

CITY AND BOROUGH OF JUNEAU, ALASKA

Expenditures of Federal Awards Reports

Year ended June 30, 2005

CITY AND BOROUGH OF JUNEAU, ALASKA

Expenditures of Federal Awards Reports

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited the basic financial statements of the City and Borough of Juneau, Alaska, as of and for the year ended June 30, 2005, and have issued our report thereon dated November 10, 2005. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City and Borough of Juneau, Alaska's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards* of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City and Borough of Juneau, Alaska's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the City and Borough of Juneau, Alaska, in a separate letter dated November 10, 2005.

This report is intended solely for the information and use of the Assembly, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



November 10, 2005

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the compliance of the City and Borough of Juneau, Alaska, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. The City and Borough of Juneau, Alaska's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City and Borough of Juneau, Alaska's management. Our responsibility is to express an opinion on the City and Borough of Juneau, Alaska's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City and Borough of Juneau's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City and Borough of Juneau, Alaska's compliance with those requirements.

In our opinion, the City and Borough of Juneau, Alaska complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of the City and Borough of Juneau, Alaska is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City and Borough of Juneau, Alaska's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a

condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the City and Borough of Juneau, Alaska as of and for the year ended June 30, 2005, and have issued our report thereon dated November 10, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements of the City and Borough of Juneau, Alaska. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Assembly, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



November 10, 2005

CITY AND BOROUGH OF JUNEAU, ALASKA
Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

| Federal grant or/pass-through grant or/program title | Pass-through grantor's number | Catalogue of federal domestic assistance number | Program or award amount | Receivable (deferral) at June 30, 2004 | Amount received | Expenditures | Receivable (deferral) at June 30, 2005 |
|--|----------------------------------|---|----------------------------|---|--------------------|----------------|--|
| U.S. Transportation Security Administration: | | | | | | | |
| Department of Homeland Security: | | | | | | | |
| Maritime and Land Security: Port Security Upgrades | DTSA20-03-G-01120 | 20.420 | \$ 131,265 | \$ 78,105 | \$ 50,809 | \$ 46,811 | \$ 74,107 |
| State Pass-Through Grant: | | | | | | | |
| Department of Military and Veterans Affairs: | | | | | | | |
| State Homeland Security Grant | 35549 | 97.004 | 962,000 | - | 21,713 | 44,083 | 22,370 |
| Total U.S. Transportation Security Administration | | | <u>1,093,265</u> | <u>78,105</u> | <u>72,522</u> | <u>90,894</u> | <u>96,477</u> |
| U.S. Department of Homeland Security: | | | | | | | |
| Transportation Security Administration: | | | | | | | |
| Port Security Improvements | HSTS04-04-G-GPS377 | 97.056 | 94,000 | - | - | - | - |
| Federal Emergency Management Agency: | | | | | | | |
| Fire Prevention Advertising & Education | EMW-2004-FP-02297 | 97.044 | 54,000 | - | - | - | - |
| Assistance to Firefighters | EMW-2004-FG-14310 | 97.044 | 98,794 | - | - | - | - |
| Coop. Tech. Partners: Re-Map Duck Creek & Jordan Creek Flood Zones | - | 97.045 | 90,000 | - | - | 78,027 | 78,027 |
| | | | <u>242,794</u> | <u>-</u> | <u>-</u> | <u>78,027</u> | <u>78,027</u> |
| Total U.S. Department of Homeland Security | | | <u>336,794</u> | <u>-</u> | <u>-</u> | <u>78,027</u> | <u>78,027</u> |
| U.S. Department of Agriculture: | | | | | | | |
| Natural Resource Conservation Service: | | | | | | | |
| Aspen Avenue/McGinnis | 7201504A092 | 10.914 | 32,625 | - | - | 6,212 | 6,212 |
| State Pass-Through Grant: | | | | | | | |
| Alaska Department of Community and Economic Development: | | | | | | | |
| Schools and Roads - Grants to States FY02 | - | 10.665 | 930,246 | (139,537) | - | - | (139,537) |
| Schools and Roads - Grants to States FY03 | - | 10.665 | 937,718 | (140,658) | - | - | (140,658) |
| Schools and Roads - Grants to States FY04 | - | 10.665 | 949,181 | (142,377) | - | - | (142,377) |
| Schools and Roads - Grants to States FY05 | - | 10.665 | 961,656 | - | 961,656 | 817,408 | (144,248) |
| | | * | <u>3,778,801</u> | <u>(422,572)</u> | <u>961,656</u> | <u>817,408</u> | <u>(566,820)</u> |
| Forest Service: | | | | | | | |
| Tongass Nat'l Forest Recovery Program - Collaboration Juneau | 04DG11100000233 | 10.670 | 50,000 | - | 33,500 | 50,000 | 16,500 |
| Total U.S. Department of Agriculture | | | <u>3,861,426</u> | <u>(422,572)</u> | <u>995,156</u> | <u>873,620</u> | <u>(544,108)</u> |

CITY AND BOROUGH OF JUNEAU, ALASKA
Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

| Federal grant or/pass-through grant or/program title | Pass-through grantor's number | Catalogue of federal domestic assistance number | Program or award amount | Receivable (deferral) at June 30, 2004 | Amount received | Expenditures | Receivable (deferral) at June 30, 2005 |
|---|----------------------------------|---|----------------------------|---|--------------------|------------------|--|
| U.S. Department of Transportation: | | | | | | | |
| Federal Transit Administration: | | | | | | | |
| Juneau Transit Center | - | 20.500 | 197,600 | - | - | - | - |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Transportation and Public Facilities: | | | | | | | |
| Section 18 Grant (Operations) | 68436 | 20.500 | 73,183 | - | 73,183 | 73,183 | - |
| Training Grant CY04 | EMS-2004-GR-0001 | 20.509 | 8,000 | - | - | 7,433 | 7,433 |
| Training Grant CY05 | 34231 | 20.509 | 13,900 | - | - | - | - |
| Juneau Capital Transit Capital Grant - Paratransit Van Replacement | 68752 | 20.500 | 191,000 | 159,135 | 162,580 | 3,445 | - |
| Juneau Capital Transit Capital Grant - Purchase Transit Buses | 68488 | 20.500 | 724,220 | 91,344 | 91,344 | - | - |
| | | | <u>1,010,303</u> | <u>250,479</u> | <u>327,107</u> | <u>84,061</u> | <u>7,433</u> |
| Federal Highway Administration: | | | | | | | |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Transportation and Public Facilities: | | | | | | | |
| Seatbelt and DUI Overtime Enforcement | OP-04-03-03 | 20.600 | 15,500 | - | 12,163 | 12,163 | - |
| Federal Aviation Administration: | | | | | | | |
| Snow Removal Equipment Building Design (AIP 25) | - | * 20.106 | 656,196 | - | 93,406 | 112,420 | 19,014 |
| Runway Safety Area I Construction/Environmental Assessment (AIP 29) | - | * 20.106 | 3,793,935 | - | 2,793 | 2,793 | - |
| Environmental Impact Statement (AIP 39) | - | * 20.106 | 1,303,125 | 137,842 | 426,077 | 681,805 | 393,570 |
| 9/11 Security Equipment and Terminal Improvements (AIP 36) | - | * 20.106 | 186,041 | - | 19,710 | 19,710 | - |
| Air Traffic Control Tower Office Upgrades | - | 20.xxx | 75,000 | 33,213 | 33,249 | 36 | - |
| Rehabilitate Taxiway Alpha (AIP 37) | - | * 20.106 | 3,255,990 | - | 334,360 | 334,360 | - |
| Passenger Screening and Blast Mitigation (AIP 38) | - | * 20.106 | 356,317 | - | 16,113 | 16,113 | - |
| Acquire Snow Removal, Airside and Friction Measuring Equipment (AIP 41) | - | * 20.106 | 557,480 | - | 557,480 | 557,480 | - |
| Rehabilitate Access Road (AIP 40) | - | * 20.106 | 371,861 | - | 345,909 | 358,853 | 12,944 |
| Construct Taxiway Extensions (AIP 42) | - | * 20.106 | 1,244,168 | - | 870,445 | 1,244,168 | 373,723 |
| Airport Terminal Study Phase II (AIP 44) | - | * 20.106 | 760,000 | - | 615,188 | 743,277 | 128,089 |
| Security Vehicle (AIP 45) | - | * 20.106 | 25,953 | - | - | 24,206 | 24,206 |
| Delta 1 Ramp Expansion (AIP 43) | - | * 20.106 | 1,491,528 | - | - | 154,795 | 154,795 |
| Snow Removal Equipment and AARF (AIP 35) | - | * 20.106 | 1,702,423 | - | 15,010 | 15,010 | - |
| | | | <u>15,780,017</u> | <u>171,055</u> | <u>3,329,740</u> | <u>4,265,026</u> | <u>1,106,341</u> |
| Total U.S. Department of Transportation | | | <u>17,003,420</u> | <u>421,534</u> | <u>3,669,010</u> | <u>4,361,250</u> | <u>1,113,774</u> |

CITY AND BOROUGH OF JUNEAU, ALASKA
Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

| Federal grant or/pass-through grant or/program title | Pass-through grantor's number | Catalogue of federal domestic assistance number | Program or award amount | Receivable (deferral) at June 30, 2004 | Amount received | Expenditures | Receivable (deferral) at June 30, 2005 |
|--|----------------------------------|---|----------------------------|---|--------------------|------------------|--|
| U.S. Department of the Interior: | | | | | | | |
| Bureau of Land Management: | | | | | | | |
| "In Lieu of Tax" receipts | - | 15.226 | 799,600 | - | 805,498 | 805,498 | - |
| Electronic Record of Survey Plats/Datum and Projections Software | - | 15.224 | 65,000 | - | - | - | - |
| | | | <u>864,600</u> | <u>-</u> | <u>805,498</u> | <u>805,498</u> | <u>-</u> |
| Environmental Protection Agency: | | | | | | | |
| Wetlands Mitigation Bank Development | - | 66.461 | 45,000 | - | - | 13,386 | 13,386 |
| National Park Service: | | | | | | | |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Natural Resources: | | | | | | | |
| JUALPA Mine Camp Historic District IV | 03404 | 15.904 | 5,520 | 469 | 5,520 | 5,051 | - |
| FY04 Historic Preservation Fund | 03417 | 15.904 | 5,308 | (3,603) | 901 | 4,504 | - |
| Casey Shattuck Neighborhood IV | 03405 | 15.904 | 4,831 | 88 | 2,672 | 2,584 | - |
| Skagway Travel Grant | 03421 | 15.904 | 3,448 | 2,427 | 2,427 | - | - |
| National Register Nomination Juneau Memorial Library | 04431 | 15.904 | 3,581 | 163 | - | 2,211 | 2,374 |
| Land and Water Conservation Fund - Treadwell Ice Arena | 02-00372 | 15.916 | 154,786 | 30,957 | 30,957 | - | - |
| | | | <u>177,474</u> | <u>30,501</u> | <u>42,477</u> | <u>14,350</u> | <u>2,374</u> |
| U.S. Fish and Wildlife Service: | | | | | | | |
| Aspen Avenue/McGinnis/Duck Creek Crossing | - | 15.631 | 25,000 | - | - | 2,856 | 2,856 |
| Lemon Creek Watershed Assessment | - | 15.631 | 20,000 | - | 20,000 | 20,000 | - |
| | | | <u>45,000</u> | <u>-</u> | <u>20,000</u> | <u>22,856</u> | <u>2,856</u> |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Fish and Game: | | | | | | | |
| Aurora Harbor Pump Out Stations | 04-003 | 15.605 | 180,000 | - | - | 72,000 | 72,000 |
| Norway Point Boat Moorage Float | 01-097 | 15.605 | 100,000 | - | - | - | - |
| Taku Harbor Transient Moorage Rehabilitation | 05-071 | 15.605 | 807,105 | - | - | 747,555 | 747,555 |
| Amalga Harbor Ramp Rehabilitation | 03-045 | 15.605 | 1,800,000 | 1,431,267 | 1,431,267 | 248,840 | 248,840 |
| | | | <u>2,887,105</u> | <u>1,431,267</u> | <u>1,431,267</u> | <u>1,068,395</u> | <u>1,068,395</u> |
| | | | <u>2,932,105</u> | <u>1,431,267</u> | <u>1,451,267</u> | <u>1,091,251</u> | <u>1,071,251</u> |
| Total U.S. Department of the Interior | | | <u>4,019,179</u> | <u>1,461,768</u> | <u>2,299,242</u> | <u>1,924,485</u> | <u>1,087,011</u> |

CITY AND BOROUGH OF JUNEAU, ALASKA
Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

| Federal grant or/pass-through grant or/program title | Pass-through grantor's number | Catalogue of federal domestic assistance number | Program or award amount | Receivable (deferral) at June 30, 2004 | Amount received | Expenditures | Receivable (deferral) at June 30, 2005 |
|--|----------------------------------|---|----------------------------|---|--------------------|--------------|--|
| U.S. Department of Education: | | | | | | | |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Education and Early Development: | | | | | | | |
| Regional Grant | ILC-03-743-92 | * 45.310 | 103,080 | - | 103,080 | 103,080 | - |
| Total U.S. Department of Education | | | 103,080 | - | 103,080 | 103,080 | - |
| U.S. Department of Commerce: | | | | | | | |
| National Oceanic and Atmospheric Administration: | | | | | | | |
| Coastal Impact Assistance Program | - | 11.419 | 99,952 | - | - | 884 | 884 |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Community and Economic Development: | | | | | | | |
| Alaska Coastal Management FY05 | 850063 | 11.419 | 40,490 | - | 36,928 | 41,217 | 4,289 |
| ACMP Plan Amendment Funding | 850244 | 11.419 | 50,000 | - | 17,166 | 28,492 | 11,326 |
| ACMP - Coastal Resource Data System, Phase II | 840635 | 11.419 | 20,000 | 10,262 | 10,262 | - | - |
| | | | 110,490 | 10,262 | 64,356 | 69,709 | 15,615 |
| Total U.S. Department of Commerce | | | 210,442 | 10,262 | 64,356 | 70,593 | 16,499 |
| U.S. Department of Defense: | | | | | | | |
| State Pass-Through Grants: | | | | | | | |
| Alaska Department of Military and Veterans Affairs: | | | | | | | |
| Emergency Management Program FY04 | - | 83.552 | 30,000 | 19,850 | 30,000 | 10,150 | - |
| Emergency Management Program FY05 | - | 83.552 | 30,000 | - | - | 26,959 | 26,959 |
| Community Emergency Response Team | 03-08 | 83.565 | 18,000 | 316 | 18,815 | 18,499 | - |
| Pre-Disaster Mitigation Program II | PDM 03-01d | 83.557 | 30,000 | 16,066 | 30,000 | 13,934 | - |
| Total U.S. Department of Defense | | | 108,000 | 36,232 | 78,815 | 69,542 | 26,959 |
| U.S. Department of Health and Human Services: | | | | | | | |
| Small Rural Hospital Grant Program 04 | - | 93.301 | 9,680 | - | 9,680 | 9,680 | - |
| Small Rural Hospital Grant Program 03 | - | 93.301 | 10,200 | - | 10,200 | 10,200 | - |
| | | | 19,880 | - | 19,880 | 19,880 | - |
| State Pass-Through Grant: | | | | | | | |
| Alaska Department of Health and Social Services: | | | | | | | |
| Denali Commission | 06-4-C4896 | * 90.100 | 127,500 | - | 20,231 | 42,915 | 22,684 |
| Denali Commission -Bartlett 2005 | 0136-DC-2004-122 | * 90.100 | 1,480,590 | - | 172,889 | 293,713 | 120,824 |
| | | | 1,608,090 | - | 193,120 | 336,628 | 143,508 |

CITY AND BOROUGH OF JUNEAU, ALASKA
Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

| Federal grant or/pass-through grant or/program title | Pass-through grantor's number | Catalogue of federal domestic assistance number | Program or award amount | Receivable (deferral) at June 30, 2004 | Amount received | Expenditures | Receivable (deferral) at June 30, 2005 |
|---|----------------------------------|---|----------------------------|---|--------------------|----------------|--|
| U.S. Department of Health and Human Services (cont): | | | | | | | |
| State Pass-Through Grant (cont): | | | | | | | |
| Alaska State Hospital and Nursing Home Association | | | | | | | |
| ASHNHA Emergency Decon & PPE | 6 U3RMC00047-02-02 | 93.003 | 10,300 | - | 10,300 | 10,282 | (18) |
| ASHNHA HRSA | - | 93.889 | 29,280 | - | 29,280 | 4,612 | (24,668) |
| ASHNHA Emergency Communications | 6 U3RMC00047-02-02 | 93.003 | 19,350 | (11,275) | 8,075 | 19,350 | - |
| ASHNHA Emergency Operations Center | 6 U3RMC00047-02-02 | 93.003 | 17,661 | (17,661) | - | 17,661 | - |
| | | | <u>76,591</u> | <u>(28,936)</u> | <u>47,655</u> | <u>51,905</u> | <u>(24,686)</u> |
| Total U.S. Department of Health and Human Services | | | <u>1,704,561</u> | <u>(28,936)</u> | <u>260,655</u> | <u>408,413</u> | <u>118,822</u> |
| U.S. Department of Housing and Urban Development: | | | | | | | |
| State Pass-Through Grant: | | | | | | | |
| Alaska Department of Community and Economic Development | | | | | | | |
| Emergency Family Shelters | 841212 | 14.228 | 500,000 | - | - | - | - |
| CDBG - Day Care Facility for Frail and ADRD Elderly | 841207 | * 14.228 | 378,420 | - | 158,333 | 325,021 | 166,688 |
| Total U.S. Department of Housing and Urban Development | | | <u>878,420</u> | <u>-</u> | <u>158,333</u> | <u>325,021</u> | <u>166,688</u> |
| U.S. Department of Justice: | | | | | | | |
| 2003 COPS Technology Grant | | | | | | | |
| Bullet Proof Vests | 2003CKWX0275 | 16.710 | 906,085 | - | - | 59,026 | 59,026 |
| | 99003463 | 16.607 | 26,434 | - | - | 4,426 | 4,426 |
| | | | <u>932,519</u> | <u>-</u> | <u>-</u> | <u>63,452</u> | <u>63,452</u> |
| State Pass-Through Grant: | | | | | | | |
| Department of Military and Veterans Affairs: | | | | | | | |
| State Homeland Security Grant - First Responder | SHSGP 03-05 | * 16.007 | 10,000 | - | - | 3,386 | 3,386 |
| State Homeland Security Grant - First Responder | SHSGP II 03-11 | * 16.007 | 663,467 | 132,899 | 576,300 | 464,670 | 21,269 |
| | | | <u>673,467</u> | <u>132,899</u> | <u>576,300</u> | <u>468,056</u> | <u>24,655</u> |
| Alaska Department of Public Safety: | | | | | | | |
| 2001 COPS Technology Grant | 2001CKWX0008 | 16.710 | 976,900 | 31,738 | 188,628 | 341,760 | 184,870 |
| Total U.S. Department of Justice | | | <u>2,582,886</u> | <u>164,637</u> | <u>764,928</u> | <u>873,268</u> | <u>272,977</u> |

CITY AND BOROUGH OF JUNEAU, ALASKA

Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

| <u>Federal grant or/pass-through grant or/program title</u> | <u>Pass-through grantor's number</u> | <u>Catalogue of federal domestic assistance number</u> | <u>Program or award amount</u> | <u>Receivable (deferral) at June 30, 2004</u> | <u>Amount received</u> | <u>Expenditures</u> | <u>Receivable (deferral) at June 30, 2005</u> |
|---|--|--|------------------------------------|---|----------------------------|---------------------|---|
| U.S. Department of Housing and Urban Development: | | | | | | | |
| State Pass-Through Grant: | | | | | | | |
| Alaska Department of Revenue: | | | | | | | |
| Alaska Housing Finance Corporation: | | | | | | | |
| "In Lieu of Tax" receipts FY05 | - | 14.xxx | 29,866 | - | - | 29,866 | 29,866 |
| "In Lieu of Tax" receipts FY04 | - | 14.xxx | <u>35,705</u> | <u>35,705</u> | <u>35,705</u> | - | - |
| Total U.S. Department of Housing and Urban Development | | | <u>65,571</u> | <u>35,705</u> | <u>35,705</u> | <u>29,866</u> | <u>29,866</u> |
| | | | | | | | |
| Total Federal Expenditures | | | <u>\$ 31,967,044</u> | <u>\$ 1,756,735</u> | <u>\$ 8,501,802</u> | <u>\$ 9,208,059</u> | <u>\$ 2,462,992</u> |

* Major Program

CITY AND BOROUGH OF JUNEAU, ALASKA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2005

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the City and Borough of Juneau, Alaska. The City and Borough's reporting entity is defined in Note 1 to the City and Borough's basic financial statements. Federal awards received directly from federal agencies, as well as federal financial assistance passed through other government agencies, are included in the schedule.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified-accrual basis of accounting, which is described in Note 1 to the City and Borough's basic financial statements.

Relationship to Basic Financial Statements

The following is a reconciliation of federal revenues reported in the City and Borough's basic financial statements to federal expenditures reported in the Schedule of Expenditures of Federal Awards:

Direct Grants:

| | |
|---|------------|
| Federal revenues as reported in the basic financial statements: | |
| Governmental Funds | \$ 990,315 |
| Proprietary Funds | 172,975 |

Less:

| | |
|---|------------------|
| Amounts reported as federal revenue in the basic financial statements but not included in the Schedule of Expenditures of Federal Awards: | |
| Juneau International Airport classified Transportation Security Administration reimbursement for security upgrades as federal revenue. | <u>(172,975)</u> |

Total direct grants 990,315

Plus:

Grants passed through State of Alaska 3,836,025

Federal monies included in airport, harbors, hospital, water and sewer capital projects 4,311,837

Federal monies included in patient service revenues for Bartlett Regional Hospital 19,880

Federal monies reported as State monies in basic financial statements 50,000

Rounding 2

Total federal expenditures per Schedule of Expenditures of Federal Awards \$ 9,208,059

CITY AND BOROUGH OF JUNEAU, ALASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2005

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the City and Borough of Juneau, Alaska.
2. No instances of noncompliance material to the financial statements of the City and Borough of Juneau, Alaska were disclosed during the audit.
3. The auditor's report on compliance for the major federal award programs for the City and Borough of Juneau, Alaska expresses an unqualified opinion on all major federal programs.
4. There were no audit findings relative to the major federal award programs for the City and Borough of Juneau, Alaska required to be reported in this schedule under OMB Circular A-133.
5. The federal programs tested as major programs included:

| <u>CFDA #</u> | <u>NAME</u> |
|---------------|--|
| 10.665 | Dept. of Agriculture - Schools and Roads grants to States |
| 20.106 | Dept. of Transportation FAA - Various |
| 45.310 | Dept. of Education - Regional Grant |
| 90.100 | Dept. of Health and Human Services - Denali Commission |
| 90.100 | Dept. of Health and Human Services - Denali Commission - Bartlett 2005 |
| 14.228 | Dept. of Housing and Urban Development CDBG - Day Care Facility for Frail and ADRD Elderly |
| 16.007 | Dept. of Justice - State Homeland Security Grant - First Responder |
| 16.007 | Dept. of Justice - State Homeland Security Grant - First Responder |

6. The threshold for distinguishing Types A and B programs was \$300,000.
7. The City and Borough of Juneau was determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

No matters reported.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

No matters reported.