of bond issuance costs	(7,148)	(7,148)	(3,574)
Interest Expense	(64,819)	-	-
Gain (Loss) on disposal of capital assets	(6,026)	3,819	(161,147)
Net nonoperating income (expenses)	<u>358,468</u>	<u>321,246</u>	<u>86,233</u>
Net loss before contributions and transfers	(657,239)	(960,067)	(991,619)
Capital contributions	4,994,340	3,738,953	1,908,356
Transfers in	1,366,000	484,000	9,379,000
Change in net assets	<u>5,703,101</u>	<u>3,262,886</u>	<u>10,295,737</u>
Total net assets - beginning	<u>31,749,694</u>	<u>28,486,808</u>	<u>18,191,071</u>
Total net assets - ending	<u>\$ 37,452,795</u>	<u>31,749,694</u>	<u>28,486,808</u>

## BOAT HARBORS

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services:				
Stall rents	\$ 827,300	827,300	670,952	(156,348)
Mooring fees	620,000	620,000	832,500	212,500
Transient electric	115,000	115,000	157,606	42,606
Launch permit fee	80,000	80,000	108,283	28,283
Other	223,000	223,000	278,103	55,103
Harbor leases	132,100	132,100	267,768	135,668
Total operating revenues	<u>1,997,400</u>	<u>1,997,400</u>	<u>2,315,212</u>	<u>317,812</u>
<b>EXPENSES</b>				
Salaries and fringe benefits	1,008,900	1,040,538	1,004,892	35,646
Contracted services	104,000	122,066	133,152	(11,086)
Materials and utilities	522,700	523,612	466,139	57,473
Capital outlay	27,900	27,900	-	27,900
Debt principal	130,900	130,900	92,176	38,724
Other	329,900	330,499	433,021	(102,522)
Total operating expenses	<u>2,124,300</u>	<u>2,175,515</u>	<u>2,129,380</u>	<u>46,135</u>
Operating gain (loss)	<u>(126,900)</u>	<u>(178,115)</u>	<u>185,832</u>	<u>363,947</u>
<b>NONOPERATING INCOME (EXPENSES)</b>				
Investment and interest income	52,400	52,400	64,593	12,193
State Shared Revenue	225,000	256,638	371,868	115,230
Amortization of bond issuance costs	-	-	(7,148)	(7,148)
Interest expense	78,200	78,200	(64,819)	(143,019)
Net nonoperating income (expenses)	<u>355,600</u>	<u>387,238</u>	<u>364,494</u>	<u>(22,744)</u>
Net income (loss) before other uses	228,700	209,123	550,326	341,203
<b>OTHER SOURCES (USES)</b>				
Transfer to Capital Projects Funds	-	(28,000)	(28,000)	-
Change in net assets (Non-GAAP)	<u>\$ 228,700</u>	<u>181,123</u>	522,326	<u>341,203</u>
Encumbrance adjustment			17,508	
Depreciation expense			(1,194,428)	
Pension expense			(116,795)	
Principal payment on loan			92,176	
Gain on disposal of fixed assets			(6,026)	
Capital contributions			4,994,340	
Transfers in for capital projects			1,394,000	
Change in net assets			<u>\$ 5,703,101</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Mooring fees	\$ 630,048	554,590	543,736
Lightering fees	15,000	18,800	25,500
Maintenance fee	495,332	534,871	542,500
Transfer bridge fees	-	13,513	31,925
Dock leases and other fees	459,519	500,649	426,743
Total operating revenues	<u>1,599,899</u>	<u>1,622,423</u>	<u>1,570,404</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	612,207	562,215	463,783
Contracted services	79,171	8,901	25,822
Materials and utilities	146,363	190,456	193,272
Other	236,971	228,893	190,701
	<u>1,074,712</u>	<u>990,465</u>	<u>873,578</u>
Depreciation	777,546	922,991	897,837
Total operating expenses	<u>1,852,258</u>	<u>1,913,456</u>	<u>1,771,415</u>
Operating loss	(252,359)	(291,033)	(201,011)
<b>NONOPERATING INCOME (EXPENSES)</b>			
Investment and interest income	63,143	70,686	20,565
State shared revenue	16,600	-	-
Amortization of bond issuance costs	(20,916)	(20,916)	(41,832)
Loss on disposal of capital assets	(3,648)	(6,953)	(98,986)
Net nonoperating income (expenses)	<u>55,179</u>	<u>42,817</u>	<u>(120,253)</u>
Net loss before contributions and transfers	(197,180)	(248,216)	(321,264)
Capital Contributions	(1,810)	46,810	78,105
Transfers in	1,203,800	203,452	506,823
Transfers out	(1,110,400)	(14,562)	(30,000)
Change in net assets	<u>(105,590)</u>	<u>(12,516)</u>	<u>233,664</u>
Total net assets - beginning	<u>21,135,893</u>	<u>21,148,409</u>	<u>20,914,745</u>
Total net assets - ending	<u>\$ 21,030,303</u>	<u>21,135,893</u>	<u>21,148,409</u>

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services:				
Mooring fees	\$ 640,000	640,000	630,048	(9,952)
Lightering fees	10,000	10,000	15,000	5,000
Maintenance fee	550,000	550,000	495,332	(54,668)
Dock leases and other fees	408,100	408,100	459,519	51,419
Total operating revenues	<u>1,608,100</u>	<u>1,608,100</u>	<u>1,599,899</u>	<u>(8,201)</u>
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	793,800	770,200	558,530	211,670
Contracted services	70,000	70,000	88,750	(18,750)
Materials and utilities	27,500	27,500	146,428	(118,928)
Capital outlay	15,000	15,000	-	15,000
Other	236,800	237,700	237,507	193
Total operating expenses	<u>1,143,100</u>	<u>1,120,400</u>	<u>1,031,215</u>	<u>89,185</u>
Operating income	465,000	487,700	568,684	80,984
<b>NONOPERATING INCOME (EXPENSES)</b>				
Investment and interest income	56,300	56,300	63,143	6,843
State shared revenue	-	16,600	16,600	-
Amortization of bond issuance costs	-	-	(20,916)	(20,916)
Net nonoperating income (expenses)	<u>56,300</u>	<u>72,900</u>	<u>58,827</u>	<u>(14,073)</u>
Net income before other sources (uses)	521,300	560,600	627,511	66,911
<b>OTHER SOURCES (USES)</b>				
Transfer from Marine Passenger Fee Fund	75,800	75,800	75,800	-
Transfer out to Juneau Convention & Visitors Bureau	-	(40,200)	(40,200)	-
Transfer out to Marine Passenger Fee Fund	-	(20,200)	(20,200)	-
Transfer out to Capital Project Funds	-	(30,000)	(30,000)	-
Total other sources (uses)	<u>75,800</u>	<u>(14,600)</u>	<u>(14,600)</u>	<u>-</u>
Change in net assets (Non-GAAP)	\$ <u>597,100</u>	<u>546,000</u>	612,911	<u>66,911</u>
Encumbrance adjustment			10,180	
Depreciation expense			(777,546)	
Pension expense			(53,677)	
Loss on disposal of capital assets			(3,648)	
Capital contributions			(1,810)	
Transfers for capital projects			108,000	
Change in net assets			<u>\$ (105,590)</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Recycling and hazardous waste utility fees	\$ 795,552	609,542	731,621
Junked vehicle fees	15,900	111,800	-
Total operating revenues	<u>811,452</u>	<u>721,342</u>	<u>731,621</u>
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	60,291	54,402	42,711
Contracted services	828,884	755,117	645,317
Materials and utilities	2,918	5,330	8,632
Other	77,774	89,527	40,767
	<u>969,867</u>	<u>904,376</u>	<u>737,427</u>
Depreciation	23,441	23,086	22,731
Total operating expenses	<u>993,308</u>	<u>927,462</u>	<u>760,158</u>
Operating loss	(181,856)	(206,120)	(28,537)
<b>NONOPERATING INCOME</b>			
Investment and interest income	20,336	25,185	6,049
State shared revenue	1,562	-	-
Net loss before transfers	(159,958)	(180,935)	(22,488)
Transfer in	-	171,720	-
Change in net assets	<u>(159,958)</u>	<u>(9,215)</u>	<u>(22,488)</u>
Total net assets - beginning	<u>1,066,561</u>	<u>1,075,776</u>	<u>1,098,264</u>
Total net assets - ending	<u>\$ 906,603</u>	<u>1,066,561</u>	<u>1,075,776</u>

## WASTE MANAGEMENT

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b>				
Charges for services:				
Recycling and hazardous waste utility fees	\$ 853,000	853,000	795,552	(57,448)
Junked vehicle fees	18,000	18,000	15,900	(2,100)
Total operating revenues	<u>871,000</u>	<u>871,000</u>	<u>811,452</u>	<u>(59,548)</u>
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	52,000	53,562	56,753	(3,191)
Contracted services	766,000	1,037,154	858,661	178,493
Materials and utilities	15,100	15,100	2,918	12,182
Other	81,900	81,900	77,774	4,126
	<u>915,000</u>	<u>1,187,716</u>	<u>996,106</u>	<u>191,610</u>
Capital outlay	-	-	-	-
Total operating expenses	<u>915,000</u>	<u>1,187,716</u>	<u>996,106</u>	<u>191,610</u>
Operating income (loss)	(44,000)	(316,716)	(184,654)	132,062
<b>NONOPERATING INCOME</b>				
Investment and interest income	30,600	30,600	20,336	(10,264)
State shared revenue	-	1,562	1,562	-
Change in net assets (Non-GAAP)	<u>\$ (13,400)</u>	<u>(284,554)</u>	<u>(162,756)</u>	<u>121,798</u>
Encumbrance adjustment			29,777	
Depreciation expense			(23,441)	
Pension expense			(3,538)	
Change in net assets			<u>\$ (159,958)</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.





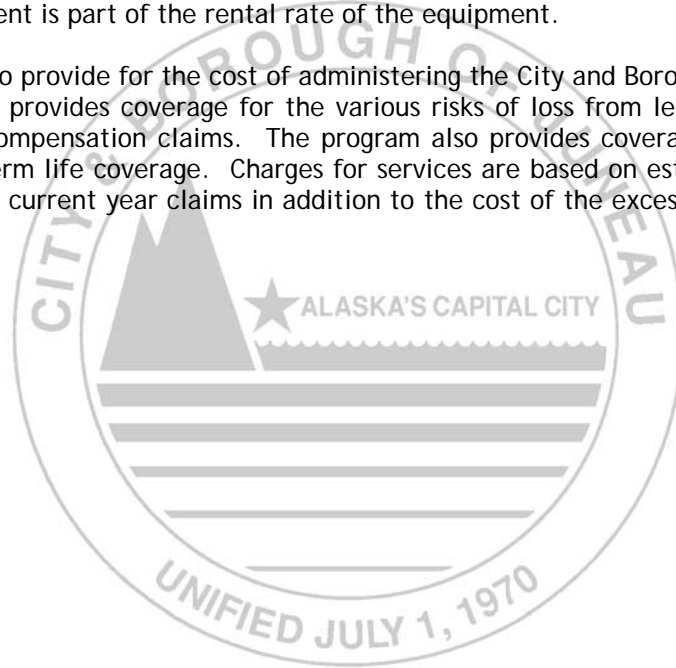
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## INTERNAL SERVICE FUNDS

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, 2006

with comparative total amounts for 2005 and 2004

	Central Equipment Service	Self- insurance	Totals		
			2006	2005	2004
<b>ASSETS</b>					
Current assets:					
Equity in central treasury	\$ 2,343,025	5,225,535	7,568,560	6,738,593	5,384,785
Receivables - other	937,222	171,097	1,108,319	399,559	190,446
Inventories	278,732	-	278,732	289,966	273,952
Prepaid items - insurance	-	1,984	1,984	133,710	1,984
Total current assets	<u>3,558,979</u>	<u>5,398,616</u>	<u>8,957,595</u>	<u>7,561,828</u>	<u>5,851,167</u>
Capital assets:					
Buildings and improvements	17,828	-	17,828	17,828	17,828
Machinery, equipment and fixtures	15,541,732	9,379	15,551,111	12,673,175	12,841,945
Less accumulated depreciation	(8,644,411)	(8,857)	(8,653,268)	(8,015,119)	(7,682,547)
Net property, plant and equipment	<u>6,915,149</u>	<u>522</u>	<u>6,915,671</u>	<u>4,675,884</u>	<u>5,177,226</u>
Total assets	<u>10,474,128</u>	<u>5,399,138</u>	<u>15,873,266</u>	<u>12,237,712</u>	<u>11,028,393</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	235,971	220,826	456,797	165,158	195,468
Contracts payable - current	51,780	-	51,780	16,776	64,459
Accrued salaries, payroll taxes and withholdings payable	15,606	8,662	24,268	26,298	26,574
Accrued annual leave and compensation time	8,036	13,670	21,706	31,311	19,040
Accrued and other liabilities	2,504	3,288,663	3,291,167	3,206,522	3,049,585
Total current liabilities	<u>313,897</u>	<u>3,531,821</u>	<u>3,845,718</u>	<u>3,446,065</u>	<u>3,355,126</u>
Long-term liabilities:					
Accrued annual leave and compensation time	10,948	18,623	29,571	41,779	59,010
Pension benefit payable	22,587	15,482	38,069	-	-
Long-term contracts payable	226,700	-	226,700	-	16,780
Total long-term liabilities	<u>260,235</u>	<u>34,105</u>	<u>294,340</u>	<u>41,779</u>	<u>75,790</u>
Total liabilities	<u>574,132</u>	<u>3,565,926</u>	<u>4,140,058</u>	<u>3,487,844</u>	<u>3,430,916</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	6,634,165	522	6,634,687	4,658,923	5,095,081
Unrestricted	<u>3,265,831</u>	<u>1,832,690</u>	<u>5,098,521</u>	<u>4,090,945</u>	<u>2,502,396</u>
Total net assets	<u>\$ 9,899,996</u>	<u>1,833,212</u>	<u>11,733,208</u>	<u>8,749,868</u>	<u>7,597,477</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, 2006

with comparative total amounts for 2005 and 2004

	Central Equipment Services	Self- insurance	Totals		
			2006	2005	2004
OPERATING REVENUES - Charges for services	\$ 2,629,448	14,299,518	16,928,966	15,770,016	14,943,612
<b>OPERATING EXPENSES</b>					
Salaries and fringe benefits	353,875	300,248	654,123	618,923	614,320
Contracted services	5,723	235,641	241,364	41,252	292,293
Materials and utilities	258,546	-	258,546	211,182	236,830
Insurance premiums	-	10,758,822	10,758,822	10,453,156	10,122,153
Claims	-	1,997,251	1,997,251	1,640,616	2,024,911
Other:					
Gasoline and oil	667,969	-	667,969	623,765	351,158
Miscellaneous	154,499	101,488	255,987	224,813	175,504
	1,440,612	13,393,450	14,834,062	13,813,707	13,817,169
Depreciation	1,064,493	208	1,064,701	877,708	889,646
Total operating expenses	2,505,105	13,393,658	15,898,763	14,691,415	14,706,815
Operating income	124,343	905,860	1,030,203	1,078,601	236,797
<b>NONOPERATING INCOME (EXPENSES)</b>					
State equipment grant	-	-	-	3,445	159,135
State shared revenue	11,815	9,179	20,994	-	-
Federal equipment grant	937,222	-	937,222	-	-
Investment and interest income	82,386	-	82,386	84,707	19,866
Interest expense	(2,261)	-	(2,261)	(1,840)	(5,649)
Gain (Loss) on disposal of assets	55,796	-	55,796	(12,522)	10,850
Net nonoperating income (expenses)	1,084,958	9,179	1,094,137	73,790	184,202
Income before transfer	1,209,301	915,039	2,124,340	1,152,391	420,999
Transfers in:					
From General fund	835,000	-	835,000	-	-
From Special Revenue fund	24,000	-	24,000	-	-
Change in net assets	2,068,301	915,039	2,983,340	1,152,391	420,999
Total net assets - beginning	7,831,695	918,173	8,749,868	7,597,477	7,176,478
Total net assets - ending	\$ 9,899,996	1,833,212	11,733,208	8,749,868	7,597,477

## Internal Service Funds

## Combining Statement of Cash Flows

For the fiscal year ended June 30, 2006  
with comparative total amounts for 2005 and 2004

	Central Equipment Service	Self- insurance	Totals		
			2006	2005	2004
Increase (decrease) in cash and cash equivalents:					
<b>Cash flows from operating activities:</b>					
Cash receipts from users	\$ 2,629,448	14,527,980	17,157,428	15,560,903	14,936,368
Payments to suppliers for goods and services	(913,841)	(12,746,854)	(13,660,695)	(13,215,897)	(12,778,833)
Payments to employees for services	(351,503)	(288,394)	(639,897)	(624,159)	(603,798)
Net cash provided by operating activities	<u>1,364,104</u>	<u>1,492,732</u>	<u>2,856,836</u>	<u>1,720,847</u>	<u>1,553,737</u>
<b>Cash flows from noncapital financing activities -</b>					
Transfers from other funds	859,000	-	859,000	-	-
Cash from state sources	11,815	9,179	20,994	-	-
Net cash provided by noncapital financing activities	<u>870,815</u>	<u>9,179</u>	<u>879,994</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>					
Cash received from disposal of capital assets	55,796	-	55,796	30,345	12,736
Cash received from state capital grant	-	-	-	3,445	159,135
Cash received for capital lease	278,480	-	278,480	-	-
Cash paid for the acquisition of capital assets	(3,304,489)	-	(3,304,489)	(419,232)	(975,267)
Principal paid on long-term contracts	(16,527)	-	(16,527)	(64,463)	(137,504)
Interest paid on long-term contracts	(2,509)	-	(2,509)	(1,841)	(5,648)
Net cash used by capital and related financing activities	<u>(2,989,249)</u>	<u>-</u>	<u>(2,989,249)</u>	<u>(451,746)</u>	<u>(946,548)</u>
<b>Cash flows from investing activities -</b>					
Earnings from invested proceeds	<u>82,386</u>	<u>-</u>	<u>82,386</u>	<u>84,707</u>	<u>19,866</u>
Net increase (decrease) in cash and cash equivalents	(671,944)	1,501,911	829,967	1,353,808	627,055
Cash and cash equivalents at beginning of year	<u>3,014,969</u>	<u>3,723,624</u>	<u>6,738,593</u>	<u>5,384,785</u>	<u>4,757,730</u>
Cash and cash equivalents at end of year	\$ <u>2,343,025</u>	<u>5,225,535</u>	<u>7,568,560</u>	<u>6,738,593</u>	<u>5,384,785</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					
Operating income	\$ 124,343	905,860	1,030,203	1,078,601	236,797
Adjustments to reconcile net operating income to net cash provided by operating activities:					
Depreciation	1,064,493	208	1,064,701	877,708	889,646
<b>(Increase) decrease in assets:</b>					
Receivables - other	-	228,462	228,462	(209,113)	(7,244)
Inventories	11,234	-	11,234	(16,014)	(302)
Prepaid expenses	-	131,726	131,726	(131,726)	423
<b>Increase (decrease) in liabilities:</b>					
Accounts payable	159,343	132,296	291,639	(30,310)	(58,012)
Accrued salaries payable	653	(2,683)	(2,030)	(276)	4,587
Accrued annual leave and compensation time	(20,868)	(945)	(21,813)	(4,960)	5,935
Pension benefits payable	22,587	15,482	38,069	-	-
Accrued and other liabilities	2,319	82,326	84,645	156,937	481,907
Total adjustments	<u>1,239,761</u>	<u>586,872</u>	<u>1,826,633</u>	<u>642,246</u>	<u>1,316,940</u>
Net cash provided by operating activities	\$ <u>1,364,104</u>	<u>1,492,732</u>	<u>2,856,836</u>	<u>1,720,847</u>	<u>1,553,737</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, 2006, 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
OPERATING REVENUES - Charges for services	\$ 2,629,448	2,204,844	2,012,588
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	353,875	345,182	335,210
Contracted services	5,723	6,152	6,146
Materials and utilities	258,546	211,182	236,830
Other:			
Gasoline and oil	667,969	623,765	351,158
Miscellaneous	154,499	127,023	103,722
	<u>1,440,612</u>	<u>1,313,304</u>	<u>1,033,066</u>
Depreciation	1,064,493	877,499	889,437
Total operating expenses	<u>2,505,105</u>	<u>2,190,803</u>	<u>1,922,503</u>
Operating income	<u>124,343</u>	<u>14,041</u>	<u>90,085</u>
<b>NONOPERATING INCOME (EXPENSES)</b>			
State equipment grant	-	3,445	159,135
State shared revenue	11,815	-	-
Federal equipment grant	937,222	-	-
Investment and interest income	82,386	84,707	19,866
Interest expense	(2,261)	(1,840)	(5,649)
Gain (loss) on disposal of capital assets	55,796	(12,522)	10,850
Net nonoperating income	<u>1,084,958</u>	<u>73,790</u>	<u>184,202</u>
Income before transfer	1,209,301	87,831	274,287
Transfers in from General Fund	835,000	-	-
Transfers in from Special Revenue Fund	24,000	-	-
Change in net assets	<u>2,068,301</u>	<u>87,831</u>	<u>274,287</u>
Total net assets - beginning	<u>7,831,695</u>	<u>7,743,864</u>	<u>7,469,577</u>
Total net assets - ending	<u>\$ 9,899,996</u>	<u>7,831,695</u>	<u>7,743,864</u>

## CENTRAL EQUIPMENT SERVICES

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
<b>OPERATING REVENUES</b> - Charges for services	\$ 2,446,800	2,726,800	2,629,448	(97,352)
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	360,400	372,215	331,288	40,927
Contracted services	9,700	9,700	5,723	3,977
Materials and utilities	176,200	178,757	259,520	(80,763)
Other:				
Gasoline and oil	633,300	633,300	668,063	(34,763)
Miscellaneous	129,900	139,900	154,499	(14,599)
Capital outlay	1,633,600	4,398,399	4,247,112	151,287
Debt principal	-	-	16,527	(16,527)
Total operating expenses	<u>2,943,100</u>	<u>5,732,271</u>	<u>5,682,732</u>	<u>49,539</u>
Operating loss	(496,300)	(3,005,471)	(3,053,284)	(47,813)
<b>NONOPERATING INCOME (EXPENSES)</b>				
State shared revenue	-	11,815	11,815	-
Federal equipment grant	-	971,779	937,222	(34,557)
Investment and interest income	89,000	89,000	82,386	(6,614)
Interest expense-capital leases	-	-	(2,261)	(2,261)
Gain on disposal of capital assets	-	-	55,796	55,796
Net nonoperating income	<u>89,000</u>	<u>1,072,594</u>	<u>1,084,958</u>	<u>12,364</u>
Loss before transfers	(407,300)	(1,932,877)	(1,968,326)	(35,449)
Transfers in:				
Transfer from General Fund	-	835,000	835,000	-
From Special Revenue Fund	-	24,000	24,000	-
Change in net assets (Non-GAAP)	<u>\$ (407,300)</u>	<u>(1,073,877)</u>	<u>(1,109,326)</u>	<u>(35,449)</u>
Encumbrance adjustment			943,691	
Capitalization of assets			3,304,489	
Depreciation expense			(1,064,493)	
Principal paid on debt			16,527	
Pension expense			(22,587)	
Change in net assets			<u>\$ 2,068,301</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, 2006, 2005 and 2004*

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b> - Charges for services	\$ 14,299,518	13,565,172	12,931,024
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	300,248	273,741	279,110
Contracted services	235,641	35,100	286,147
Insurance premiums	10,758,822	10,453,156	10,122,153
Claims	1,997,251	1,640,616	2,024,911
Other	101,488	97,790	71,782
	<u>13,393,450</u>	<u>12,500,403</u>	<u>12,784,103</u>
Depreciation	208	209	209
Total operating expenses	<u>13,393,658</u>	<u>12,500,612</u>	<u>12,784,312</u>
<b>NONOPERATING INCOME</b> - State shared revenue	<u>9,179</u>	-	-
Change in net assets	915,039	1,064,560	146,712
Total net assets - beginning	<u>918,173</u>	<u>(146,387)</u>	<u>(293,099)</u>
Total net assets - ending	<u>\$ 1,833,212</u>	<u>918,173</u>	<u>(146,387)</u>

## SELF-INSURANCE

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

For the fiscal year ended June 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - positive (negative)
	Original	Final		
OPERATING REVENUES - Charges for services	\$ 14,788,900	14,788,900	14,299,518	(489,382)
<b>OPERATING EXPENSES</b>				
Salaries and fringe benefits	328,300	342,376	289,663	52,713
Contracted services	285,500	320,500	240,557	79,943
Insurance premiums	11,850,500	11,854,000	10,759,837	1,094,163
Claims	1,398,000	1,398,000	2,054,836	(656,836)
Other	114,700	114,700	101,946	12,754
Total operating expenses	13,977,000	14,029,576	13,446,839	582,737
Operating gain	811,900	759,324	852,679	93,355
NONOPERATING INCOME - State shared revenue	-	9,179	9,179	-
Change in net assets (Non-GAAP)	\$ 811,900	768,503	861,858	93,355
Encumbrance adjustment			68,871	
Depreciation expense			(208)	
Pension expense			(15,482)	
Change in net assets			\$ 915,039	



## 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.

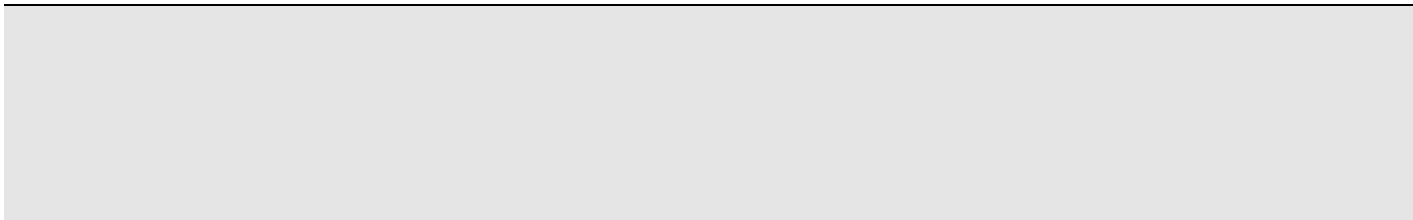
## Agency Funds

## Combining Statement of Fiduciary Assets and Liabilities

June 30, 2006

with comparative total amounts for 2005 and 2004

	<u>Mental Health Payee</u>	<u>Senior Citizens Housing</u>	<u>Golf Club</u>	<u>Sister City</u>
<b>ASSETS</b>				
Equity in central treasury	\$ 1,375	11,899	12,561	931
Plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,375</u>	<u>11,899</u>	<u>12,561</u>	<u>931</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	-	-	-
Accrued and other liabilities	<u>1,375</u>	<u>11,899</u>	<u>12,561</u>	<u>931</u>
Total liabilities	<u>\$ 1,375</u>	<u>11,899</u>	<u>12,561</u>	<u>931</u>



Museum Grant	Juneau Public Library Endowment	Totals		
		<u>2006</u>	<u>2005</u>	<u>2004</u>
16,676	918,353	961,795	937,725	909,407
<u>-</u>	<u>7,588</u>	<u>7,588</u>	<u>7,588</u>	<u>7,588</u>
<u>16,676</u>	<u>925,941</u>	<u>969,383</u>	<u>945,313</u>	<u>916,995</u>
-	-	-	2,000	-
<u>16,676</u>	<u>925,941</u>	<u>969,383</u>	<u>943,313</u>	<u>916,995</u>
<u>16,676</u>	<u>925,941</u>	<u>969,383</u>	<u>945,313</u>	<u>916,995</u>

## Agency Funds

## Combining Statement of Changes in Fiduciary Assets and Liabilities

For the fiscal year ended June 30, 2006

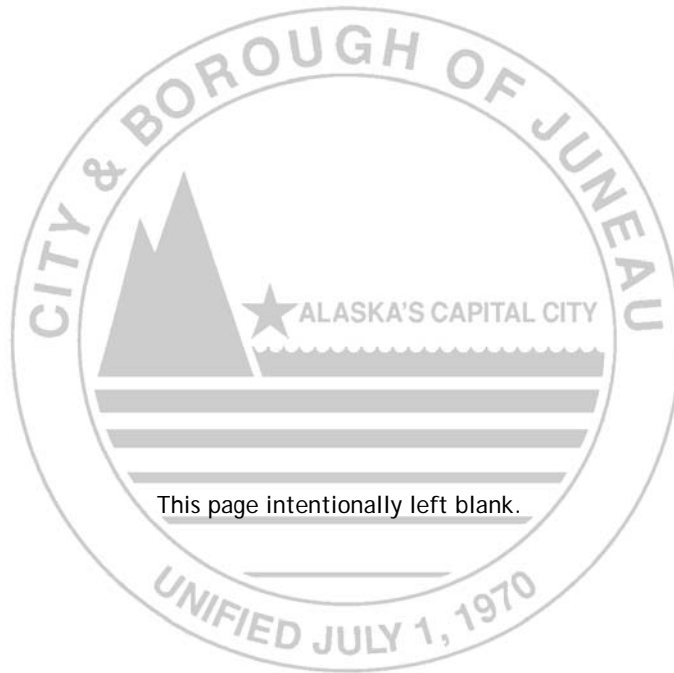
	Assets			Balance at June 30, 2006
	Balance at July 1, 2005	Increase	Decrease	
<b>Mental Health Payee:</b>				
Equity in central treasury	\$ 1,361	14	-	1,375
Accrued and other liabilities	-	-	-	-
Total Mental Health Payee	<u>1,361</u>	<u>14</u>	<u>-</u>	<u>1,375</u>
<b>Senior Citizens Housing:</b>				
Equity in central treasury	11,899	-	-	11,899
Accrued and other liabilities	-	-	-	-
Total Senior Citizens Housing	<u>11,899</u>	<u>-</u>	<u>-</u>	<u>11,899</u>
<b>Golf Club:</b>				
Equity in central treasury	12,219	342	-	12,561
Accrued and other liabilities	-	-	-	-
Total Golf Club	<u>12,219</u>	<u>342</u>	<u>-</u>	<u>12,561</u>
<b>Sister City:</b>				
Equity in central treasury	906	25	-	931
Accrued and other liabilities	-	-	-	-
Total Sister City	<u>906</u>	<u>25</u>	<u>-</u>	<u>931</u>
<b>Museum Grant:</b>				
Equity in central treasury	17,969	1,207	2,500	16,676
Accounts payable	-	-	-	-
Accrued and other liabilities	-	-	-	-
Total Museum Grant	<u>17,969</u>	<u>1,207</u>	<u>2,500</u>	<u>16,676</u>
<b>Juneau Public Library Endowment:</b>				
Equity in central treasury	893,371	24,982	-	918,353
Plant and equipment	7,588	-	-	7,588
Accrued and other liabilities	-	-	-	-
Total Juneau Public Library Endowment	<u>900,959</u>	<u>24,982</u>	<u>-</u>	<u>925,941</u>
Total Agency Funds	<u>\$ 945,313</u>	<u>26,570</u>	<u>2,500</u>	<u>969,383</u>



**Liabilities**

<u>Balance at July 1, 2005</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance at June 30, 2006</u>
-	-	-	-
1,361	14	-	1,375
<u>1,361</u>	<u>14</u>	<u>-</u>	<u>1,375</u>
-	-	-	-
11,899	-	-	11,899
<u>11,899</u>	<u>-</u>	<u>-</u>	<u>11,899</u>
-	-	-	-
12,219	342	-	12,561
<u>12,219</u>	<u>342</u>	<u>-</u>	<u>12,561</u>
-	-	-	-
906	25	-	931
<u>906</u>	<u>25</u>	<u>-</u>	<u>931</u>
-	-	-	-
2,000	-	-	2,000
15,969	1,207	2,500	14,676
<u>17,969</u>	<u>1,207</u>	<u>2,500</u>	<u>16,676</u>
-	-	-	-
-	-	-	-
900,959	24,982	-	925,941
<u>900,959</u>	<u>24,982</u>	<u>-</u>	<u>925,941</u>
<u>945,313</u>	<u>26,570</u>	<u>2,500</u>	<u>969,383</u>





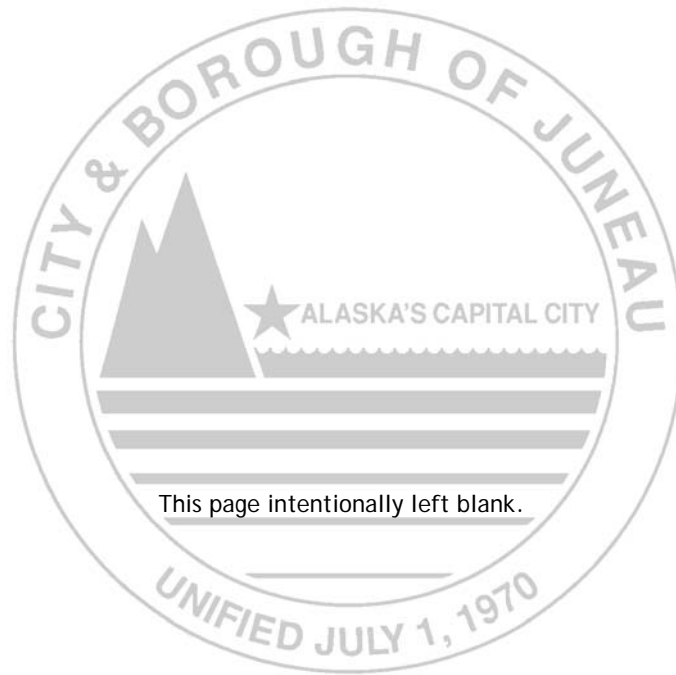
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## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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- 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, 2006

with comparative total amounts for 2005 and 2004

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental fund capital assets:			
Land	\$ 37,306,108	36,500,884	36,500,884
Buildings and improvements	181,231,242	185,229,925	173,843,569
Machinery, equipment and fixtures	23,805,744	24,964,455	25,021,784
Infrastructure	181,294,073	178,656,572	178,199,015
Construction in progress	69,973,755	56,001,616	48,728,840
	<u>493,610,922</u>	<u>481,353,452</u>	<u>462,294,092</u>
Total governmental fund capital assets	\$ 493,610,922	481,353,452	462,294,092
Investment in governmental fund capital assets by source:			
General fund	\$ 3,254,284	4,193,680	4,268,856
Special revenue funds	4,989,008	5,047,783	5,177,002
Capital projects funds	385,911,318	373,661,077	354,397,322
Donations	99,456,312	98,450,912	98,450,912
	<u>493,610,922</u>	<u>481,353,452</u>	<u>462,294,092</u>
Total governmental fund capital assets	\$ 493,610,922	481,353,452	462,294,092

*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.

## CITY and BOROUGH OF JUNEAU

## Capital Assets Used in the Operation of Governmental Funds

## Schedule By Function and Activity

June 30, 2006

with comparative total amounts for 2005 and 2004

	<u>Land</u>	<u>Buildings and improvements</u>	<u>Machinery, equipment and fixtures</u>
Legislative	\$ -	2,248,180	29,933
Legal	-	-	19,514
Administration:			
Manager	-	-	-
Personnel/Clerk	-	-	29,435
Management Information Systems	-	-	1,724,214
Lands	13,321,441	792,942	104,498
Education	4,999,157	107,507,228	5,326,320
Community development	3,900,000	8,004,060	90,213
Finance	-	40,400	202,202
Engineering	-	4,184	-
Library	94,544	6,229,773	1,820,725
Social services	-	-	-
Recreation:			
Parks and Landscape Maintenance	9,177,035	12,361,178	385,401
Eaglecrest	-	4,750,629	2,355,181
Parks and Recreation	-	8,859,088	572,691
Public safety:			
Police	920,812	8,348,924	2,324,798
Fire	642,315	10,290,796	1,565,159
Public works:			
Building Maintenance	-	1,089,709	23,227
Downtown Parking	-	951,855	30,767
Streets	1,652,803	2,642,862	147,458
Public transportation	-	665,502	6,704,074
Tourism and conventions	2,598,001	6,443,932	349,934
Construction work in progress	-	-	-
	<u>\$ 37,306,108</u>	<u>181,231,242</u>	<u>23,805,744</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.

<u>Infrastructure</u>	<u>Construction work in progress</u>	<u>Totals</u>		
		<u>2006</u>	<u>2005</u>	<u>2004</u>
-	-	2,278,113	2,278,113	2,245,629
-	-	19,514	19,514	19,514
-	-	-	17,483	17,483
-	-	29,435	34,292	26,298
-	-	1,724,214	2,640,759	2,640,759
93,727	-	14,312,608	14,312,608	14,230,834
212,951	-	118,045,656	117,830,116	112,281,327
-	-	11,994,273	11,994,273	10,232,447
-	-	242,602	242,602	232,338
-	-	4,184	4,184	67,979
-	-	8,145,042	8,145,552	8,145,552
-	-	-	-	281,406
95,929	-	22,019,543	20,310,008	20,073,078
263,610	-	7,369,420	7,373,636	7,117,691
-	-	9,431,779	12,993,444	9,340,706
-	-	11,594,534	11,599,821	11,599,821
-	-	12,498,270	12,498,270	12,498,270
-	-	1,112,936	1,112,937	1,112,937
745,676	-	1,728,298	1,728,298	1,164,370
179,882,180	-	184,325,303	183,430,666	183,350,918
-	-	7,369,576	7,393,393	7,507,547
-	-	9,391,867	9,391,867	9,378,348
-	69,973,755	69,973,755	56,001,616	48,728,840
<u>181,294,073</u>	<u>69,973,755</u>	<u>493,610,922</u>	<u>481,353,452</u>	<u>462,294,092</u>

## Capital Assets Used in the Operation of Governmental Funds

## Schedule of Changes By Function and Activity

For the fiscal year ended June 30, 2006

	Beginning Balances	Additions	Deductions	Ending Balances
<b>All Asset Types</b>				
Legislative	\$ 2,735,009	65,724	-	2,800,733
Legal	63,113	32,868	70,890	25,091
Administration:				
Manager	17,483	-	17,483	-
Personnel/Clerk	34,292	-	4,857	29,435
Management Information Systems	2,640,759	36,217	952,762	1,724,214
Lands	14,516,255	22,367	-	14,538,622
Education	133,442,855	13,605,444	404,473	146,643,826
Community development	29,272,628	1,451	-	29,274,079
Finance	242,602	63,160	-	305,762
Engineering	4,183	-	-	4,183
Library	8,451,502	18,481	17,900	8,452,083
Social services	-	-	-	-
Recreation:				
Parks and Landscape Maintenance	22,741,613	2,170,187	1,104,124	23,807,676
Eaglecrest	8,385,146	242,288	18,960	8,608,474
Parks and Recreation	14,530,573	47,935	3,601,556	10,976,952
Public safety:				
Police	13,325,606	471,459	849,230	12,947,835
Fire	13,473,952	128,472	-	13,602,424
Public works:				
Building Maintenance	1,112,936	(1)	-	1,112,935
Downtown Parking	1,965,821	134,089	-	2,099,910
Streets	194,414,046	6,014,222	4,230,054	196,198,214
Public transportation	8,631,077	47,621	23,822	8,654,876
Community projects	1,559,683	335,147	100,000	1,794,830
Tourism and conventions	9,792,318	216,450	-	10,008,768
Total governmental funds capital assets	<u>\$ 481,353,452</u>	<u>23,653,581</u>	<u>11,396,111</u>	<u>493,610,922</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, 2006

	<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>
<b>GOVERNMENTAL CAPITAL PROJECTS</b>							
<b>Schools:</b>							
ADA upgrades - Marie Drake	454-68	\$ 734,284	704,314	-	29,970	-	96%
Auke Bay Elem roof replacement	454-69	851,563	836,022	-	15,541	-	98%
Floyd Dryden renovations	454-73	5,385,000	4,948,694	68,593	367,713	-	93%
School district major maintenance	454-75	248,175	198,135	-	50,040	-	80%
JDHS renovation	454-76	22,885,960	22,142,523	101,695	641,742	-	97%
Riverbend site improvements	454-77	261,678	215,288	-	46,390	-	82%
JDHS Renovation II	454-80	4,579,019	2,778,208	1,103,323	697,488	-	85%
DZ Improvements	454-81	400,000	194,027	47,039	158,934	-	60%
High School/Mendenhall Valley	454-83	60,832,793	7,277,674	48,371,678	5,183,441	-	91%
Floyd Dryden Renovation II	454-84	6,483,299	4,937,543	42,099	1,503,657	-	77%
Harborview Plumbing Pipe	454-85	461,701	302,047	32,330	127,324	-	72%
District major maintenance upgrade	454-86	18,816,602	794,621	1,358,510	16,663,471	-	11%
School district technology upgrade	454-87	400,000	344,999	-	55,001	-	86%
Glacier Valley renovation	454-88	5,995,000	3,037	-	5,991,963	-	0%
Total Schools		<u>128,335,074</u>	<u>45,677,132</u>	<u>51,125,267</u>	<u>31,532,675</u>	-	75%
<b>Roads and sidewalks:</b>							
Lena access road extension	412-79	3,157,250	3,131,648	2,879	22,723	-	99%
Street main shop dsgr - new loc	412-81	1,585,000	176,506	44,943	1,363,551	-	14%
Goldbelt Avenue Reconstruction	412-98	1,155,428	1,147,691	-	7,737	-	99%
Seward/2nd Street Reconstruction	412-99	3,105,000	2,834,562	116,240	154,198	-	95%
Aspen Avenue/Duck Creek Exiting	422-01	293,625	278,926	-	14,699	-	95%
Riverside Drive Improvements	422-02	390,000	31,502	132,634	225,864	-	42%
Pavement Management	422-04	1,467,588	1,111,837	209,202	146,549	-	90%
S Franklin Street Wide/Load Zone	422-05	280,548	47,202	890	232,456	-	17%
Greenwood Avenue LID #92	422-07	915,952	445,310	463,303	7,339	-	99%
First Street Douglas Turnaround	422-08	28,000	4,495	-	23,505	-	16%
Lakewood Subdivision reconstruction	422-10	1,608,500	1,538,451	20,036	50,013	-	97%
Hidden Valley reconstruction & survey	422-11	80,000	61,895	12,500	5,605	-	93%
Nancy Street pond restoration/Land	422-12	146,000	136,482	-	9,518	-	93%
Mt Juneau drainage repair	422-13	51,096	49,897	-	1,199	-	98%
Douglas/West Juneau drainage	422-14	231,122	4,656	-	226,466	-	2%
Downtown Side Streets reconstruction	422-16	324,580	51,291	269,760	3,529	-	99%
Davis Avenue	422-17	1,620,000	403,283	964,610	252,107	-	84%
Casey Shattuck Subdivision Ph I	422-18	987,642	243,617	481,146	262,879	-	73%
Valley Boulevard reconstruction	422-19	280,000	13,453	356	266,191	-	5%
Linda Avenue & Sidewalk	422-20	1,295,000	82,411	731,195	481,394	-	63%
Franklin Street	422-21	100,000	-	-	100,000	-	-
Retaining walls	422-22	100,000	-	-	100,000	-	-
Archipelago Property Sidewalk	422-23	100,000	57,899	-	42,101	-	58%
Main Street Prel Im layouts	422-24	10,000	-	-	10,000	-	-
Juneau Bridge repair	422-25	40,000	-	-	40,000	-	-
Total Roads and sidewalks		<u>19,352,331</u>	<u>11,853,014</u>	<u>3,449,694</u>	<u>4,049,623</u>	-	79%
<b>Fire and safety:</b>							
Critical incident command vehicle	413-04	70,000	14,885	-	55,115	-	21%
Modernizing Police equipment	413-18	1,086,900	660,873	65,877	360,150	-	67%
New Police Station Site Improvements	413-19	113,838	83,551	2,000	28,287	-	75%
Police Station Fire Suppression	413-20	50,000	4,523	-	45,477	-	9%
Hag Fire Training Ctr-Fac Needs Asm	413-21	15,000	12,010	-	2,990	-	80%
First Responder Preparedness	413-22	673,467	655,956	10,278	7,233	-	99%
Metro Med Response	413-23	600,000	129,147	8,461	462,392	-	23%
Homeland Security Grant Program	413-24	962,000	196,408	3,388	762,204	-	21%

(Continued)

## Current Capital Projects by Category

Year ended June 30, 2006

	<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- pend</u>
<b>GOVERNMENTAL CAPITAL PROJECTS (continued)</b>							
<b>Fire and safety (continued):</b>							
Modernizing Police equipment II	413-25	\$ 904,085	260,753	30,746	612,586	-	32%
05 MMRS Program	413-26	227,592	13,189	12,136	202,267	-	11%
CBJ Responders	413-27	456,115	119,119	-	336,996	-	26%
BZPP 2005 GR-TS-0030	413-28	50,000	-	35,188	14,812	-	70%
Total Fire and safety		<u>5,208,997</u>	<u>2,150,414</u>	<u>168,074</u>	<u>2,890,509</u>	<u>-</u>	<u>45%</u>
<b>Community development:</b>							
Energy efficiency improvements	374-30	158,223	147,305	-	10,918	-	93%
Juneau wetlands mitigation bank	374-42	27,627	5,577	-	22,050	-	20%
Mendenhall River hydrology	374-48	208,250	203,647	-	4,603	-	98%
Muni bldg and JPD telephone system	374-54	136,000	130,679	-	5,321	-	96%
Bus passenger shelters	374-63	199,000	179,956	-	19,044	-	90%
Capital Transit transit facility	374-68	451,350	275,245	92,163	83,942	-	81%
Open space waterfront land acq.	374-70	3,275,711	291,612	-	2,984,099	-	9%
Safe routes to schools	374-79	24,988	19,899	-	5,089	-	80%
Construct JCVB Visitor Center	374-80	176,000	124,028	-	51,972	-	70%
Hyperspec Images/Duck Ck monitor	374-82	99,952	7,032	71,788	21,132	-	79%
Transit buses replacement	374-83	805,220	763,644	-	41,576	-	95%
Waterfront planning	374-85	288,782	206,816	-	81,966	-	72%
Helprt plan/flt noise abate/imp	374-86	296,000	10,417	-	285,583	-	4%
Eaglecrest Lodge expansion	374-89	943,800	923,988	481	19,331	-	98%
Eaglecrest Nordic ski trail dev	374-91	39,500	23,427	-	16,073	-	59%
Assembly chambers audio sys replc	374-93	25,000	18,670	-	6,330	-	75%
N Lemon Creek Materials Source	374-94	200,000	22,367	8,898	168,735	-	16%
Deferred Maintenance - Lifts	374-96	84,256	62,584	-	21,672	-	74%
ADA Compliance	374-98	451,000	120,607	27,642	302,751	-	33%
Wayfinding Signs	375-04	302,000	270,282	100,586	-	(68,868)	123%
New Capitol Bldg Planning	375-05	400,000	383,344	19,995	-	(3,339)	101%
Geographic Infor System II	375-06	160,976	4,006	-	156,970	-	2%
Eaglecrest Deferred Maintenance	375-07	279,974	63,816	-	216,158	-	23%
Site clean up & renovation	375-09	15,116	-	3,300	11,816	-	22%
Document shredder	375-10	20,000	-	-	20,000	-	-
Sea walk Interpretive signs	375-11	17,900	5,359	8,421	4,120	-	77%
Eaglecrest rail maintenance	375-12	10,000	-	-	10,000	-	-
Lodge improvements	375-13	37,033	6,937	-	30,096	-	19%
Eaglecrest mid-mountain chairlift	375-14	800,000	158,305	17,911	623,784	-	22%
FAA cable	375-15	25,000	-	-	25,000	-	-
Replace Core Financial System	375-16	500,000	63,160	58,940	377,900	-	24%
Mendenhall River gauging station	375-17	1,500	-	-	1,500	-	-
North Douglas Crossing	375-18	135,500	-	-	135,500	-	-
Lemon Crk Comm Cntr 2nd access	375-19	100,000	-	-	100,000	-	-
Lena Subdivision Utility Improvements	375-26	1,225,000	-	-	1,225,000	-	-
Total Community development		<u>11,920,658</u>	<u>4,492,709</u>	<u>410,125</u>	<u>7,090,031</u>	<u>(72,207)</u>	<u>41%</u>
<b>Parks and recreation:</b>							
Hank Harmon Rifle Range imp	396-21	50,000	46,815	(14,664)	17,849	-	64%
Trail improvements	396-25	348,500	211,045	13,196	124,259	-	64%
Cope Park improvements	396-26	390,457	60,791	-	329,666	-	16%
Fish Creek Park improvements	396-27	128,000	23,950	-	104,050	-	19%
Glacier Valley sportsfield improv	396-28	423,523	406,664	2,442	14,417	-	97%
Dimond Park community center I	396-34	425,000	411,904	3,398	9,698	-	98%
Smith/Butts Park improvements I	396-36	150,000	128,363	21,542	95	-	100%
Zach Gordon covered court	396-37	500,000	103,106	20,430	376,464	-	25%
Commercial trail planning	396-39	100,000	97,222	-	2,778	-	97%
Douglas Library/Fire Hall maintenance	396-40	621,155	614,082	-	7,073	-	99%
Essential building repairs II	396-41	1,287,817	525,943	27,469	734,405	-	43%

(Continued)

CITY AND BOROUGH OF JUNEAU

Current Capital Projects by Category

Year ended June 30, 2006

	Project number	Project budget	Project expenditures	Project encum- brances	Remaining project commitment	Required future financing	Percent ex- pended
<b>GOVERNMENTAL CAPITAL PROJECTS (continued)</b>							
<b>Parks and recreation: (continued)</b>							
Deferred building maintenance II	396-42	\$ 2,218,689	1,177,719	11,898	1,029,072	-	54%
West Juneau park acquisition	396-44	250,000	229,987	-	20,013	-	92%
Montana Creek bike trail	396-47	50,000	-	-	50,000	-	-
Sport field repairs	396-48	360,691	109,396	90,100	161,195	-	55%
West Juneau park - design	396-49	260,012	219,778	33,695	6,539	-	97%
Gunakadeit Park plan/design	396-50	825,800	155,824	17,796	652,180	-	21%
DT parking garage major maint	396-51	521,000	187,763	500	332,737	-	36%
Asbestos Abatement	396-52	50,000	2,736	425	46,839	-	6%
Treadwell Arena - Lockers	396-54	750,728	738,552	19	12,157	-	98%
DT Cap Parking	396-55	830,000	250,302	55,882	523,816	-	37%
Egan Drive Trees	396-56	5,000	-	-	5,000	-	-
Switzer/Marriot Trail Improvements	396-57	50,000	39,630	10,015	355	-	99%
Auke Lake trail ADA upgrade	396-58	100,000	-	-	100,000	-	-
Parks & playground improvements	396-59	170,000	39,236	-	130,764	-	23%
Montana Creek trail abutt & repair	396-61	100,000	28,993	38,565	32,442	-	68%
Dimond Park restrooms/ concess design	396-62	50,000	-	-	50,000	-	-
Auditorium chair replacement	396-63	180,000	-	180,000	-	(0)	100%
Auditorium table replacement	396-64	70,000	-	70,000	-	-	100%
Dive Park Underwater Trail	396-65	3,822	819	-	3,003	-	21%
Adair Kennedy bleachers	396-66	100,000	9,693	46,770	43,537	-	56%
Total Parks and recreation		<u>11,370,194</u>	<u>5,820,313</u>	<u>629,478</u>	<u>4,920,403</u>	<u>(0)</u>	57%
Total Capital Projects Funds		<u>176,187,254</u>	<u>69,993,582</u>	<u>55,782,638</u>	<u>50,483,241</u>	<u>(72,207)</u>	71%
<b>ENTERPRISE CAPITAL PROJECTS</b>							
<b>Airport:</b>							
New snow removal equip bldg design	345-26	1,501,419	341,584	28,524	1,131,311	-	25%
Airport construction contingency rsrve	345-31	80,000	70,345	-	9,655	-	88%
Airport revolving capital account	345-33	358,044	-	-	358,044	-	-
Relocate ASOS	345-46	65,000	9,643	-	55,357	-	15%
Runway safety area EIS	345-47	3,992,806	3,076,392	399,285	517,129	-	87%
Runway safety area II	345-56	973,333	-	-	973,333	-	-
NW quadrant dev	345-57	93,333	-	-	93,333	-	-
Departure area security improvements	345-59	903,408	672,669	-	230,739	-	74%
Airport water/sewer extension	345-61	1,107,695	1,073,463	-	34,232	-	97%
Rehabilitate access road	345-63	391,385	387,607	-	3,778	-	99%
Taxiway extensions	345-64	1,512,243	1,499,104	-	13,139	-	99%
JNU Terminal study Ph II	345-65	800,000	800,446	5,379	-	(5,825)	101%
Construct Delta 1 ramp	345-67	1,560,778	1,340,701	(69,716)	289,793	-	81%
Part 121 ramp reconstruction Ph. I	345-68	1,800,000	159,903	69,618	1,570,479	-	13%
Rehab West Gate area paving Ph. I	345-69	63,158	-	-	63,158	-	-
Wildlife Hazard Management Ph. I	345-70	1,659,500	-	-	1,659,500	-	-
Purchase Land/Airport expansion	345-71	1,000,000	1,642	-	998,358	-	0%
Acquire security vehicle #8	345-72	27,761	25,748	-	2,013	-	93%
Airport project design fund	349-47	305,331	51,661	2,000	251,670	-	18%
Total Airport		<u>18,195,194</u>	<u>9,510,908</u>	<u>435,090</u>	<u>8,255,021</u>	<u>(5,825)</u>	55%
<b>Hospital:</b>							
Bartlett 2005	374-72	55,117,484	35,343,143	23,157,153	-	(3,382,812)	106%
Total Hospital		<u>55,117,484</u>	<u>35,343,143</u>	<u>23,157,153</u>	<u>-</u>	<u>(3,382,812)</u>	106%

(Continued)

## Current Capital Projects by Category

Year ended June 30, 2006

	<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- pend</u>
<b>ENTERPRISE CAPITAL PROJECTS (continued)</b>							
<b>Harbors:</b>							
Norway Point boat moorage float	354-63	\$ 539,626	424,020	-	115,606	-	79%
Harbor areawide restrooms constr	354-69	50,000	37,315	-	12,685	-	75%
Auke Bay load fac/Statter elect upgra	354-74	4,874,250	2,055,027	17,254	2,801,969	-	43%
North Douglas ramp access improv	354-78	245,000	244,888	-	112	-	100%
Amalga Harbor launch ramp upgrade	354-79	2,700,000	2,616,190	21,407	62,403	-	98%
Douglas Harbor III	354-84	3,500,000	2,756,186	-	743,814	-	79%
Juneau harbors deferred maint	354-85	10,981,318	9,561,476	21,064	1,398,778	-	87%
Total Harbors		<u>22,890,194</u>	<u>17,695,102</u>	<u>59,725</u>	<u>5,135,367</u>	<u>-</u>	<u>78%</u>
<b>Port:</b>							
Gold Creek entrance enhancement	354-73	1,118,000	1,056,105	56,299	5,596	-	99%
Auke Bay load fac/Statter elect upgrd	354-74	325,000	325,000	-	-	-	100%
Intermediate Vessel Flt elect upgrade	354-75	120,000	35,785	-	84,215	-	30%
Upgrade National Guard Dock	354-76	300,000	286,799	-	13,201	-	96%
S. ferry terminal wharf extension	354-80	500,000	89,511	26,500	383,989	-	23%
Subport marina design/permit	354-81	75,000	37,143	35,000	2,857	-	96%
Marine Park/steamship wharf II	354-83	150,000	-	-	150,000	-	-
Accessible gangway	354-86	110,000	245	-	109,755	-	-
Steamship Wharf Lightering Fac	354-88	250,000	158,875	83,420	7,705	-	-
Steamship Wharf/Cold Stor Dock Imp	354-89	819,348	798,884	227	20,237	-	98%
Port Security Improvements	354-90	278,265	183,094	-	95,171	-	66%
Waterfront seawalk	354-91	1,128,000	270,692	50,778	806,530	-	28%
Total Port		<u>5,173,613</u>	<u>3,242,133</u>	<u>252,224</u>	<u>1,679,256</u>	<u>-</u>	<u>68%</u>
<b>Water:</b>							
Goldbelt Avenue Reconstruction	412-98	400,000	400,000	-	-	-	100%
Seward/2nd Street reconstruction	412-99	1,200,000	1,200,000	-	-	-	100%
Riverside Drive Improvements	422-02	50,000	-	-	50,000	-	-
Greenwood Avenue LID #92	422-07	50,000	-	-	50,000	-	-
Dwtn Side Str reconstruction	422-16	120,000	-	-	120,000	-	-
Davis Avenue	422-17	35,000	-	-	35,000	-	-
Casey Shattuck Subdivision Ph I	422-18	220,112	220,112	-	-	-	100%
Valley Boulevard reconstruction	422-19	10,000	-	-	10,000	-	-
N Tee Harbor waterline extension	494-27	2,845,730	1,977,581	94,844	773,305	-	73%
3rd St Douglas water/sewer imp	494-28	1,420,070	1,299,928	-	120,142	-	92%
Water Utility Meter System Upgrade	494-31	225,000	208,930	-	16,070	-	93%
Water utility resevoir repairs	494-32	1,000,000	31,434	-	968,566	-	3%
West Juneau water system Imp	494-33	417,188	64,923	2,451	349,814	-	16%
Pump station upgrades Ph 1	494-34	500,000	126,683	54,910	318,407	-	36%
Flow meter additions	494-35	500,000	287	-	499,713	-	0%
Total Water		<u>8,993,100</u>	<u>5,529,878</u>	<u>152,205</u>	<u>3,311,017</u>	<u>-</u>	<u>63%</u>
<b>Sewer:</b>							
Goldbelt Avenue reconstruction	412-98	113,523	113,523	-	-	-	100%
Seward/2nd Street reconstruction	412-99	227,013	227,013	-	-	-	100%
Aspen Avenue/Duck Creek Exiting	422-01	15,000	10,730	-	4,270	-	72%
Riverside Drive Improvements	422-02	35,000	-	-	35,000	-	-
Greenwood Avenue LID #92	422-07	30,000	-	-	30,000	-	-
Dwtn Side Str reconstruction	422-16	273,703	-	-	273,703	-	-
Casey Shattuck Subdivision Ph I	422-18	333,677	333,677	-	-	-	100%
Valley Boulevard reconstruction	422-19	10,000	-	-	10,000	-	-
Mendenhall treatment plant imp.	484-63	1,568,512	1,562,308	-	6,204	-	100%
Bayview Subdivision Sewer Outfall	484-69	2,725,000	193,762	1,088,173	1,443,065	-	47%
JD Treatment Plant Incine. Mjr Rpr.	484-70	415,000	398,524	5,808	10,668	-	97%
MWWTP VFD/Valve actuator replace.	484-76	150,000	-	-	150,000	-	-

(Continued)

CITY AND BOROUGH OF JUNEAU

Current Capital Projects by Category

Year ended June 30, 2006

	<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>
ENTERPRISE CAPITAL PROJECTS (continued)							
Sewer (continued):							
4th St. Douglas sewer main replace.	484-78	\$ 25,000	-	-	25,000	-	-
JDTP incinerator repairs	484-80	30,000	-	-	30,000	-	-
Totem Park sewer replacement	484-81	450,000	46,315	30,676	373,009	-	17%
Hospital Drive lift station	484-82	862,000	668,496	44,980	148,524	-	83%
MWWTP-odor management	484-83	290,000	287,323	485	2,192	-	99%
Lower W Mendenhall Vally sewer LID	484-84	750,000	170,554	83,105	496,341	-	34%
JDTP clarifier & building rehabilitation	484-85	620,000	28,689	2,025	589,286	-	5%
New N Douglas sewer project	484-86	2,008,375	33,088	63,501	1,911,786	-	5%
Total Sewer		<u>10,931,803</u>	<u>4,074,002</u>	<u>1,318,753</u>	<u>5,539,048</u>	<u>-</u>	49%
Total Enterprise Funds		<u>121,301,388</u>	<u>75,395,166</u>	<u>25,375,150</u>	<u>23,919,709</u>	<u>(3,388,637)</u>	83%
Total All Capital Projects		<u>\$ 297,488,642</u>	<u>145,388,748</u>	<u>81,157,788</u>	<u>74,402,950</u>	<u>(3,460,844)</u>	76%

## Closed Capital Projects by Category

Year ended June 30, 2006

	<u>Project number</u>	<u>Project budget</u>	<u>Project expenditures</u>	<u>Percent expended</u>
<b>CAPITAL PROJECTS FUNDS</b>				
<b>Schools:</b>				
Dzantik'i Heeni Site Improvements	454-67	\$ 404,473	404,473	100%
Total Schools		<u>404,473</u>	<u>404,473</u>	
<b>Roads and Sidewalks:</b>				
Highlands Reconstruction III	412-95	1,772,715	1,772,715	100%
Stairways & Sidewalks	412-97	239,020	239,020	100%
Decoy Blvd Reconstruction	422-03	497,742	497,742	100%
West Ninth Street LID	422-06	28,425	28,425	100%
City Street Shop Fencing	422-09	32,500	32,500	100%
Total Roads and sidewalks		<u>2,570,402</u>	<u>2,570,402</u>	
<b>Fire and safety:</b>				
Integrated Computer Record System	413-06	756,493	756,493	100%
Explosive Ord Safety	413-15	62,000	62,000	100%
Total Fire		<u>818,493</u>	<u>818,493</u>	
<b>Community development:</b>				
CBJ Wetlands Mitigation	374-64	70,890	70,890	100%
Platter Pull Cable Replacement	374-95	14,744	14,744	100%
Mend Valley Well Monitoring	374-97	10,000	10,000	100%
Remap Duck & Jordon Crk Flood Zone	375-08	90,000	90,000	100%
Total Community development		<u>185,634</u>	<u>185,634</u>	
<b>Parks and recreation:</b>				
Park Repairs/Safety Improvements	396-02	669,588	669,588	100%
Mendenhall River Sports field Improvements	396-29	34,547	34,547	100%
Last Chance Basin	396-33	39,892	39,892	100%
Areawide Trail Maintenance	396-38	378,004	378,004	100%
Trail Mix UAS MOU	396-60	21,985	21,985	100%
Total Parks and recreation		<u>1,144,016</u>	<u>1,144,016</u>	
Total Capital Projects Funds		<u>5,123,018</u>	<u>5,123,018</u>	
<b>ENTERPRISE FUNDS</b>				
<b>Airport:</b>				
Installation of Security Fence	345-36	15,000	15,000	100%
SRE-ARFF Command Vehicle	345-52	1,811,763	1,811,763	100%
Parallel Taxiway Reconstruction	345-55	3,513,249	3,513,249	100%
Acquire Airside Vehicles & Equipment	345-62	622,637	622,637	100%
Float Pond Dike Protection	345-66	27,250	27,250	100%
Total Airport		<u>5,989,899</u>	<u>5,989,899</u>	
<b>Harbors:</b>				
Douglas Harbor Uplands & Moorage	354-68	4,327,803	4,327,803	100%
Total Harbors		<u>4,327,803</u>	<u>4,327,803</u>	
<b>Port:</b>				
Douglas Harbor Uplands & Moorage	354-68	1,050,000	1,050,000	100%
Total Port		<u>1,050,000</u>	<u>1,050,000</u>	

(Continued)

## Closed Capital Projects by Category

Year ended June 30, 2006

	<u>Project number</u>	<u>Project budget</u>	<u>Project expenditures</u>	<u>Percent expended</u>
<b>ENTERPRISE FUNDS (continued)</b>				
<b>Sewer:</b>				
Decoy Blvd Reconstruction	422-03	\$ 16,477	16,477	100%
Cessna Drive Sewer Relocation	484-54	216,534	216,534	100%
MWWTP-Chlorine Gas/Repl Diffuser	484-65	1,294,553	1,294,553	100%
Waste Water Utility Improvements	484-68	23,271	23,271	100%
Sitka Avenue Manhole Reconstruction	484-71	27,744	27,744	100%
Front & Franklin Sewer Repairs	484-73	77,987	77,987	100%
Auke Bay Plant Disinf Improvement	484-79	13,311	13,311	100%
Total Sewer		<u>1,669,877</u>	<u>1,669,877</u>	
<b>Water:</b>				
Highlands Reconstruction III	412-95	293,406	293,406	100%
Domestic Water Filtration System	494-05	53,055	53,055	100%
Lemon Crk Stor Fac/Off Remodel	494-23	496,487	496,487	100%
Total Water		<u>842,948</u>	<u>842,948</u>	
Total Enterprise Funds		<u>12,830,527</u>	<u>12,830,527</u>	
Total All Closed Capital Projects		<u>\$ 17,953,545</u>	<u>17,953,545</u>	

## STATISTICAL SECTION

This part of the City and Borough of Juneau’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information says about the city’s overall financial health. This information has not been audited.

	<u>Pages</u>
<b>Financial Trends</b> - These schedules contain trend information that may assist the reader in assessing the City’s current financial performance by placing it in historical perspective.	190-201
<b>Revenue Capacity</b> - These schedules contain information that may assist the reader in assessing the viability of the City’s two most significant local revenue sources, property and sales tax.	202-215
<b>Debt Capacity</b> - These schedules present information that may assist the reader in analyzing the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	216-221
<b>Economic and Demographic Information</b> - These schedules offer economic and demographic indicators that are commonly used for financial analysis and that can inform one’s understanding of the City’s present and ongoing financial status.	222-231
<b>Operating Information</b> - These schedules contain service and infrastructure indicators that can inform one’s understanding how the information in the City’s financial statements relates to the services the City provides and the activities it performs.	232-239

*Source:*

Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in fiscal year 2002; therefore, tables presenting government-wide information includes information beginning in that year.



## CITY AND BOROUGH OF JUNEAU

Net Assets by Component  
(Unaudited)*Last Five Fiscal Years (accrual basis of accounting)*

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental activities				
Invested in Capital Assets, Net of Related Debt	\$ 216,879,150	223,098,790	227,578,882	236,580,393
Restricted	40,454,572	25,698,074	16,379,939	23,108,128
Unrestricted	<u>12,454,201</u>	<u>17,293,816</u>	<u>18,120,312</u>	<u>17,107,444</u>
Total governmental activities net assets	<u>269,787,923</u>	<u>266,090,680</u>	<u>262,079,133</u>	<u>276,795,965</u>
Business-type activities				
Invested in Capital Assets, Net of Related Debt	227,174,517	206,025,846	220,367,248	213,610,418
Restricted	40,716,382	48,654,087	23,768,023	11,440,786
Unrestricted	<u>36,918,163</u>	<u>35,396,160</u>	<u>31,936,634</u>	<u>24,492,825</u>
Total business-type activities net assets	<u>304,809,062</u>	<u>290,076,093</u>	<u>276,071,905</u>	<u>249,544,029</u>
Primary government				
Invested in Capital Assets, Net of Related Debt	444,053,667	429,124,636	447,946,130	450,190,811
Restricted	81,170,954	74,352,161	40,147,962	34,548,914
Unrestricted	<u>49,372,364</u>	<u>52,689,976</u>	<u>50,056,946</u>	<u>41,600,269</u>
Total primary government net assets	<u>\$ 574,596,985</u>	<u>556,166,773</u>	<u>538,151,038</u>	<u>526,339,994</u>

2002

241,154,267

20,678,989

17,556,170

279,389,426

200,862,486

13,344,477

21,185,124

235,392,087

442,016,753

34,023,466

38,741,294

514,781,513

## CITY AND BOROUGH OF JUNEAU

Change in Net Assets  
(Unaudited)

Last Five Fiscal Years (accrual basis of accounting)

	2006	2005	2004	2003
<b>Expenses</b>				
Governmental activities:				
Legislative	\$ 1,568,508	1,882,153	1,634,229	3,124,032
Legal	1,127,716	1,248,481	1,167,961	753,253
Administration	3,028,309	3,083,112	2,487,543	2,345,202
Education	25,259,564	24,252,668	21,640,289	27,474,708
Finance	2,907,102	2,859,570	2,694,998	2,592,406
Engineering	635,832	619,629	504,518	576,328
Libraries	2,269,244	2,171,829	1,773,714	2,079,346
Social services	1,018,862	392,861	990,088	2,100,002
Recreation	9,673,834	2,448,272	6,006,226	4,772,951
Community development and lands management	4,609,325	5,241,432	4,961,726	4,529,458
Low-income housing	(6,323)	8,959	50,469	29,798
Public safety	16,755,634	15,501,766	13,749,237	14,451,818
Public works	14,492,382	11,485,118	12,579,360	5,021,379
Public transportation	4,941,717	4,566,209	4,042,682	3,966,378
Community projects	(235,147)	(436,509)	1,406,544	(474,627)
Tourism and conventions	1,519,514	1,339,936	1,512,871	1,495,046
Interest on long-term debt	7,716,470	7,566,108	7,448,694	3,643,659
Total governmental activities expenses	<u>97,282,543</u>	<u>84,231,594</u>	<u>84,651,149</u>	<u>78,481,137</u>
Business-type activities:				
Airport	6,585,306	6,517,736	6,108,455	6,134,297
Harbors	3,390,280	3,060,189	2,822,952	2,349,669
Docks	1,868,405	1,924,685	1,909,645	1,531,668
Hospital	55,552,625	53,189,781	50,343,145	48,331,759
Water	5,393,741	4,894,839	3,995,160	4,577,902
Sewer	9,092,340	8,356,173	7,693,921	7,370,927
Waste management	991,302	927,097	759,991	537,254
Total business-type activities expenses	<u>82,873,999</u>	<u>78,870,500</u>	<u>73,633,269</u>	<u>70,833,476</u>
Total primary government expenses	\$ <u>180,156,542</u>	<u>163,102,094</u>	<u>158,284,418</u>	<u>149,314,613</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
Legislative	\$ -	-	-	1,620
Legal	25,643	32,881	23,031	57,500
Administration	4,513	3,232	6,792	9,101
Finance	55,437	42,265	37,248	126,427
Engineering	21,120	15,614	14,200	18,628
Libraries	50,639	52,156	53,246	54,897
Social services	1,851	5,670	13,240	137,869
Recreation	2,233,662	2,136,864	2,114,357	1,287,073
Community development and lands management	2,551,521	1,979,771	1,667,352	1,812,461
Low-income housing	(15,514)	15,578	83,951	26,545
Public safety	2,597,130	2,411,616	1,997,458	1,714,589
Public works	-	(50)	75	-
Public transportation	890,401	884,675	904,100	792,142
Tourism and conventions	6,857,609	6,126,067	5,427,311	5,052,812
Interest on long-term debt	4,486,560	4,689,541	5,193,518	(3,956,676)
Operating grants and contributions	1,848,929	1,299,026	1,711,698	2,197,407
Capital grants and contributions	6,546,726	4,517,121	4,884,822	5,892,438
Total governmental activities program revenues	<u>28,156,227</u>	<u>24,212,027</u>	<u>24,132,399</u>	<u>15,224,833</u>

2002

1,730,794  
751,497  
2,131,275  
21,666,937  
2,639,816  
507,532  
1,973,051  
907,118  
4,669,172  
3,373,445  
62,187  
12,766,689  
11,478,986  
3,605,103  
57,120  
1,937,907  
1,041,739  
71,300,368

5,691,086  
1,792,134  
1,356,551  
44,297,256  
4,429,047  
6,668,520  
481,848  
64,716,442  
136,016,810

-  
64,008  
47,245  
123,757  
14,240  
52,726  
32,876  
1,776,088  
1,372,312  
8,171  
1,625,021  
-  
812,450  
5,116,404  
-  
2,106,846  
4,182,744  
17,334,888

(Continued)

## CITY AND BOROUGH OF JUNEAU

Change in Net Assets, continued  
(Unaudited)

Last Five Fiscal Years (accrual basis of accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Program Revenues, continued:</b>				
Business-type activities:				
Charges for services:				
Airport	\$ 3,747,779	3,690,902	3,522,142	3,666,335
Harbors	2,315,212	1,795,447	1,587,529	1,518,576
Docks	1,599,899	1,622,423	1,570,404	1,488,497
Hospital	60,033,397	53,874,734	51,690,374	47,389,234
Water	3,317,529	3,219,726	3,049,781	2,705,919
Sewer	7,811,727	7,670,800	6,837,726	5,443,892
Waste management	811,452	721,342	731,621	564,969
Operating grants and contributions	580,536	550,970	460,706	575,575
Capital grants and contributions	10,641,615	10,583,825	9,441,157	15,019,420
Total business-type activities program revenues	<u>90,859,146</u>	<u>83,730,169</u>	<u>78,891,440</u>	<u>78,372,417</u>
Total primary government program revenues	<u>\$ 119,015,373</u>	<u>107,942,196</u>	<u>103,023,839</u>	<u>93,597,250</u>
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (69,126,316)	(60,019,567)	(60,518,750)	(63,256,304)
Business-type activities	<u>7,985,147</u>	<u>4,859,669</u>	<u>5,258,171</u>	<u>7,538,941</u>
Total primary government net expense	<u>\$ (61,141,169)</u>	<u>(55,159,898)</u>	<u>(55,260,579)</u>	<u>(55,717,363)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 35,647,984	32,615,222	30,025,665	28,725,113
Sales Taxes	36,826,234	34,792,558	32,934,397	30,786,346
Hotel Taxes	1,061,798	914,001	906,280	897,011
Unrestricted investment earnings	2,468,200	3,124,231	910,759	3,686,606
Gains on sale of capital assets	55,796	(12,522)	10,850	41,350
Miscellaneous	2,489,082	1,096,231	1,993,991	2,099,342
Transfers	<u>(5,725,535)</u>	<u>(8,498,607)</u>	<u>(20,980,023)</u>	<u>(5,572,925)</u>
Total governmental activities general revenues and other changes in net assets	<u>72,823,559</u>	<u>64,031,114</u>	<u>45,801,919</u>	<u>60,662,843</u>
Business-type activities:				
Unrestricted investment earnings	773,187	725,784	258,590	1,025,449
Gains on sale of capital assets	-	(79,872)	31,091	14,628
Miscellaneous	249,100	-	-	-
Transfers	<u>5,725,535</u>	<u>8,498,607</u>	<u>20,980,023</u>	<u>5,572,925</u>
Total business-type activities general revenues and other changes in net assets	<u>6,747,822</u>	<u>9,144,519</u>	<u>21,269,704</u>	<u>6,613,002</u>
Total primary government general revenues and other changes in net assets	<u>\$ 79,571,381</u>	<u>73,175,633</u>	<u>67,071,623</u>	<u>67,275,845</u>
<b>Changes in Net Assets</b>				
Governmental activities	\$ 3,697,243	4,011,547	(14,716,831)	(2,593,461)
Business-type activities	<u>14,732,969</u>	<u>14,004,188</u>	<u>26,527,875</u>	<u>14,151,943</u>
Total primary government, change in net assets	<u>\$ 18,430,212</u>	<u>18,015,735</u>	<u>11,811,044</u>	<u>11,558,482</u>

2002

3,544,064  
1,342,802  
1,023,807  
43,180,222  
2,629,859  
5,149,366  
561,236  
487,636  
4,128,444  
62,047,436  
79,382,324

(53,965,480)  
(2,669,006)  
(56,634,486)

28,176,762  
30,831,846  
926,630  
3,719,373  
19,000  
3,051,413  
(8,860,262)

57,864,762

1,156,702  
7,765  
-  
8,860,262

10,024,729

67,889,491

3,899,282  
7,355,723  
11,255,005

CITY AND BOROUGH OF JUNEAU

Fund Balances, Governmental Funds  
(Unaudited)

*Last Ten Fiscal Years (modified accrual basis of accounting)*

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund				
Reserved	\$ 1,826,425	657,214	1,306,890	2,750,879
Unreserved	2,702,599	4,506,720	4,046,455	4,284,269
Total general fund	<u>\$ 4,529,024</u>	<u>5,163,934</u>	<u>5,353,345</u>	<u>7,035,148</u>
All other Governmental funds				
Reserved	\$ 58,166,760	16,224,182	6,916,054	17,195,196
Unreserved, reported in:				
Special revenue funds	13,396,990	14,755,627	12,654,716	10,862,885
Debt service funds	6,684,240	5,693,329	5,589,076	972,537
Capital Projects funds	(1,589,417)	37,870,961	23,320,232	8,928,701
Total all other governmental funds	<u>\$ 81,187,597</u>	<u>79,708,033</u>	<u>53,833,423</u>	<u>44,994,467</u>

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

2002	2001	2000	1999	1998	1997
3,572,121	1,626,330	1,737,374	3,879,277	1,482,787	1,072,771
4,146,478	3,144,415	879,350	866,160	4,447,571	6,538,683
<u>7,718,599</u>	<u>4,770,745</u>	<u>2,616,724</u>	<u>4,745,437</u>	<u>5,930,358</u>	<u>7,611,454</u>
24,167,267	8,583,201	6,304,691	17,263,249	11,645,248	8,933,597
9,955,349	14,020,516	12,979,403	7,184,624	8,841,074	11,589,532
488,114	149,482	1,492	164,346	315,395	379,773
15,329,181	18,102,953	6,025,450	6,802,230	12,685,686	6,080,100
<u>57,658,510</u>	<u>45,626,897</u>	<u>27,927,760</u>	<u>36,159,886</u>	<u>39,417,761</u>	<u>34,594,456</u>



## CITY AND BOROUGH OF JUNEAU

Changes in Fund Balances, Governmental Funds  
(Unaudited)

Last Ten Fiscal Years (modified accrual basis of accounting)

	2006	2005	2004	2003
<b>REVENUES</b>				
Taxes	\$ 73,632,521	67,614,846	64,589,574	61,066,031
State sources	8,071,637	5,995,753	5,784,124	7,547,955
Federal sources	1,594,130	990,315	1,146,345	1,954,694
Local sources	473,922	702,088	311,737	303,889
Charges for services	2,859,748	2,732,169	2,574,983	1,857,443
Contracted services	385,900	385,000	331,700	323,800
Licenses, permits and fees	9,156,197	8,102,377	7,466,087	6,599,682
Fines and forfeitures	780,004	759,556	631,796	501,679
Interest	2,499,142	3,003,639	850,871	3,553,761
Land sales	352,028	256,885	847,573	158,233
Rentals	306,431	231,996	233,795	290,806
Special assessments	439,546	169,426	567,060	153,840
Equity in earnings of AJT Mining Properties, Inc. joint ventures	42	103	103	131
Other	1,104,970	577,368	554,700	877,332
<b>Total revenues</b>	<b>101,656,218</b>	<b>91,521,521</b>	<b>85,890,448</b>	<b>85,189,276</b>
<b>EXPENDITURES</b>				
Legislative	2,499,024	2,321,087	2,469,481	4,032,270
Legal	1,032,375	1,192,783	1,171,372	748,643
Administration	2,963,779	2,739,129	2,667,931	2,595,525
Education	20,287,664	19,148,000	18,604,200	18,316,000
Finance	2,745,026	2,598,610	2,690,307	2,551,803
Engineering	600,696	501,475	513,031	564,762
Libraries	1,955,096	1,825,304	1,782,517	1,842,077
Social Services	-	-	-	-
Recreation	5,031,855	4,607,738	4,528,054	3,983,786
Community development and lands management	3,426,262	3,475,818	3,508,272	3,400,271
Low-income housing	-	-	2,469	11,808
Public safety	14,767,016	13,978,804	13,293,415	13,305,226
Public works	5,374,581	5,225,957	5,084,861	4,772,352
Public transportation	4,259,551	3,771,370	3,742,621	3,348,231
Community projects	-	-	-	60,710
Tourism and conventions	1,492,154	1,357,340	1,434,807	1,394,346
Special assessments	-	-	168,314	922,411
Other	171,735	140,742	136,907	311,753
Debt service:				
Principal	6,504,495	4,339,247	4,546,934	2,966,384
Interest	3,268,312	2,844,195	1,962,589	1,340,078
Fiscal agent, bond issuance and letter of credit fees	316,251	308,047	274,706	-
Capital projects	18,836,247	14,533,697	21,137,903	26,766,886
<b>Total expenditures</b>	<b>95,532,119</b>	<b>84,909,343</b>	<b>89,720,691</b>	<b>93,235,322</b>
Excess (deficiency) of revenues over expenditures	6,124,099	6,612,178	(3,830,243)	(8,046,046)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	58,850,291	60,908,052	45,089,739	45,199,475
Transfers to other funds	(65,434,826)	(69,406,659)	(66,069,762)	(50,581,400)
Debt financing				
General obligation bond issue	1,940,000	27,445,000	33,250,000	3,382,134
Proceeds of refunding bonds	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Bond premium	-	316,039	399,222	(2,618,206)
<b>Total other financing sources (uses)</b>	<b>(4,644,535)</b>	<b>19,262,432</b>	<b>12,669,199</b>	<b>(4,617,997)</b>
<b>Net change in fund balances</b>	<b>\$ 1,479,564</b>	<b>25,874,610</b>	<b>8,838,956</b>	<b>(12,664,043)</b>
Debt Service as a percentage of noncapital expenditures	13.18%	10.67%	9.94%	6.62%

2002	2001	2000	1999	1998	1997
59,097,011	58,340,226	55,660,961	52,128,384	52,069,613	47,992,979
6,302,852	5,646,628	8,371,934	9,335,969	11,196,613	14,785,990
2,660,778	747,931	1,069,128	2,606,150	1,599,494	1,500,742
292,819	271,501	269,411	229,822	185,831	204,433
2,368,544	2,091,644	3,396,981	3,127,353	2,666,553	3,185,475
307,100	305,800	491,000	447,600	498,900	501,800
6,806,786	6,966,491	4,415,504	3,000,844	3,811,407	3,384,138
460,670	428,097	424,651	419,140	331,907	327,253
3,618,659	4,174,323	2,948,238	2,805,769	7,384,526	3,297,785
407,569	349,047	621,558	206,396	527,718	269,177
216,682	238,974	233,106	302,105	326,698	362,446
209,442	238,815	185,721	295,945	480,449	343,031
190	353	27,355	16,674	7,936	179,186
513,451	439,108	358,352	315,836	506,812	947,782
<u>83,262,553</u>	<u>80,238,938</u>	<u>78,473,900</u>	<u>75,237,987</u>	<u>81,594,457</u>	<u>77,282,217</u>
2,400,483	1,152,281	1,000,651	1,648,954	2,450,081	1,264,245
735,114	724,576	669,639	675,545	639,551	590,276
2,590,608	2,011,729	1,999,457	1,918,325	2,106,178	1,612,993
17,599,600	17,147,100	16,933,000	16,488,700	15,414,500	14,574,900
2,513,749	2,329,869	2,497,310	2,040,115	2,004,327	1,978,811
449,969	416,650	363,055	456,797	534,391	540,237
1,735,496	1,596,859	1,603,386	1,673,449	1,468,193	1,443,133
-	1,250,970	5,191,300	5,257,654	5,011,703	5,339,175
3,815,336	3,349,390	3,444,418	3,464,114	3,255,489	3,198,242
2,905,933	4,039,609	5,779,303	2,294,923	3,056,793	3,711,356
300,139	1,521	22,953	31,871	287	363,048
11,866,047	11,302,800	11,276,214	10,860,760	11,128,036	10,729,403
4,743,791	4,334,353	4,371,663	4,649,769	4,324,003	4,539,427
3,067,453	2,641,028	2,433,044	2,387,125	2,385,464	2,512,042
57,120	47,455	401,327	1,201,298	118,188	94,175
1,358,054	1,305,096	1,154,110	1,154,220	1,110,119	1,140,988
14,899	85,048	79,594	44,963	106,514	168,624
185,946	165,302	171,615	589,326	933,374	757,586
5,301,583	4,359,262	5,258,843	4,951,179	5,359,085	5,681,803
1,205,632	728,540	963,731	1,200,956	1,409,993	1,357,902
233,150	116,048	8,132	-	-	-
<u>15,180,537</u>	<u>9,433,716</u>	<u>16,019,223</u>	<u>11,649,009</u>	<u>13,229,617</u>	<u>16,968,111</u>
<u>78,260,639</u>	<u>68,539,202</u>	<u>81,641,968</u>	<u>74,639,052</u>	<u>76,045,886</u>	<u>78,566,477</u>
5,001,914	11,699,736	(3,168,068)	598,935	5,548,571	(1,284,260)
47,110,596	39,786,434	33,344,699	33,523,495	43,338,630	34,900,924
(55,970,858)	(44,383,504)	(39,213,796)	(37,380,305)	(44,063,896)	(36,473,321)
13,149,820	10,310,000	657,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
180,382	207,810	-	-	-	-
<u>4,469,940</u>	<u>5,920,740</u>	<u>(5,212,097)</u>	<u>(3,856,810)</u>	<u>(725,266)</u>	<u>(1,572,397)</u>
<u>9,471,854</u>	<u>17,620,476</u>	<u>(8,380,165)</u>	<u>(3,257,875)</u>	<u>4,823,305</u>	<u>(2,856,657)</u>
10.76%	9.04%	10.07%	9.84%	10.84%	11.71%

CITY AND BOROUGH OF JUNEAU

Tax Revenues by Source and Function  
(Unaudited)

*Last Ten Fiscal Years*

Fiscal Year	Property Tax		Sales Tax		Hotel Tax	Liquor Sales Tax
	General Operations	Debt Service	General Operations	Capital Projects	Vistor Services	General Operations
1997	\$ 19,878,042	2,837,571	10,507,864	12,919,005	846,782	535,784
1998	21,403,110	2,605,131	10,483,729	15,741,453	855,267	539,923
1999	21,854,939	2,928,028	10,601,443	14,826,405	873,788	518,734
2000	22,299,890	3,258,843	11,101,107	16,698,101	1,009,378	566,573
2001	24,527,941	2,835,753	11,544,124	17,308,398	961,026	591,202
2002	24,853,382	3,206,077	11,623,132	17,434,701	926,630	592,499
2003	25,985,762	2,648,510	12,085,238	18,127,857	897,011	629,661
2004	27,007,992	3,158,314	12,766,755	19,150,131	906,280	743,837
2005	29,641,151	2,940,961	13,248,380	19,872,570	914,001	722,028
2006	31,757,067	3,897,717	14,304,408	21,456,804	1,061,798	726,034



<u>Tobacco Tax Debt Service</u>	<u>Tobacco Excise Tax General Operations</u>	<u>Total Taxes</u>
131,309	195,450	47,851,807
127,362	185,454	51,941,429
-	229,822	51,833,159
-	269,411	55,203,303
-	271,501	58,039,945
-	292,819	58,929,240
-	303,889	60,677,928
-	311,737	64,045,046
-	702,088	68,041,179
-	473,922	73,677,750

CITY AND BOROUGH OF JUNEAU

Assessed Value and Actual Value of Taxable Property  
(Unaudited)

*Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>Residential</u>		
	<u>Total</u>	<u>Exempt</u>	<u>Taxable</u>
1997	\$ 1,284,775,000	3,635,800	1,281,139,200
1998	1,408,737,500	8,978,200	1,399,759,300
1999	1,412,360,500	11,006,200	1,401,354,300
2000	1,414,668,300	11,452,100	1,403,216,200
2001	1,460,333,800	1,492,100	1,458,841,700
2002	1,517,388,800	1,651,300	1,515,737,500
2003	1,561,255,400	1,970,200	1,559,285,200
2004	1,630,144,700	2,553,800	1,627,590,900
2005	1,762,328,000	3,290,000	1,759,038,000
2006	2,052,877,933	2,584,100	2,050,293,833

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



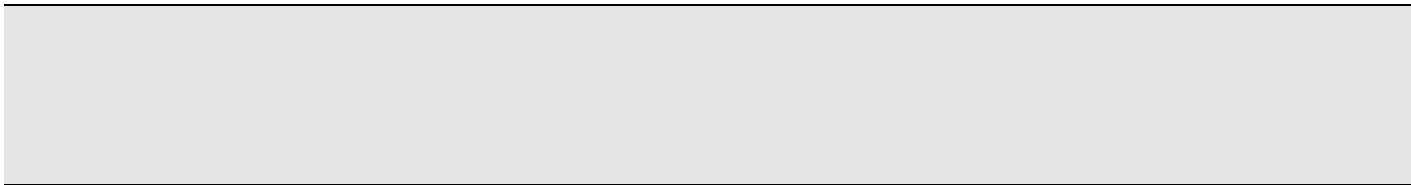
<u>Commerical</u>			<u>Total Taxable Assessed Value</u>	<u>Percentage Taxable</u>	
<u>Total</u>	<u>Exempt</u>	<u>Taxable</u>		<u>Residential</u>	<u>Commercial</u>
567,939,823	6,500,300	561,439,523	1,842,578,723	69.53%	30.47%
691,349,938	7,004,800	684,345,138	2,084,104,438	67.16%	32.84%
726,922,218	6,516,300	720,405,918	2,121,760,218	66.05%	33.95%
746,889,115	6,129,900	740,759,215	2,143,975,415	65.45%	34.55%
870,834,454	7,441,100	863,393,354	2,322,235,054	62.82%	37.18%
1,016,618,510	7,886,100	1,008,732,410	2,524,469,910	60.04%	39.96%
1,015,902,339	8,350,800	1,007,551,539	2,566,836,739	60.75%	39.25%
1,014,135,589	10,139,100	1,003,996,489	2,631,587,389	61.85%	38.15%
1,029,533,714	5,986,200	1,023,547,514	2,782,585,514	63.22%	36.78%
1,230,161,167	36,001,000	1,194,160,167	3,244,454,000	63.19%	36.81%

CITY AND BOROUGH OF JUNEAU

Property Tax Mill Levy  
(Unaudited)

*Last Ten Fiscal Years*

Mill Levy	2006	2005	2004	2003	2002	2001
<b>Operational</b>						
Areawide	6.32	5.55	5.52	4.97	4.73	4.88
Roaded Service Area	3.30	4.69	4.24	4.72	4.72	5.19
Capital City/Fire Rescue	0.36	0.70	0.68	0.75	0.75	0.74
Total Operational	9.98	10.94	10.44	10.44	10.20	10.81
<b>Debt Service</b>	1.19	1.06	1.20	1.03	1.27	1.22
Total Mill Levy	11.17	12.00	11.64	11.47	11.47	12.03
Mill Levy Change	(0.83)	0.36	0.17	0.00	(0.56)	(0.19)
Percentage of Change	-6.92%	3.09%	1.48%	0.00%	-4.66%	-1.55%



<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
4.60	4.23	3.95	3.80
5.18	5.48	5.71	6.03
0.92	0.93	0.98	1.06
10.70	10.64	10.64	10.89
1.52	1.38	1.25	1.60
12.22	12.02	11.89	12.49
0.20	0.13	(0.60)	(0.57)
1.66%	1.09%	-4.80%	-4.36%

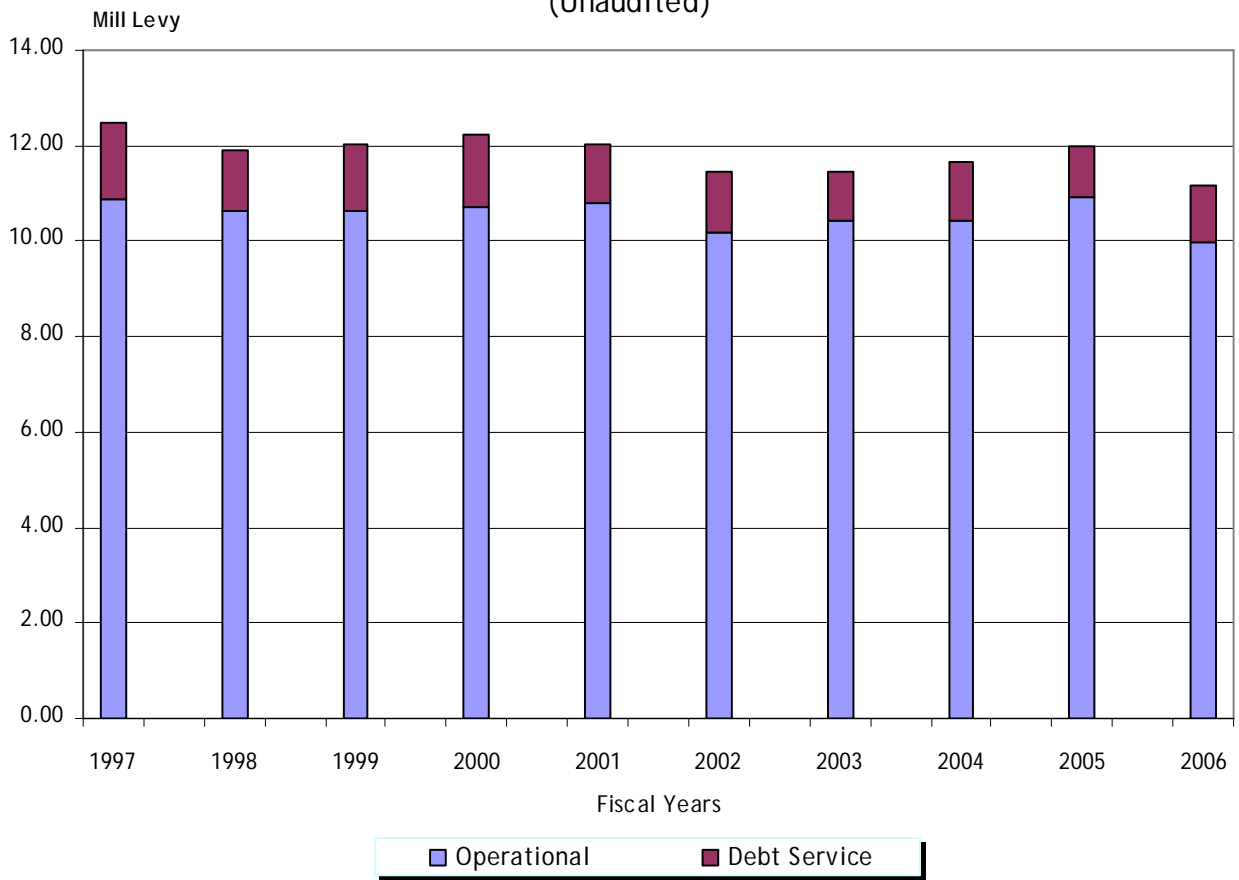


# City and Borough of Juneau

## Property Tax Mill Levy

### Last Ten Fiscal Years

(Unaudited)



Based on information presented in Property Tax Mill Levy on the previous page.  
All figures refer to gross amounts.

## CITY AND BOROUGH OF JUNEAU

Principal Property Tax Payers  
(Unaudited)

Current Year and Nine Years Ago

Taxpayer	2006			1997		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Kennecott Greens Creek Mining	\$ 112,902,574	1	3.48 %	\$ -	-	- %
Alaska Electric & Resources Co	50,928,577	2	1.57	21,294,663	1	1.16
Don Madsen	24,944,839	3	0.77	-	-	-
Hugh Grant	22,398,154	4		-	-	
Glacier Village Supermarket Inc	19,793,819	5	0.61	16,799,130	3	0.91
Fred Meyer of Alaska Inc	18,783,687	6	0.58	12,030,356	5	0.65
Loveless/Tollefson	16,989,700	7	0.52	10,981,500	6	0.60
Foodland Inc.	15,735,446	8	0.48	9,565,445	10	0.52
Carr-Gottstein Foods Co (Safeway)	14,733,200	9	0.45	10,630,817	7	0.58
Swan Bay Holdings	9,837,200	10	0.30	-	-	-
Telephone Utilities of AK	-	-	-	17,994,008	2	0.98
Alaska Electric Light & Power	-	-	-	15,091,900	4	0.82
Mt Roberts Development Corp	-	-	-	9,787,385	8	0.53
Goldbelt Place Joint Ventures	-	-	-	9,636,267	9	0.52
	<u>\$ 307,047,196</u>		<u>8.77 %</u>	<u>\$ 133,811,471</u>		<u>7.26 %</u>

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

CITY AND BOROUGH OF JUNEAU

Property Tax Levies and Collections  
(Unaudited)

*Last Nine Fiscal Years*

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for the <u>Fiscal Year</u>	Collected within the		Collections in Subsequent <u>Years</u>	Total Collections to Date	
		<u>Fiscal Year of the Levy</u>	Percentage		<u>Amount</u>	Percentage
		<u>Amount</u>	<u>of levy</u>		<u>Amount</u>	<u>of levy</u>
1998	24,083,707	23,811,765	98.87%	249,643	24,061,408	99.91%
1999	24,830,200	24,557,834	98.90%	243,702	24,801,536	99.88%
2000	25,577,527	25,327,204	99.02%	223,961	25,551,165	99.90%
2001	27,339,975	27,103,824	99.14%	214,991	27,318,815	99.92%
2002	28,252,112	27,910,683	98.79%	264,660	28,175,343	99.73%
2003	28,828,698	28,405,334	98.53%	319,253	28,724,588	99.64%
2004	30,092,623	29,789,337	98.99%	159,429	29,948,766	99.52%
2005	32,969,937	32,412,864	98.31%	-	32,412,864	98.31%
2006	35,825,357	35,357,906	98.70%	-	35,357,906	98.70%

**Source:** Information obtained from the Property Tax Receivable System maintained by the City and Borough of Juneau, Treasury Division.



CITY AND BOROUGH OF JUNEAU

Miscellaneous Business Statistics  
(Unaudited)

Last Ten Calendar Years

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<u>Gross business sales by category (in thousands):</u>							
Real estate	\$ 67,388	55,846	52,385	45,162	43,391	44,067	47,981
Contractors	220,926	169,530	155,169	128,908	133,983	134,600	108,957
Liquor and restaurant	89,513	82,385	77,392	73,497	74,244	69,940	66,297
Retail sales - general	175,371	164,270	155,340	157,386	154,241	147,446	147,793
Foods	159,574	139,232	125,105	109,391	108,631	109,557	107,551
Transportation and freight	131,562	129,293	125,706	130,418	126,598	125,167	122,376
Professional services	192,044	190,955	188,376	168,121	152,858	150,171	145,116
Retail sales - specialized	137,490	131,453	119,677	116,731	123,621	123,353	117,268
Automotive	80,974	81,892	82,180	81,299	88,259	80,433	76,841
Other	355,662	312,992	292,975	244,078	230,234	240,145	221,985
Total gross business sales by category	\$ <u>1,610,504</u>	<u>1,457,848</u>	<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>Gross business sales by tourist-related business (in thousands):</u>							
Hotels and motels	\$ 24,878	24,355	23,228	21,804	21,334	22,257	22,260
Bars	5,219	5,354	5,587	5,270	5,114	4,964	4,712
Restaurants	43,172	39,981	38,084	37,374	36,949	35,486	35,448
Air transportation and freight	34,341	34,586	31,123	28,427	28,611	27,037	24,987
Taxicab and bus	7,234	5,378	4,937	2,052	1,211	1,642	1,431
Car rentals	3,917	3,742	3,928	3,526	3,386	3,365	3,438
Tour providers and Travel agencies	46,345	45,464	36,789	33,471	36,124	30,947	27,843
Jewelry stores and Art galleries	30,723	25,642	18,491	13,088	12,125	11,228	11,879
Curio and gift shops	21,897	22,449	20,245	20,457	20,016	18,615	16,949
Photography stores	478	447	812	502	483	1,256	534
Total gross business sales by tourist-related business	\$ <u>218,204</u>	<u>207,398</u>	<u>183,224</u>	<u>165,971</u>	<u>165,353</u>	<u>156,797</u>	<u>149,481</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.



1998      1997      1996

48,455	53,598	44,647
106,818	144,174	147,636
61,773	57,102	55,274
140,092	133,170	138,140
104,445	100,844	94,926
121,626	118,849	103,649
132,449	126,344	128,700
111,002	125,820	116,229
72,152	68,091	68,818
<u>207,843</u>	<u>229,825</u>	<u>146,566</u>

1,106,655    1,157,817    1,044,585

21,696	20,431	21,383
4,973	4,936	5,227
33,190	32,441	31,476
26,505	25,437	21,315
1,364	1,715	1,941
3,262	3,120	3,063
25,047	25,529	23,634
10,678	10,539	11,189
16,764	13,295	13,006
<u>646</u>	<u>536</u>	<u>1,181</u>

144,125    137,979    133,415

CITY AND BOROUGH OF JUNEAU

Sales Tax Levy  
(Unaudited)

Last Ten Fiscal Years

	General Operations			Capital Projects		
	Permanent	Temporary	Discretionary	Roads & Sidewalks	Police Station	
			Temporary			
1997	1.00%	1.00%	1.00%	<sup>1</sup>	1.00%	1.00% <sup>3</sup>
1998	1.00%	1.00%	1.00%	<sup>2</sup>	1.00%	1.00% <sup>3</sup>
1999	1.00%	1.00%	1.00%	<sup>2</sup>	1.00%	-
2000	1.00%	1.00%	1.00%	<sup>2</sup>	1.00%	-
2001	1.00%	1.00%	1.00%	<sup>2</sup>	1.00%	-
2002	1.00%	1.00%	1.00%	<sup>2</sup>	1.00%	-
2003	1.00%	1.00%	1.00%	<sup>5</sup>	1.00%	-
2004	1.00%	1.00%	1.00%	<sup>5</sup>	1.00%	-
2005	1.00%	1.00%	1.00%	<sup>5</sup>	1.00%	-
2006	1.00%	1.00%	1.00%	<sup>5</sup>	1.00%	-

<sup>1</sup> General Capital Project and Emergency Budget ending June 30, 1997

<sup>2</sup> General Capital Project, Emergency Budget and \$450,000 for Youth Activities ending June 30, 2002

<sup>3</sup> Construction of Police Station starting January 1, 1997 and ending September 30, 1998

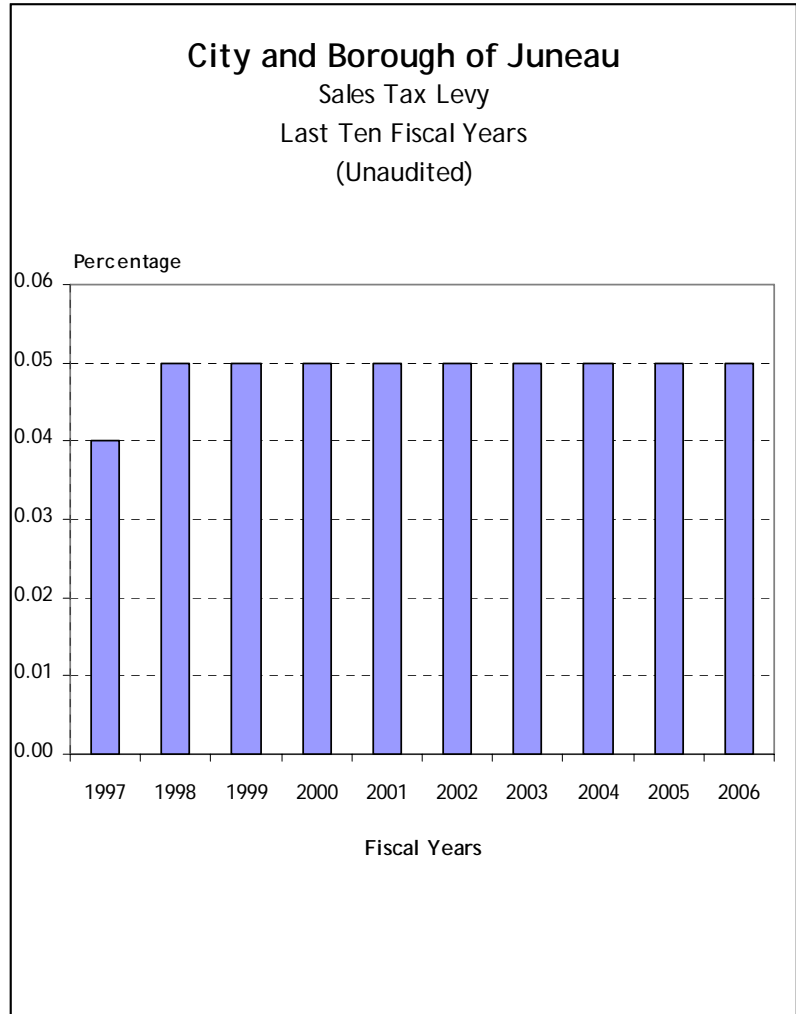
<sup>4</sup> Repairs to Park, Harbor and Eaglecrest facilities ending December 31, 2000

<sup>5</sup> General Capital Project, Emergency Budget and \$450,000 for Youth Activities ending June 30, 2007

<sup>6</sup> Repair Rehabilitation and Improvements of Schools, Expansion and Improvements of Bartlett Regional Hospital and a portion for the construction of a Covered Ice Rink and Recreational Facility ending December 30, 2005

<sup>7</sup> Downtown Parking, Transit Center, Statter Harbor Improvements, areawide sewer expansion, and Eaglecrest Ski area mid-mountain chairlift ending September 30, 2008

Various Temporary Projects		Total Sales Tax
-		5.00%
-		5.00%
1.00%	<sup>4</sup>	5.00%
1.00%	<sup>4</sup>	5.00%
1.00%	<sup>6</sup>	5.00%
1.00%	<sup>6</sup>	5.00%
1.00%	<sup>6</sup>	5.00%
1.00%	<sup>6</sup>	5.00%
1.00%	<sup>6</sup>	5.00%
1.00%	<sup>7</sup>	5.00%

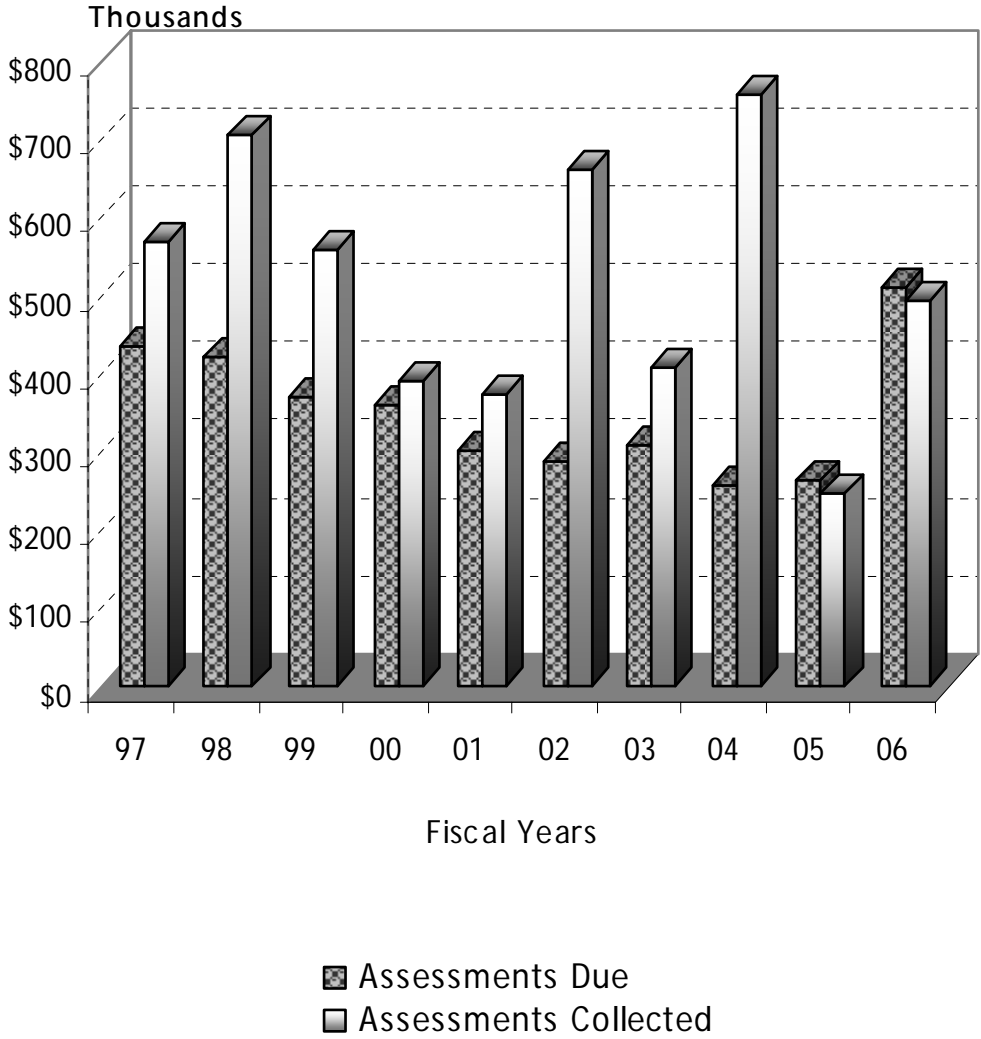




# City and Borough of Juneau

## 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

Fiscal Year	Billings for Prior Year Assessments <sup>1</sup>	New Assessments Added During Year	Special Assessments Collected <sup>2</sup>	Ratio of Collections to Billings and New Assessments	Total Assessments Outstanding <sup>3</sup>
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
2005	263,117	-	246,450	93.67	925,108
2006	510,320	-	495,446	97.09	429,622

<sup>1</sup> Prior year assessments billed in the current fiscal year (includes principal and interest)

<sup>2</sup> Includes collections of prior year assessments and new assessments added during the fiscal year (includes principal and interest)

<sup>3</sup> Includes prior year assessments and new assessments added during the fiscal year

Source: Special assessment billing records

CITY AND BOROUGH OF JUNEAU

Ratios of Outstanding Debt by Activity Type  
(Unaudited)

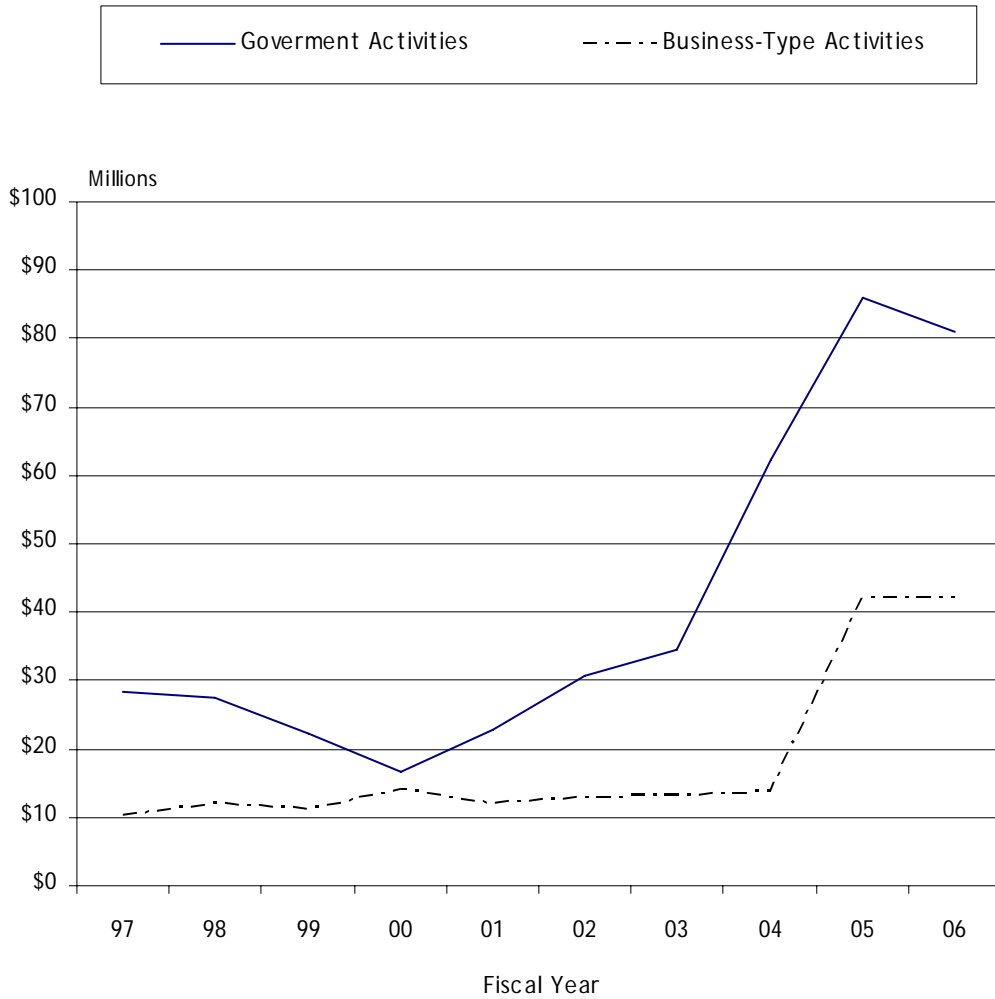
Last Ten Fiscal Years

Fiscal year	Government Activities				General Obligation Bonds
	General Obligation Bonds	Revenue Bonds	Purchase Agreements	Retirement Incentive Program	
1997	\$ 27,265,962	-	1,062,745	275,046	7,865,038
1998	25,816,877	-	1,060,586	359,999	7,184,123
1999	20,865,698	-	750,168	353,092	6,465,302
2000	16,263,855	-	339,148	355,901	5,720,145
2001	21,964,593	-	728,011	144,702	4,940,407
2002	29,757,101	-	655,728	53,502	4,116,899
2003	27,970,710	5,685,000	410,551	-	3,239,290
2004	58,150,919	4,330,000	150,903	-	2,227,081
2005	82,741,495	2,935,000	52,473	-	1,193,505
2006	79,622,000	1,490,000	278,480	-	135,000

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

Business-Type Activities						
<u>Revenue Bonds</u>	<u>State of Alaska Extension Loans</u>	<u>Purchase Agreements</u>	<u>Retirement Incentive Program</u>	<u>Total Primary Government</u>	<u>Percent of Assessed Value</u>	<u>Per Capita</u>
427,780	1,146,655	887,412	-	38,930,638	2.11%	\$ 1,281
1,633,395	1,254,076	2,089,502	94,241	39,492,799	1.89%	1,287
1,464,708	1,613,665	1,964,689	110,815	33,588,137	1.58%	1,089
1,287,532	3,660,931	3,072,449	127,512	30,827,473	1.44%	986
1,100,227	4,042,882	2,377,989	64,065	35,362,876	1.52%	1,144
2,685,000	4,163,685	1,654,761	32,033	43,118,709	1.71%	1,395
2,505,000	6,684,422	895,530	-	47,390,503	1.85%	1,530
2,315,000	8,959,942	377,988	-	76,511,833	2.91%	2,446
30,970,000	8,590,967	1,484,632	-	127,968,072	4.60%	4,133
30,775,000	8,146,529	2,803,696	-	123,250,705	3.80%	3,933

## City and Borough of Juneau Ratios of Outstanding Debt by Activity Type



Ratios of General Bonded Debt Outstanding  
(Unaudited)

*Last Ten Fiscal Years*

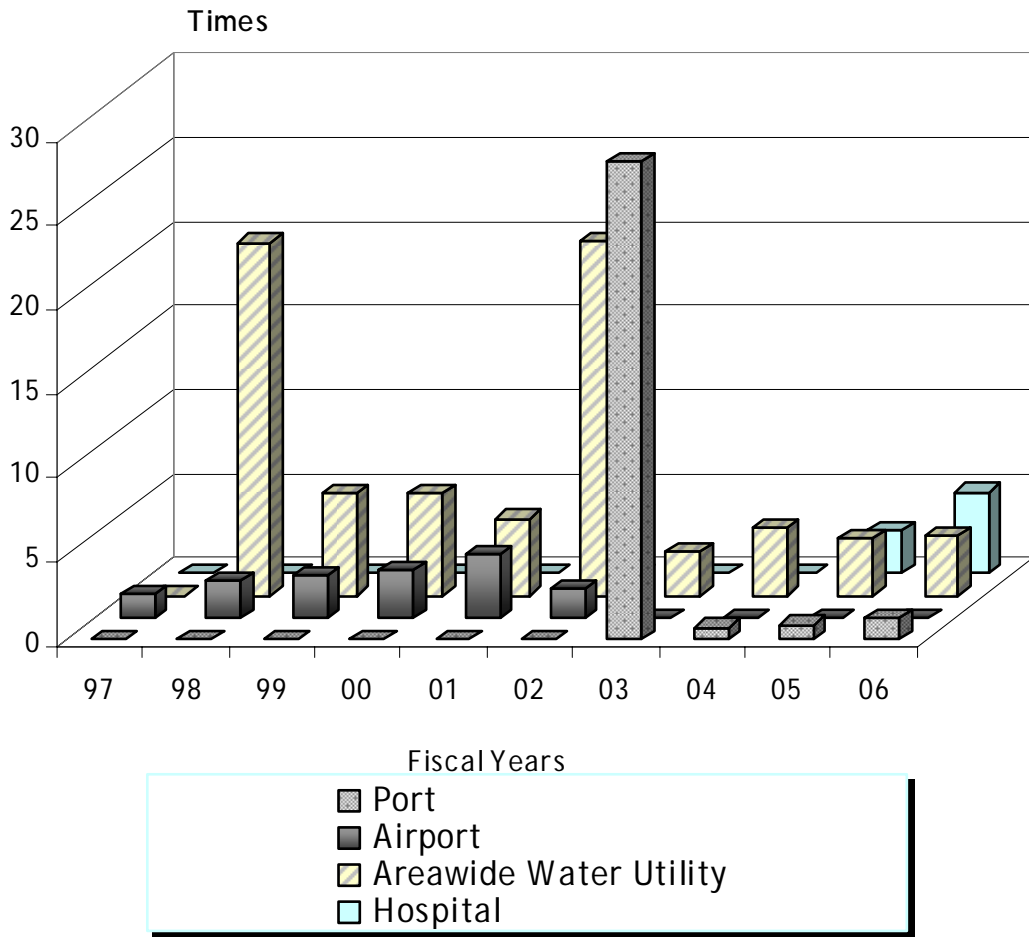
<u>Fiscal year</u>	<u>Government and Business Activities</u>				
	<u>General Obligation Bonds Government</u>	<u>General Obligation Bonds Business</u>	<u>General Obligation Bonds Totals</u>	<u>Percent of Assessed Value</u>	<u>Per Capita</u>
1997	\$ 27,265,962	7,865,038	35,131,000	1.91%	\$ 1,156
1998	25,816,877	7,184,123	33,001,000	1.58%	1,076
1999	20,865,698	6,465,302	27,331,000	1.29%	886
2000	16,263,855	5,720,145	21,984,000	1.03%	703
2001	21,964,593	4,940,407	26,905,000	1.16%	871
2002	29,757,101	4,116,899	33,874,000	1.34%	1,096 *
2003	27,970,710	3,239,290	31,210,000	1.22%	1,007
2004	58,150,919	2,227,081	60,378,000	2.29%	1,930
2005	82,741,495	1,193,505	83,935,000	3.02%	2,711
2006	79,622,000	135,000	79,757,000	2.46%	2,545

\* 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 and the City Assessor's Office.

# City and Borough of Juneau

## Revenue Bond Times Coverage



Based on information in Revenue Bond Coverage presented on the opposite page.

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

*Last Ten Fiscal Years*

<u>Fiscal year</u>	<u>Operating revenues</u>	<u>Operating expenses</u> <sup>1</sup>	<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>
<b>Airport:</b>								
1995 <sup>2</sup>	\$ 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	-
<b>Areawide Water Utility<sup>3</sup>:</b>								
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	88,932	165,365	4.58	1,070,944
2002	2,629,859	1,973,304	656,555	1,070,944	38,534	1,109,478	0.59	-
<b>Areawide Water Utility<sup>4</sup>:</b>								
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
2005	3,219,726	2,238,253	981,473	190,000	96,263	286,263	3.43	2,125,000
2006	3,317,529	2,312,000	1,005,529	195,000	88,663	283,663	3.54	1,930,000
<b>Port<sup>5</sup>:</b>								
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
2005	1,375,017	-	1,375,017	1,395,000	119,688	1,514,688	0.91	2,935,000
2006	1,912,587	-	1,912,587	1,445,000	69,988	1,514,988	1.26	1,490,000
<b>Hospital<sup>6</sup>:</b>								
2005	\$ 53,874,734	50,867,751	3,006,983	-	1,170,458	1,170,458	2.57	\$ 28,845,000
2006	60,033,397	53,379,989	6,653,408	-	1,381,524	1,381,524	4.82	28,845,000

## Footnote:

<sup>1</sup> The operating expenses are exclusive of depreciation.

<sup>2</sup> 1995 was the first fiscal year for the Airport revenue bond.

<sup>3</sup> 1998 was the first fiscal year for the Water Utility revenue bond.

<sup>4</sup> 2002 was the first fiscal year for the Refunding of the Water Utility revenue bonds.

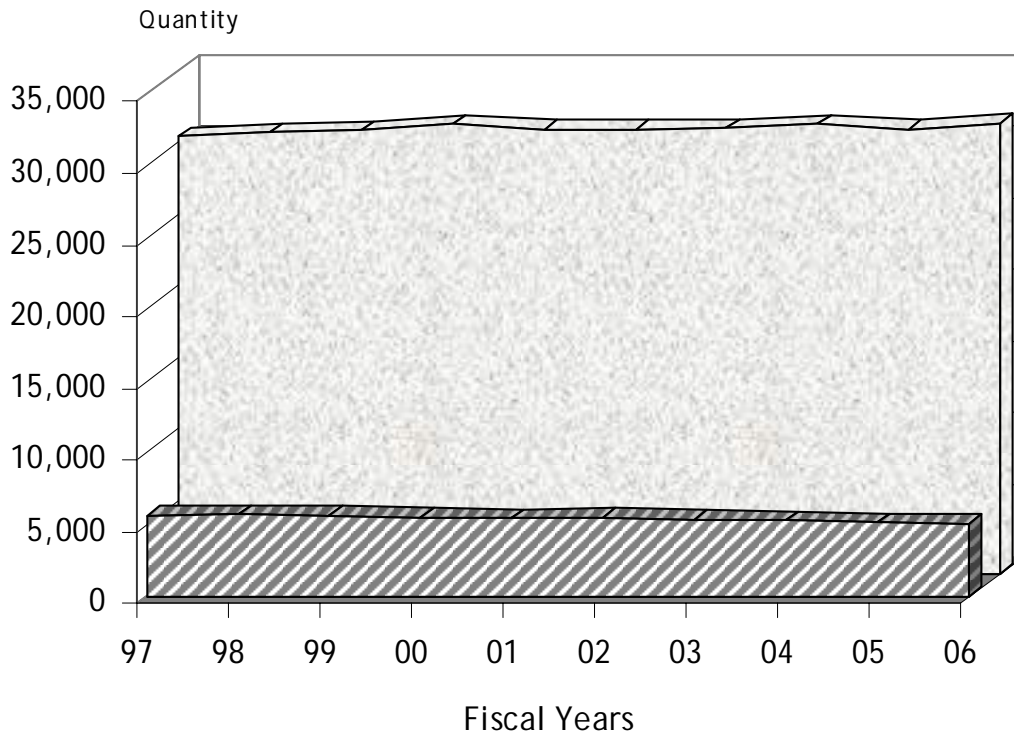
<sup>5</sup> 2003 was the first fiscal year for the Port revenue bond.

<sup>6</sup> 2005 was the first fiscal year for the Hospital revenue bond.

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



# Public School Enrollment Correlation to Population (Unaudited)



□ Population      ▨ Public School Enrollment

Demographic and Economic Statistics  
(Unaudited)*Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Public School Enrollment</u>	<u>University Enrollment</u>	<u>Unemployment Rate</u>
1997	30,396	\$ 975,225,264	32,084	36.2	5,681	2,698	5.6%
1998	30,684	996,861,792	32,488	36.2	5,729	2,604	5.5%
1999	30,852	1,002,072,960	32,480	34.9	5,649	2,142	4.8%
2000	31,262	1,086,729,644	34,762	35.3	5,537	2,183	4.5%
2001	30,903	1,093,502,655	35,385	36.4	5,461	2,348	4.7%
2002	30,903	1,109,139,573	35,891	36.5	5,485	2,305	5.4%
2003	30,981	1,198,592,928	38,688	36.8	5,338	2,124	6.0%
2004	31,283	1,122,298,214	35,876	37.4	5,296	2,175	6.0%
2005	30,966	N/A	N/A	37.9	5,178	2,293	4.8%
2006	31,341	N/A	N/A	N/A	5,093	2,789	N/A

Sources: Research and Analysis, Bureau of Economic Analysis, Regional and Local Estimates, City and Borough Department of Community Development, Juneau School District, University of Alaska Southeast, Alaska Department of Labor and Workforce Analysis.

CITY AND BOROUGH OF JUNEAU

Principal Employers  
(Unaudited)

*Last Calendar Year and Nine Years Ago*

<u>Employers</u>	<u>2005</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Total Percentage of Juneau Employment</u>
State of Alaska	3,837	1	21.75%
Federal Government	938	2	5.32%
Juneau School District	720	3	4.08%
Juneau City and Borough	662	4	3.75%
University of Alaska Southeast	477	6	2.70%
Bartlett Regional Hospital	412	5	2.34%
Fred Meyers Stores Inc	271	8	1.54%
Greens Creek Mining Co	262	7	1.49%
Central Council Tlingit & Haida	219	9	1.24%
Reach Inc	189	10	1.07%
Southeast Alaska Regional Health	-	-	0.00%
Total	<u>7,987</u>		<u>45.27%</u>

Source Alaska Department of Labor - Research and Analysis  
The employee number is the average for the calendar year.



1996

<u>Employees</u>	<u>Rank</u>	<u>Total Percentage of Juneau Employment</u>
3,945	1	24.40%
842	2	5.21%
654	4	4.05%
668	3	4.13%
336	5	2.08%
275	6	1.70%
180	8	1.11%
171	9	1.06%
188	7	1.16%
-	-	0.00%
144	10	0.89%
<u>7,403</u>		<u>45.80%</u>

CITY AND BOROUGH OF JUNEAU

Mathematical Demographic and Economic Statistics  
(Unaudited)

*Last Ten Calendar Years*

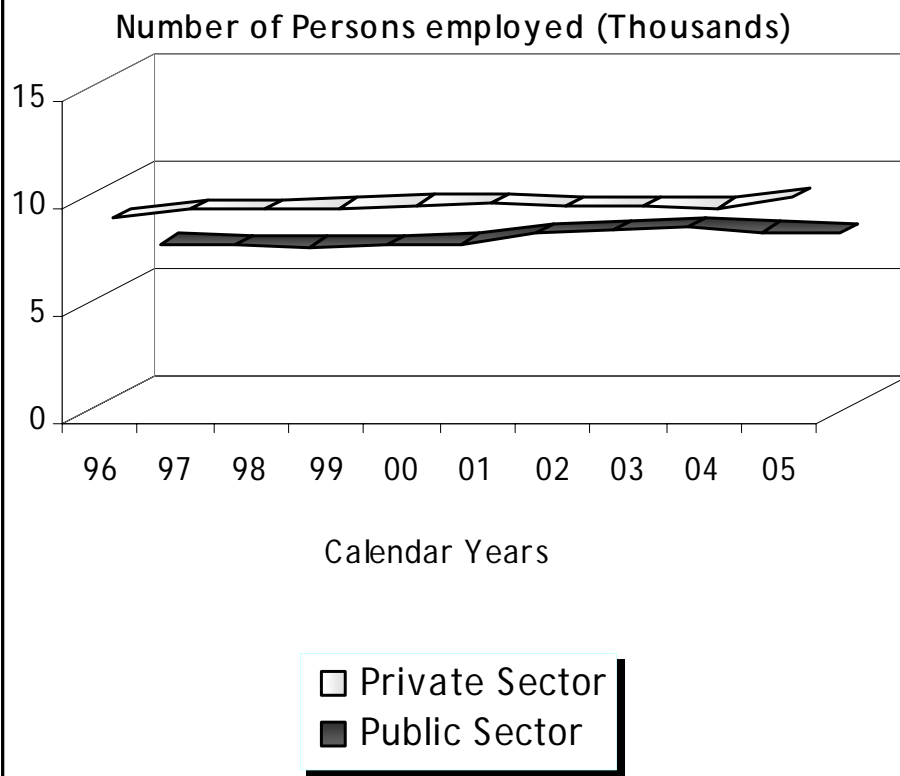
Year	Population					
	U.S.	Change from Prior Period	State of Alaska	Change from Prior Period	City and Borough of Juneau	Change from Prior Period
1996	265,229,000	0.9%	605,212	0.6%	30,209	2.3%
1997	267,784,000	1.0%	609,655	0.7%	30,396	0.6%
1998	270,248,000	0.9%	617,082	1.2%	30,684	0.9%
1999	272,691,000	0.9%	622,000	0.8%	30,852	0.5%
2000	282,192,162	3.5%	626,932	0.8%	31,262	1.3%
2001	285,102,075	1.0%	633,630	1.1%	30,903	-1.1%
2002	287,941,220	1.0%	643,786	1.6%	30,903	0.0%
2003	290,788,976	1.0%	648,280	0.7%	30,981	0.3%
2004	293,655,404	1.0%	655,435	1.1%	31,283	1.0%
2005	298,212,900	1.6%	663,661	1.3%	30,966	-1.0%

Sources: U.S. Census Bureau for the U.S. population 2004-2000 from the 2000 Census and 1995 to 1999 from the 1990 Census, Alaska Department of Labor and Workforce Analysis, Research and Analysis, Bureau of Economic Analysis, Regional and Local Estimates.

Per Capita Personal Income

	U.S.	State of Alaska	City and Borough of Juneau	State as a Percentage of U.S.
\$	24,651	24,175	31,550	98.1%
	25,874	25,334	32,084	97.9%
	27,322	26,883	32,488	98.4%
	28,542	27,939	32,480	97.9%
	29,676	29,845	34,762	100.6%
	30,472	30,575	35,385	100.3%
	30,832	30,804	35,891	99.9%
	31,632	31,472	38,688	99.5%
	32,937	34,000	35,876	103.2%
	34,586	35,433	N/A	102.4%

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



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>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>Calendar year</u>		<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
					<u>2001</u>	<u>2000</u>				
Private and public:				***	***	***				
Private sector	10,234	9,730	9,771	9,813	9,925	9,896	9,756	9,667	9,708	9,250
Public sector	7,408	7,491	7,692	7,519	7,365	6,937	6,905	6,793	6,810	6,915
Total private and public	<u>17,642</u>	<u>17,221</u>	<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>
Detail of private sector:										
Mining	348	276	273	284	286	291	295	313	302	257
Construction	858	757	1,025	901	794	770	720	685	734	702
Manufacturing	276	263	255	218	209	232	357	375	383	364
Trade, Trans. & Utilities	3,153	2,981	2,872	2,916	2,998	2,973	-	-	-	-
Transportation, communications and utilities	-	-	-	-	-	-	1,171	1,245	1,199	1,070
Trade	-	-	-	-	-	-	2,864	2,824	2,912	2,941
Information	302	290	307	291	356	351	-	-	-	-
Finance Activities	577	547	537	481	553	569	-	-	-	-
Finance, insurance and real estate	-	-	-	-	-	-	519	676	740	695
Professional & Business Svcs.	923	866	831	824	780	782	-	-	-	-
Educational & Health Svcs.	1,653	1,631	1,529	1,513	1,425	1,333	-	-	-	-
Leisure & Hospitality	1,545	1,494	1,526	1,766	1,866	1,903	-	-	-	-
Other Services	596	556	557	541	572	570	-	-	-	-
Service	-	-	-	-	-	-	3,722	3,439	3,335	3,133
Miscellaneous	3	69	59	78	86	122	108	110	103	88
Total detail of private sector	<u>10,234</u>	<u>9,730</u>	<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>
Detail of public sector:										
Federal	938	959	954	891	852	876	865	847	868	894
State	4,314	4,348	4,547	4,541	4,444	4,288	4,271	4,237	4,232	4,318
Local	2,156	2,184	2,191	2,087	2,069	1,773	1,769	1,709	1,710	1,703
Total detail of public sector	<u>7,408</u>	<u>7,491</u>	<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>

!!!

## Footnote:

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

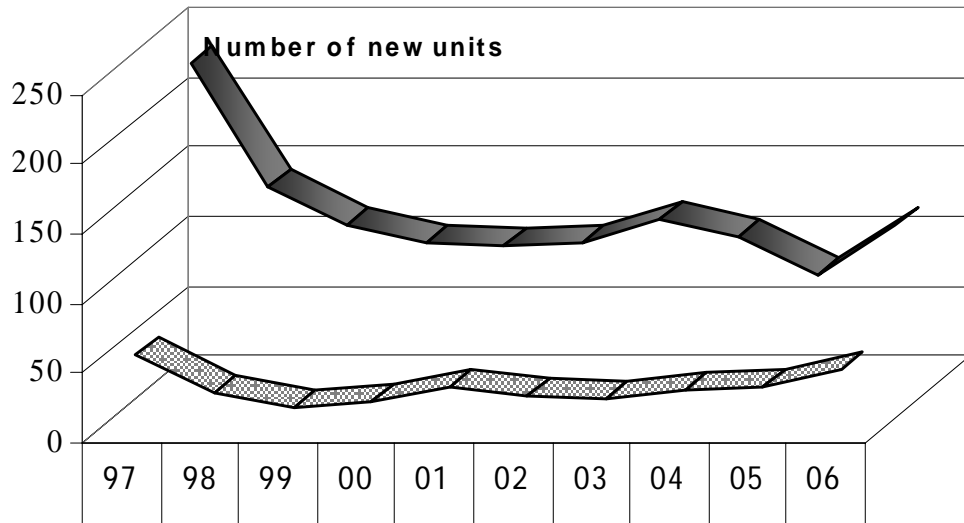
!!! Updated number to reported numbers from the Alaska Department of Labor

Source: Alaska Department of Labor - Research and Analysis



# City and Borough of Juneau

## New Construction Residential & Commercial Units (Unaudited)



	97	98	99	00	01	02	03	04	05	06
Commercial	54	26	15	20	30	25	23	28	30	43
Residential	232	144	115	102	101	102	119	108	80	115

Fiscal Years

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

Construction and Proposed Assessed Valuation  
(Unaudited)*Last Ten Fiscal Years*

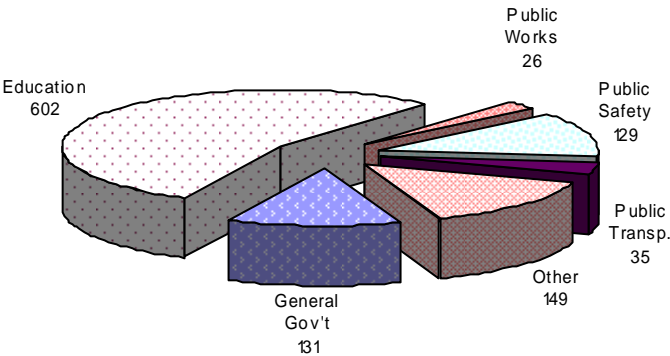
<u>Fiscal year</u>	<u>Commercial construction</u>		<sup>2</sup>	<u>Residential construction</u>		<u>Certified assessed valuation</u>	
	<u>New units</u>	<u>Value <sup>1</sup></u>		<u>New units</u>	<u>Value <sup>1</sup></u>	<u>Total taxable</u>	<u>Exemptions</u>
1997	54	\$ 19,582,905		232	\$ 28,983,252	1,842,578,723	\$ 10,136,100
1998	26	9,014,790		144	19,603,362	2,084,104,438	15,983,000
1999	15	2,891,505		115	17,129,613	2,121,760,218	17,522,500
2000	20	11,127,827		102	19,463,657	2,143,975,415	17,582,000
2001	30	13,112,224		101	19,347,717	2,322,235,054	8,933,200
2002	25	11,216,871		102	18,037,973	2,524,469,910	9,537,400
2003	23	6,836,691		119	23,051,308	2,566,836,739	10,321,000
2004	28	8,438,904		108	24,538,534	2,631,587,389	12,692,900
2005	30	20,786,412		80	20,156,063	2,782,585,514	9,276,200
2006	43	25,551,349		115	29,828,630	3,244,454,000	38,585,100

Footnote:

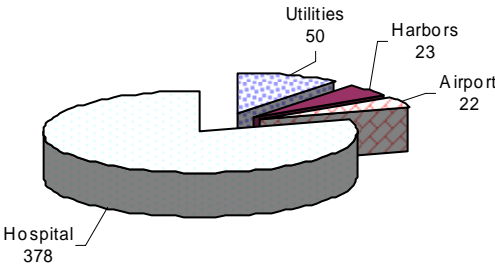
<sup>1</sup> These are only estimated values.<sup>2</sup> Dwelling units only - mobile homes not included.Sources: City and Borough of Juneau, Community Development Department, Buildings Division,  
and Assessor's Office.

# City and Borough of Juneau

## Governmental Operations Employees For Fiscal Year 2006 (Unaudited)



## Enterprise Operations Employees For Fiscal Year 2006 (Unaudited)



Number of Full-Time Equivalent Employees by Function  
(Unaudited)

*As of June 30, 2006*

<u>Governmental operations</u>	<u>Full-time Equivalent Employees</u>									
	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Governmental operations:										
General government:										
Mayor and Assembly	9	9	9	9	9	9	9	9	9	9
Attorney	9	9	9	10	10	10	10	10	8	8
City manager's office	8	8	7	7	8	7	6	7	5	4
City clerk	2	2	2	2	2	2	2	2	2	2
Personnel	5	5	5	5	5	5	5	6	4	4
Lands and resource management	2	2	2	2	2	2	2	3	3	2
Data processing	12	11	11	11	10	10	8	8	8	9
Insurance	3	3	3	3	3	3	3	3	4	3
Finance	46	45	47	47	47	46	45	46	45	43
Engineering	35	32	29	29	27	27	27	27	22	22
Total general government	<u>131</u>	<u>126</u>	<u>124</u>	<u>125</u>	<u>123</u>	<u>121</u>	<u>117</u>	<u>121</u>	<u>110</u>	<u>106</u>
Eaglecrest	6	8	8	8	7	7	7	7	7	7
Libraries	21	21	21	21	21	21	21	21	21	21
Recreation	48	45	41	41	36	32	32	32	31	29
Social Services	-	-	-	-	-	-	65	65	63	60
Community development	25	25	25	25	25	24	24	24	24	22
Public Safety:										
Police	88	88	87	90	87	82	80	78	71	66
Fire	41	42	43	43	42	39	39	39	38	39
Total public safety	<u>129</u>	<u>130</u>	<u>130</u>	<u>133</u>	<u>129</u>	<u>121</u>	<u>119</u>	<u>117</u>	<u>109</u>	<u>105</u>
Public works	26	26	26	26	26	29	29	29	29	37
Public transportation	35	33	34	20	32	25	24	24	24	23
Total government operations	<u>421</u>	<u>414</u>	<u>409</u>	<u>399</u>	<u>399</u>	<u>380</u>	<u>438</u>	<u>440</u>	<u>418</u>	<u>410</u>
Enterprise operations:										
Utilities	50	50	50	50	50	50	50	50	50	50
Harbors	23	20	22	16	16	15	15	15	14	10
Airport	22	22	22	22	22	21	20	20	18	17
Hospital	378	362	358	349	351	311	259	253	246	239
Total enterprise operations	<u>473</u>	<u>454</u>	<u>452</u>	<u>437</u>	<u>439</u>	<u>397</u>	<u>344</u>	<u>338</u>	<u>328</u>	<u>316</u>
Component Unit:	<u>602</u>	<u>553</u>	<u>569</u>	<u>579</u>	<u>563</u>	<u>561</u>	<u>582</u>	<u>597</u>	<u>547</u>	<u>531</u>
Total all operations	<u>1,496</u>	<u>1,421</u>	<u>1,430</u>	<u>1,415</u>	<u>1,401</u>	<u>1,338</u>	<u>1,364</u>	<u>1,375</u>	<u>1,293</u>	<u>1,257</u>

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

CITY AND BOROUGH OF JUNEAU

Insurance Coverage  
(Unaudited)

Year ended June 30, 2006

<u>Specific coverages</u>	<u>Coverage limits</u>		<u>Policy dates</u>	<u>Estimated premium</u>	<u>2006 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, 2005 - Jul 1, 2006	\$ 140,000	\$ 108,869
Total worker's compensation				140,000	108,869
<u>Eaglecrest Ski Area:</u>					
Commercial general liability	10,000,000	limit per occurrence excess of \$10,000,000	Jul 1, 2005 - Jul 1, 2006	60,000	77,998
Excess liability			Jul 1, 2005 - Jul 1, 2006	5,000	11,750
Total Eaglecrest Ski Area				65,000	89,748
<u>Marina and wharf:</u>					
Wharfingers/ P & I liability	5,000,000	limit per occurrence	Jul 1, 2005 - Jul 1, 2006	95,000	105,000
Combined hull & liability	20,000,000	limit per occurrence	Jul 1, 2005 - Jul 1, 2006	20,000	19,546
Excess liability			Jul 1, 2005 - Jul 1, 2006	5,000	22,302
Total Marina and wharf				120,000	146,848
<u>Airport:</u>					
Airport war peril	100,000,000 100,000	limit per occurrence SIR	Jul 1, 2005 - Jul 1, 2006	30,000	28,161
Airport premises liability	100,000,000 100,000	limit per occurrence SIR	Jul 1, 2005 - Jul 1, 2006	80,000	76,187
Total Airport				110,000	104,348
<u>Hospital:</u>					
Professional liability	6,000,000 50,000	limit per occurrence SIR	Jan 1, 2006 - Jan 1, 2007	450,000	644,198
Professional E&O	1,000,000	per claim	Jan 1, 2006 - Jan 1, 2007	10,300	10,124
Total Hospital				460,300	654,322
<u>Fire:</u>					
Volunteer Firefighter's accident & sickness coverage	250,000	maximum benefit	Jan 1, 2006 - Jan 1, 2007 Jul 1, 2005 - Jul 1, 2006	10,400 18,000	10,370 17,896
Total Fire				18,000	17,896



<u>Specific coverages</u>	<u>Coverage limits</u>		<u>Policy dates</u>	<u>Estimated premium</u>	<u>2006 actual cost</u>
<u>Finance:</u>					
Bonding - public employees	1,000,000	Bond-Treasurer	Feb 24, 2006 - Feb 24, 2007	3,200	1,341
		Bond- Deputy Treasurer	Nov 28, 2005 - Nov 28, 2006	4,000	2,616
Total Finance				7,200	3,957
<u>School:</u>					
Catastrophic Sports Injury	5,100,000	maximum benefit	Jul 1, 2005 - Jul 1, 2006	2,000	2,305
Total School				2,000	2,305
<u>Parks &amp; Recreation:</u>					
Tenant User	1,000,000	\$500 deductible	Jul 1, 2005 - Jul 1, 2006	10,000	11,220
Total Parks & Recreation				10,000	11,220
<u>Areawide:</u>					
General Liability/Property/Auto	5 M	SIR 250, 000	Jul 1, 2005 - Jul 1, 2006	360,000	303,128
General Liability 2nd Excess	5 M	SIR 250, 000	Jul 1, 2005 - Jul 1, 2006	120,000	104,554
General Liability 3rd Excess	5 M	SIR 250, 000	Jul 1, 2005 - Jul 1, 2006	35,000	32,215
General Liability 4th Excess	10 M		Jul 1, 2005 - Jul 1, 2006	30,000	27,625
Property -Blanket		SIR 250, 000	Jul 1, 2005 - Jul 1, 2006	410,000	387,656
Blanket Bond/ Crime Coverage			Jul 1, 2005 - Jul 1, 2006	5,000	5,275
4th of July				-	-
Total Areawide				960,000	860,453
				\$ <u>1,892,500</u>	\$ <u>1,999,966</u>

CITY AND BOROUGH OF JUNEAU

Capital Asset Statistics and Operating Indicators by Function/Program  
(Unaudited)

Last Ten Fiscal Years

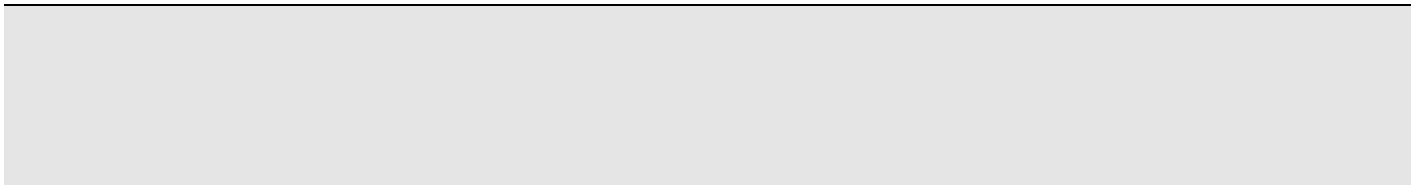
Function/program	2006	2005	2004
<b><u>Streets</u></b>			
Miles of streets	93	93	89
Miles of sidewalks	34	33	33
<b><u>Airport</u></b>			
Major airline landings	N/A	5,081	4,838
Major airline passengers enplaning	N/A	265,703	257,247
<b><u>Water Services</u></b>			
Number of consumers	9,328	9,221	9,319
Miles of water mains	176	171	168
Number of fire hydrants	1,269	1,366	1,352
Number of wells	5	5	5
Number of reservoirs	9	9	9
Number of pump stations	9	9	9
<b><u>Sewer Services</u></b>			
Number of customers	8,283	8,223	8,339
Miles of sanitary sewer	129	125	125
Number of lift stations	39	39	39
Number of wastewater treatment plants	3	3	3
Yearly gallonage treated (million)	1,366	1,218	1,344
<b><u>Fire Protection</u></b>			
Number of fire alarms	N/A	1,003	909
Number of stations	5	5	5
Square footage occupied	57,322	57,322	57,322
<b><u>Police Protection</u></b>			
Reported violent crimes	N/A	565	580
Number of stations	1	1	1
Number of volunteer firefighters	153	107	75
Square footage occupied	32,000	32,000	32,000
<b><u>Eaglecrest</u></b>			
Number of skier visits	N/A	N/A	46,633
<b><u>Parks, Recreation and Culture</u></b>			
Number of Recreation Service Parks	29	29	29
Total acres	479	479	479
Number of Natural Area Parks	76	76	76
Total acres	3,085	3,085	3,085
Number of convention centers	1	1	1
<b><u>Hospital</u></b>			
Hospital admissions	N/A	2,162	2,139
Number of beds	71	71	71
Square footage occupied	143,833	143,833	143,833

Sources: Public Works Department, Airport, Fire, Police, Eaglecrest, Parks and Recreation and the Hospital.

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
87	82	94	94	94	94	90
32	28	30	51	50	49	36
4,617	4,656	4,709	4,970	4,625	4,365	4,373
249,994	248,492	258,224	269,880	244,645	238,842	233,007
9,096	8,948	8,726	8,593	8,516	7,150	7,000
168	168	168	168	168	168	165
1,350	1,350	1,350	1,350	1,350	1,250	1,250
5	5	5	5	5	5	5
9	9	9	8	8	8	8
9	9	9	9	9	7	6
8,186	8,043	7,541	7,637	7,781	7,700	7,245
125	125	125	125	100	82	75
39	39	39	36	37	35	34
3	3	3	3	3	3	4
1,314	1,281	1,309	1,574	1,808	737	1,750
829	814	614	550	537	1,040	1,322
5	5	5	5	5	5	5
57,322	57,322	57,322	57,322	55,822	55,822	55,822
577	525	507	533	557	1,148	722
1	1	1	1	-	-	-
88	80	100	100	120	120	150
32,000	32,000	32,000	32,000	32,000	Rented	Rented
26,044	47,102	28,434	43,979	47,790	21,975	33,400
29	29	29	29	27	27	21
479	479	479	479	465	465	453
76	75	75	75	75	58	60
3,085	2,938	2,938	2,938	2,938	1,887	2,056
1	1	1	1	1	1	1
2,424	2,149	2,700	2,541	2,445	2,581	2,538
71	71	71	55	55	55	55
135,095	130,111	130,111	122,156	121,091	104,266	104,266







<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
20,888	20,882	22,585	23,058	24,294	24,194	23,465
4,342	4,510	4,506	5,039	4,789	4,775	4,431
75,448	73,158	83,664	73,572	89,322	81,890	-
26,115	-	-	-	-	-	-
-	-	-	-	-	-	-
18,274	18,400	16,994	17,306	19,464	20,234	19,631
2,236	2,412	2,606	2,896	2,893	2,892	2,795
1,417	1,495	1,505	1,576	1,645	1,652	1,627
-	3,828	4,778	5,820	5,212	7,000	8,287
-	4,934	5,317	5,836	7,368	5,000	6,300
-	288	390	50	-	-	-
-	746	658	40	-	-	-
206	220	158	202	191	200	257
\$ 11,642	\$ 12,100	\$ 7,200	\$ 9,600	\$ 9,500	\$ 10,200	\$ 13,558
59,297	82,309	75,945	73,590	87,263	79,936	54,704
38	72	82	78	106	93	96
14,832	14,832	14,832	14,832	14,832	14,832	14,832
15,370	15,370	15,640	15,640	15,640	15,640	15,640
23.10	23.10	24.10	24.10	24.10	24.10	24.10
27	27	27	27	25	24	24
24	24	24	25	21	21	21
10	9	9	9	9	9	9
14	14	14	14	13	13	13



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