

Exhibit 3 to Plaintiffs' Motion to Take Judicial Notice

City and Borough of Juneau, Ak., "Comprehensive Annual Financial Report for
Fiscal Year Ended June 30, 2015,"

available at: [http://www.juneau.org/financeftp/cafr2015/documents/
CompeteCAFRFY15includingCover.pdf](http://www.juneau.org/financeftp/cafr2015/documents/CompeteCAFRFY15includingCover.pdf)

(last visited July 7, 2016)

City and Borough of Juneau, Alaska

*Comprehensive Annual
Financial Report*

Fiscal Year Ended - June 30, 2015

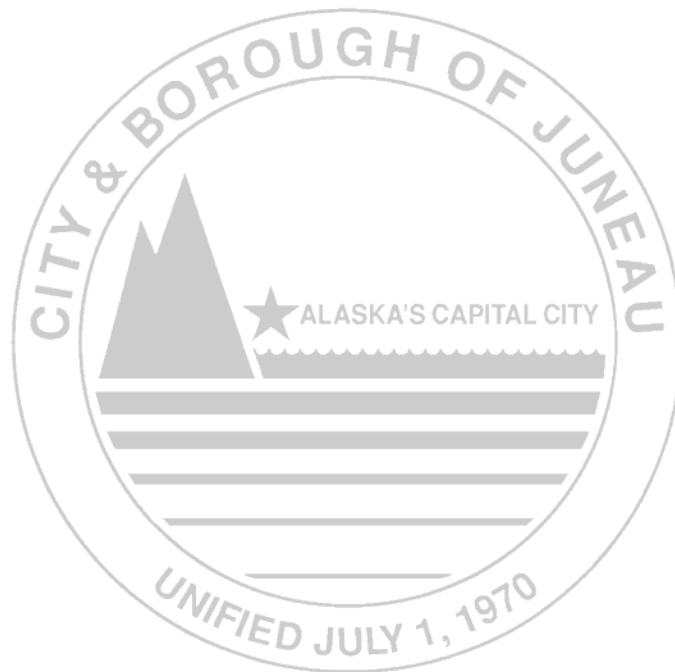
City & Borough of Juneau

★ ALASKA'S CAPITAL CITY

CITY and BOROUGH OF JUNEAU

FOR THE FISCAL YEAR July 1, 2014 to June 30, 2015

COMPREHENSIVE ANNUAL FINANCIAL REPORT



PREPARED BY:

DEPARTMENT OF FINANCE
CONTROLLER'S DIVISION

BOB BARTHOLOMEW, FINANCE DIRECTOR
MARY NORCROSS, CONTROLLER

Special thanks to Patrick McGonegal for sharing his photograph of an Alaskan black bear enjoying a summer day in Juneau!

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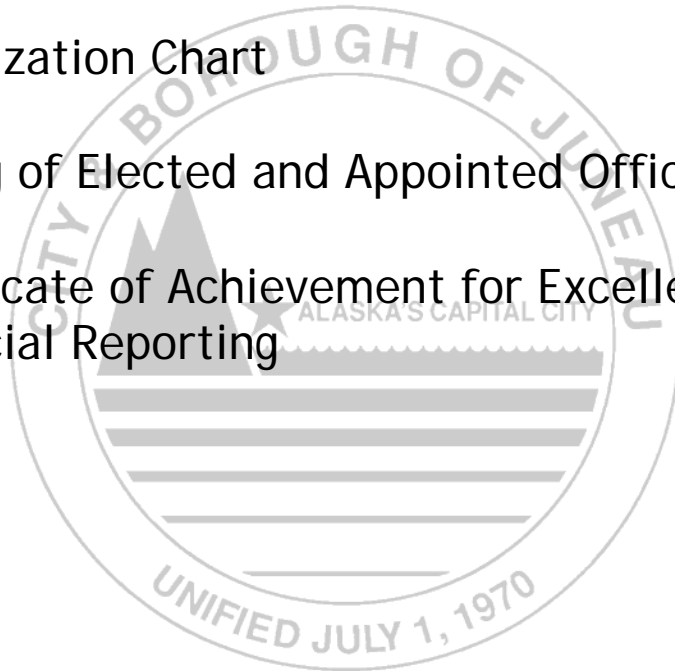
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December 18, 2015

The Honorable Mayor and Assembly
Ms. Kimberly Kiefer, 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, 2015.

The Charter, Section 9.17, and our bonding covenants require annual independent audits be made of our financial records and transactions. The audits are 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, 2015.

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). The cost of internal controls should not exceed their benefits, as such; 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 unmodified opinion that the financial statements for the fiscal year ended June 30, 2015, 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 capital. 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 were unified in 1970 into the CBJ. The CBJ 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.

The Honorable Mayor and Assembly

An Assembly-Manager form of government was adopted as a provision of the Home Rule Charter and unification approved by the voters in 1970. The CBJ Assembly has nine members, one of which is the Mayor. The Assembly members are 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.

Being a unified city/borough, 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 CBJ is also financially accountable for a school district with its own elected governing body. The School District is reported as a component unit within the CBJ's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (See Note 1).

LOCAL ECONOMY

As Alaska's Capital City, state and federal governments support a large portion of our economic base. In diversifying the economy, the CBJ has supported and encouraged investments in tourism, mining, manufacturing and regional merchandising. These efforts have resulted in private sector growth and economic diversification. In 2014, private sector jobs represented 61% of all employment in the community. Even though the efforts to diversify are succeeding, the fact remains that Juneau's economic base still relies heavily on government employment. Of the 17,980 jobs reported by employers in 2014, 6,981 were public sector jobs with the federal, state or local governments. The largest public sector employer is the state government with 4,269; while the federal and local governments employed 708 and 2,004, respectively. Local and tribal government had the most job losses, followed by federal civilian employment. Still, Juneau's 2014 unemployment rate was 4.4%; this is lower than 4.6% in the prior year. Juneau's employment has remained very stable.

As previously noted, an important component of Juneau's economy is tourism. In 2014, approximately 72% of Juneau's visitors arrived by cruise ship, traveling from Vancouver and Seattle by way of the "Inside Passage". Over the years, Juneau has seen significant increases in cruise ship activity. Cruise ship visitors increased by 2.4% for 2015 to 977,000.

In 2014, Alaska Airlines Passenger Arrivals accounted for approximately 23% of passengers arriving in Juneau, increasing for the fifth year in a row. In the past decade, Alaska Airlines had provided sole jet access to Juneau, averaging eight flights to Juneau per day in the summer. In 2014, Delta Airlines began offering daily flights between Juneau and Seattle. The addition of a second major airline increased capacity slightly and 2014 saw a 5.6% increase in deplanements.

Juneau benefits from large-scale mining. There are two large operating mines in the Juneau area, the Hecla Greens Creek Mine and the Coeur Kensington Mine. The largest is the Hecla Greens Creek Mine. This mine is located on Admiralty Island 18 miles west of downtown Juneau, and within the borough boundaries. A land exchange/agreement in 1998 provided the Hecla 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. In 2014, the Hecla Greens Creek Mine employed approximately 415 and produced 58,753 ounces of gold, 7,826,341 ounces of silver and significant quantities of zinc and lead. They remain the largest private employer in Juneau and among the top 10 silver producers in the world.

Based on current exploration information, the Greens Creek Mine's life will be at least nine more years. 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 permitted tailings disposal capacity was expanded to accommodate material from the known ore reserves as well as anticipated reserves. The company also obtained the additional required permits for expansion of the tailings area from other regulatory agencies.

The Coeur Kensington mine is located 45 miles north-west of Juneau and within the borough boundary. In mid-1995, Coeur Alaska, Inc. acquired full ownership of the Kensington Gold Project. The mine began commercial production on July 3, 2010. At that time, Coeur Alaska, Inc. estimated the mine had a life exceeding 10 years. The mine employs approximately 320, the majority of which are Juneau residents. Kensington is the second largest private employer in Southeast Alaska with 2014 annual payroll over \$41 million. In 2014, Kensington produced a record 117,823 ounces of gold, an increase of 2 percent from 2013. Proven and probable reserves at the end of 2014 of 629,000 contained ounces of gold. They have an ongoing exploration program in place and expect to spend \$1.4 million in 2015 for exploration activities, including expanding ore zones at Kensington.

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 the CBJ is regional shopping. The City has made a concerted effort to establish itself as a regional shopping destination for Southeast Alaska residents. Juneau has four major retailers located within the borough, Wal-Mart, Home Depot, Fred Meyer and Costco. In addition, there are a large variety of smaller retailers. Juneau's retail sector includes 144 establishments that employed a total of 1,911 workers in 2014. Workers in the retail sector earned a total of \$54.6 million in wages.

Juneau's manufacturing sector included an annual average of 332 jobs and \$12.5 million in annual wages in 2015. Seafood processing employment was up slightly in 2014. Though primarily composed of seafood processing, the largest manufacturing firm outside of seafood processing in Juneau is a thriving niche business with plans for continued expansion in coming years. Originally founded in Juneau in 1986, the Alaskan Brewery Company (ABC) was ranked the 26th largest brewer in the country and the 20th largest craft brewery by sales volume in the U.S. in 2014.

New construction projects saw a dramatic increase in the number of multiplex units permitted to be built in Juneau in 2014. A total of 145 construction permits were issued in 2014.

SHORT-TERM FINANCIAL PICTURE

CBJ's largest general government revenue programs are equally distributed between property tax and sales tax. This year's sales taxes revenue was \$48.0 million, an increase of \$0.4 million (0.9%) over FY14. Property tax revenue was \$45.8 million, an increase of \$0.7 million (1.6%).

Both tax programs have been stable to growing slowly 1-2% as the local economy recovered from the national recession in 2008 - 2010. Looking forward, the biggest risk to the local economy is the financial shortfall being addressed by the state of Alaska due to low oil prices and declining oil production. This growth level for the next several years is projected to be flat to down slightly. The CBJ balanced its FY16 budget through a combination of increased revenue, operating expenditure reductions and available fund balance. The projected balance in the Budget Reserve is \$13.41 million for FY16. FY17, FY18 and FY19, an additional \$2.85 million in sales tax proceeds will be deposited into the Budget Reserve.

LONG-TERM FINANCIAL PLANNING

The dominance of State government in the local economy and the fact that the State government relies primarily on a single revenue source, oil royalties/taxes, makes long-term economic stability less certain. World oil prices decreases starting in 2014 have significantly reduced the State's revenues below their recent expenditure level. The projected future reduction in oil production makes planning for long-term financial stability critical. In October 2012, the Assembly approved the 2011 Fiscal Policy Task Force recommendation to maintain a general governmental Budget Reserve of not less than two months (16.7%) general operating revenue. In October 2012 CBJ voters also approved allocating \$5 million over 5 years to help bring the Reserve up to \$15.5 million.

The State Legislature has adopted several pieces of critical legislation that have had a significant positive financial impact on local governments in Alaska. First, local governments, including the CBJ, are participants in the Alaska Public Employees Retirement System (PERS). Increases in the projected PERS unfunded liability resulted in significant increases in the required employer contribution rates. The employer contribution rates

The Honorable Mayor and Assembly

increased to 35.84% beginning in FY13. The State adopted legislation, SB125, capping local government employer contribution rates at 22%. Adopting SB125 and capping our contributions at 22% has placed the funding of our future PERS contribution rates within our ability to manage.

The operating mill levy for FY15 of 9.26 mills was 2.74 mills less than the voter approved operating mill levy cap of 12 mills. This cap does not apply to property tax levies to fund voter approved debt service. We have experienced a nearly flat operating mill levy for 10 years and the debt service levy will remain unchanged in FY16 at 1.50 mills. This brings the total FY16 mill levy to 10.76 mills. FY15 was a peak in the debt service rate and we expect it to hold flat for several years before slowly declining.

MAJOR INITIATIVES AND FACILITY IMPROVEMENTS

The City and Borough of Juneau as a community continues to place significant resources into infrastructure and facility maintenance as well as new facility construction and energy efficiencies. A major portion of the City's efforts have been focused on School District facilities. A majority of the cost of funding school facility maintenance, repairs and construction had been shared with the State. In November 2002, a statewide bonding proposition implemented legislation that provided funding for the State's School Construction Bond Debt Reimbursement Program. Under this program the State reimbursed 70% of the total bond debt service (both principal and interest) for all approved projects with bond issues having terms of ten years or greater. In 2015 the State Legislature placed a 5 year moratorium on new debt issues under the program. Due to the moratorium CBJ will initially need to fund maintenance of the local revenues. For FY16 the CBJ assembly appropriated \$800,000 for building maintenance. The bond debt reimbursement program, along with voter approval, has allowed the City to move ahead with a number of school facility renovations and improvements and the construction of new schools.

On October 2, 2012, voters approved the issuance of \$25 million in general obligation bond debt to pay for the cost of renovations and construction of CBJ facilities including Centennial Hall renovation, Aurora Harbor reconstruction, Airport terminal renovation, Eaglecrest learning center and lodge renovation, Capital Transit improvements, Adair-Kennedy Memorial Park bathrooms and concession, Dimond Park bathrooms, concession and paving, and Melvin Park bathrooms and concession.

In addition to the bonds being approved and issued for various facilities and improvements, voters have also approved a series of temporary sales tax measures to fund capital improvements. The improvements funded with sales tax levies include:

- On October 2, 2011, voters approved a temporary five-year 3% areawide sales tax levy. This levy is expected to generate between \$24.0 to \$28.0 million annually. 1% of this levy (roughly \$8.0 million annually) will fund the repair and construction of streets, sidewalks, retaining walls, drainages, and stairway capital projects. This extends the current temporary 3% areawide sales tax until June 30, 2017.
- On October 2, 2012, voters approved a temporary five-year 1% areawide sales tax to fund \$10.0 million of bond debt repayment, \$5.0 million to replenish the general government budget reserves (as recommended by the 2011 Mayor's Budget Task Force), and to partially fund Dimond Park Library (construction began on June 6, 2014 – completed Fall, 2015), a child and adolescent mental health facility, airport snow removal equipment facility, boat haul out and kayak launch ramp at Statter Harbor, water filtration, building maintenance, parks and trails maintenance, Lemon Creek neighborhood park, off-highway vehicle park, JACC expansion – Performing Arts Center and Walter Soboleff Center. This tax is effective October 1, 2013 through September 30, 2018.

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, 2014. This is the twenty-eighth consecutive year that the government has achieved this prestigious award (fiscal years ended 6/30/87 - 6/30/14). In order to be

The Honorable Mayor and Assembly

awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the 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 Controller, coordinates the team efforts necessary for the report's production. Special thanks goes to Jean Hodges, Assistant Controller; Cheryl Crawford, Treasurer; Theresa Winther, Deputy Treasurer; Sonia DelGado, Eric Hoover, Kathleen Jorgensen, Janella Lewis, and Sam Muse, Accountants. Without their efforts, the production of the annual financial report would not be possible.

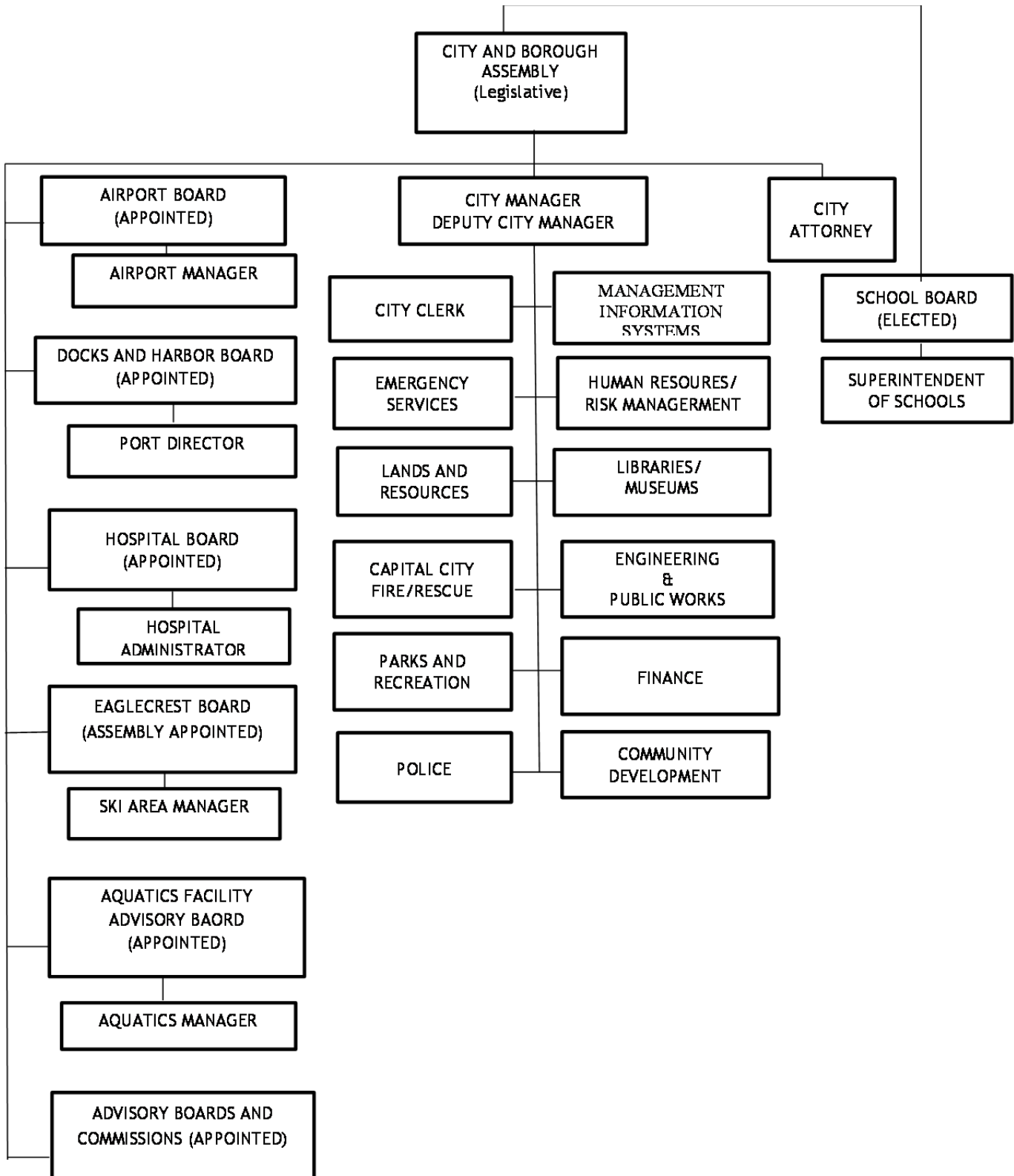
I wish to express my appreciation to Kim Kiefer our City Manager, for her support throughout the year in accomplishing our fiscal goals. In addition, I want to thank the Mayor and Assembly for their interest and support in planning and conducting the financial operations of the City and Borough of Juneau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

Respectfully submitted,



Robert N. Bartholomew, Finance Director

CITY and BOROUGH of JUNEAU
GOVERNMENTAL FUNCTIONS
Organizational Chart



CITY AND BOROUGH OF JUNEAU

CURRENT ASSEMBLY

MAYOR

Mary Becker

DISTRICT #1

Vacant
Jesse Kiehl
Loren Jones

DISTRICT #2

Karen Crane
Jerry Nankervis
Debbie White

AREAWIDE

Maria Gladziszewski
Kate Troll

ADMINISTRATION

Kimberly Kiefer, City Manager
Rob Steedle, Deputy City Manager

FINANCE

Robert Bartholomew, Finance Director
Mary Norcross, Controller
Cheryl Crawford, Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City and Borough of Juneau
Alaska**

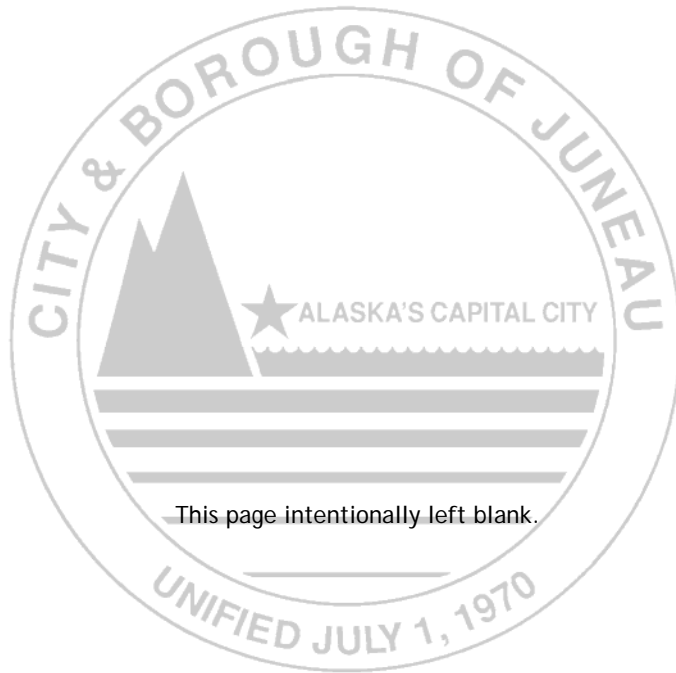
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL SECTION

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



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ELGEE REHFELD MERTZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, 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, 2015, and the related notes to the financial statements, which collectively comprise the City and Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City and Borough's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The prior-year comparative total information presented has been derived from the City and Borough's 2014 and 2013 financial statements and, in our reports dated December 10, 2014, and December 13, 2013, respectively, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information.

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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the major governmental funds as listed in the table of contents for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 11 to the financial statements, the City and Borough adopted the provision of Government Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions* during the year ended June 30, 2015. The implementation resulted in a reduction of the City and Borough's previously presented net position of \$74,235,502. The City and Borough has determined that the funding component of the net pension liability attributable to contributions by the State of Alaska under AS 39.35.280 and AS 14.25.085 to be a Special Funding Situation as defined by GASB 68. Accordingly, it has not recorded a liability for the State of Alaska's proportionate share of the total net pension liability attributable to the City and Borough totaling \$62,153,012 as of June 30, 2015.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the major funds budget to actual statements on pages 72 through 73 and the pension information schedules on pages 74 through 75, and the management's discussion and analysis on pages 3 through 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City and Borough's basic financial statements. The combining and individual nonmajor fund financial statements, schedules of capital assets used in the operation of governmental funds, and schedule of additional information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated December 18, 2015 on our consideration of the City and Borough's internal control over financial reporting and on 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* in considering the City and Borough's internal control over financial reporting and compliance.

ERM

December 18, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City and Borough of Juneau (CBJ) Management's Discussion and Analysis (MD&A) provides the narrative overview and analysis of the financial activities of the CBJ for the fiscal year ended June 30, 2015. 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 position increased by \$1.0 million (0.1%). The governmental net position decreased by \$29.8 million (7.4%) and the business-type net position increased by \$30.8 million (6.0%).
- Total assets and deferred outflows of resources of CBJ increased \$93.8 million (8.3%).
- Total liabilities and deferred inflows of resources of CBJ increased \$92.8 million (41.8%).

These variances are discussed on pages 5 through 6.

- The governmental activity revenue increased \$10.7 million (7.6%). Business-type activity revenue increased \$47.4 million (36.5%).
- The total cost of all CBJ programs increased by \$22.6 million (9.8%).
- The most significant governmental activity is education, which represents 25.9% of governmental expenses and 12.1% of total expenses. The most significant business-type activity is the hospital, which represents 73.9% of business-type expenses and 39.4% of total expenses.

These variances are discussed on pages 6 through 9.

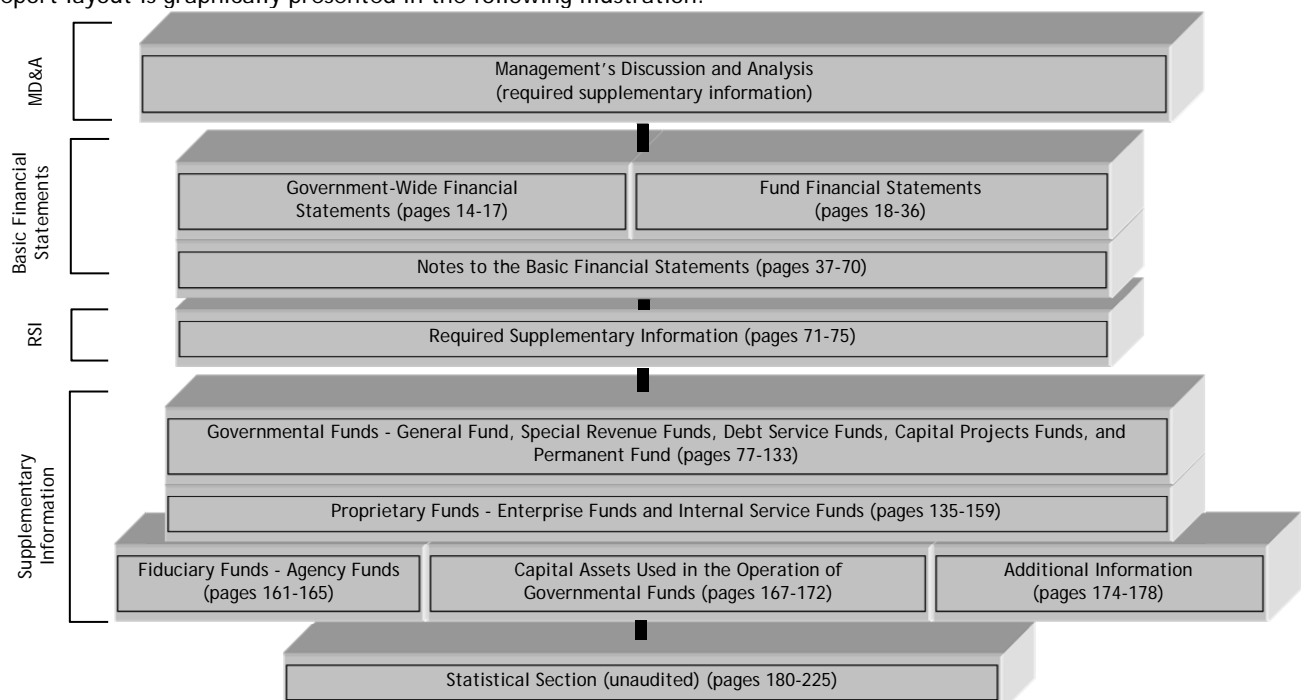
- The General Fund (the primary operating fund), on the current resources basis, reported an increase in fund balance of \$2.1 million (8.5%).

The General Fund is discussed in greater detail beginning on pages 8 through 9.

REPORT FORMAT

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

The report layout is graphically presented in the following illustration:



MANAGEMENT'S DISCUSSION and ANALYSIS

For the year ended June 30, 2015

The first statements are highly condensed and present a government-wide view of the CBJ'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, roads and streets, parks and recreation, community development, and general government administration. Business-type activities include airport, hospital, water, wastewater, harbor, dock, and waste management. The government-wide statements include the Statement of Net Position (Deficit) and the Statement of Activities.

The focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives 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 Position (Deficit) presents information on all of the CBJ's assets and liabilities, with the difference reported as net position (deficit). Over time, increases or decreases in net position (deficit) may serve as an indicator of whether the City's financial position is improving or declining.

The Statement of Activities demonstrates how the net position (deficit) changed during the fiscal year. All changes in net position (deficit) are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 funds 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 20 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 sales tax special revenue fund, and the general debt service fund. Data from the remaining special revenue, capital projects funds, and permanent fund is presented in aggregate. Detail by fund type is presented in the combining statements.

MANAGEMENT'S DISCUSSION and ANALYSIS

For the year ended June 30, 2015

The CBJ adopts an annual budget for all operating funds. A budgetary comparison statement has been provided for each major governmental fund.

The basic governmental fund financial statements can be found on pages 18-25 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, wastewater, harbor, dock, and waste management; and they are all considered major funds. The internal service funds are risk and fleet, which are presented in the aggregate with the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 26-35 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 statements 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 statement can be found on page 36 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 37-70 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as an indicator of a government's financial position. In the case of the CBJ, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$910.7 million as of June 30, 2015, compared to \$909.6 million and \$869.8 million for the years ended June 30, 2014 and June 30, 2013, respectively.

The largest portion of the CBJ's net position (83.5%) reflects its investment in capital assets (e.g. land, buildings, and 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 \$192.0 million as of June 30, 2015.

CITY AND BOROUGH OF JUNEAU'S NET POSITION

| | Governmental Activities | | Business-type Activities | | Totals | |
|----------------------------------|-------------------------|-------------|--------------------------|-------------|---------------|---------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Current and other assets | \$ 96,921,240 | 89,386,891 | 196,160,230 | 171,126,010 | 293,081,470 | 260,512,901 |
| Capital assets | 470,029,000 | 458,739,494 | 453,912,290 | 412,445,989 | 923,941,290 | 871,185,483 |
| Deferred outflows of resources | 3,923,362 | - | 4,588,321 | - | 8,511,683 | - |
| Total assets & def. outflows | 570,873,602 | 548,126,385 | 654,660,841 | 583,571,999 | 1,225,534,443 | 1,131,698,384 |
| Current & other liabilities | 10,235,188 | 10,298,608 | 23,626,552 | 27,473,825 | 33,861,740 | 37,772,433 |
| Long-term liabilities | 186,788,504 | 137,923,917 | 85,794,187 | 46,355,530 | 272,582,691 | 184,279,447 |
| Deferred inflows of resources | 3,738,818 | - | 4,678,812 | - | 8,417,630 | - |
| Total liabilities & def. inflows | 200,762,510 | 148,222,525 | 114,099,551 | 73,829,355 | 314,862,061 | 222,051,880 |
| Net position: | | | | | | |
| Investment in capital assets | 344,714,712 | 329,906,502 | 415,945,310 | 373,291,515 | 760,660,022 | 703,198,017 |
| Restricted | 16,458,179 | 36,448,055 | 73,798,632 | 56,070,500 | 90,256,811 | 92,518,555 |
| Unrestricted | 8,938,201 | 33,549,303 | 50,817,348 | 80,380,629 | 59,755,549 | 113,929,932 |
| Total net position | \$ 370,111,092 | 399,903,860 | 540,561,290 | 509,742,644 | 910,672,382 | 909,646,504 |

MANAGEMENT'S DISCUSSION and ANALYSIS
For the year ended June 30, 2015

Total assets and deferred outflows of resources for governmental activities increased \$22.7 million, while total liabilities and deferred inflows of resources increased \$52.5 million, resulting in an overall decrease of \$29.8 million in net position. Likewise, total assets and deferred outflows of resources for business-type activities increased \$71.1 million, while total liabilities and deferred inflows of resources increased \$40.3 million resulting in an overall increase of total net position of \$30.8 million.

Overall, the government's net position increased by \$1.0 million during the current fiscal year compared to an increase of \$39.8 million in the prior fiscal year. This variance was affected by revenues increasing (\$58.1 million or 21.4%) and expenses increasing (\$22.6 million or 9.8%). A majority of this variance was in business-type activities with revenues increasing \$47.4 million (36.5%) and expenses increasing \$14.5 million (12.0%).

A portion of the CBJ's net position (\$90.3 million or 9.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$59.8 million or 6.6%) may be used to meet the government's ongoing obligations to citizens and creditors.

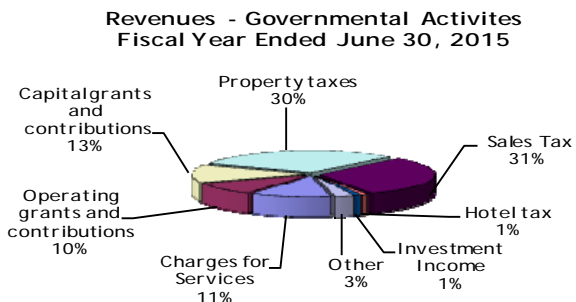
At the end of the current fiscal year, the CBJ was able to report positive balances in all three categories of net position. The same situation held true for the prior three fiscal years.

CBJ implemented GASB Statement No. 68, *Accounting and Reporting for Pension Plans - an amendment of GASB Statement No. 27* during fiscal 2015. As a result of the implementation, CBJ restated the fiscal 2015 beginning net position of the governmental activities and the business-type activities, as described in Note 19, and recorded a net pension liability, as described in Note 11.

Governmental Activities - Governmental activities net position decreased \$29.8 million. Key elements of the change for governmental activities are as follows:

| REVENUES: | CITY AND BOROUGH OF JUNEAU'S CHANGES IN NET POSITION | | | | | |
|--|--|--------------------|---------------------------------|--------------------|--------------------|--------------------|
| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| Program revenues: | | | | | | |
| Charges for services | \$ 17,661,465 | 18,948,691 | 117,794,232 | 105,927,608 | 135,455,697 | 124,876,299 |
| Operating grants & contributions | 14,902,689 | 7,117,429 | 18,153,542 | 6,317,336 | 33,056,231 | 13,434,765 |
| Capital grants & contributions | 19,969,146 | 15,863,658 | 40,701,665 | 16,502,637 | 60,670,811 | 32,366,295 |
| General revenues: | | | | | | |
| Property taxes | 45,839,741 | 45,085,031 | - | - | 45,839,741 | 45,085,031 |
| Other taxes | 47,727,114 | 47,735,117 | - | - | 47,727,114 | 47,735,117 |
| Grants and contributions not restricted to specific programs | 4,081,193 | 3,986,857 | - | - | 4,081,193 | 3,986,857 |
| Other | 1,581,175 | 2,310,012 | 621,959 | 1,162,189 | 2,203,134 | 3,472,201 |
| Total revenues | \$ 151,762,523 | 141,046,795 | 177,271,398 | 129,909,770 | 329,033,921 | 270,956,565 |

- Operating grants and contributions increased \$7.8 million (109.4%) principally due to CBJ's share of the \$1 billion payment made by the state to the defined benefit plan on-behalf of all participating employers.
- Capital grants and contributions increased \$4.1 million (25.9%) due to increased state grant funds principally for building the valley branch of the library.



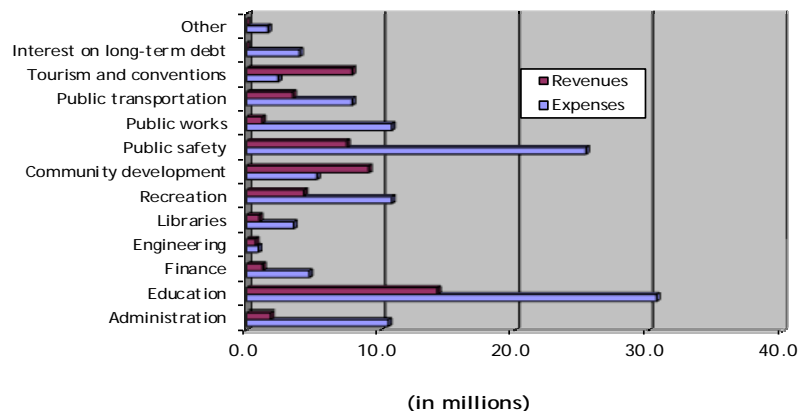
MANAGEMENT'S DISCUSSION and ANALYSIS
For the year ended June 30, 2015

CITY AND BOROUGH OF JUNEAU'S CHANGES IN NET POSITION (continued)

| EXPENSES: | Governmental Activities | | Business-type Activities | | Totals | |
|--------------------------------|-------------------------|--------------|--------------------------|-------------|--------------|-------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Administration | \$ 10,601,941 | 9,966,618 | - | - | 10,601,941 | 9,966,618 |
| Education | 30,644,340 | 30,260,316 | - | - | 30,644,340 | 30,260,316 |
| Finance | 4,702,927 | 3,844,872 | - | - | 4,702,927 | 3,844,872 |
| Engineering | 917,558 | 526,923 | - | - | 917,558 | 526,923 |
| Libraries | 3,555,597 | 2,589,049 | - | - | 3,555,597 | 2,589,049 |
| Recreation | 10,863,398 | 10,847,566 | - | - | 10,863,398 | 10,847,566 |
| Community development | 5,267,279 | 4,393,275 | - | - | 5,267,279 | 4,393,275 |
| Public safety | 25,356,157 | 21,457,237 | - | - | 25,356,157 | 21,457,237 |
| Public works | 10,854,785 | 10,614,811 | - | - | 10,854,785 | 10,614,811 |
| Public transportation | 7,923,077 | 7,452,587 | - | - | 7,923,077 | 7,452,587 |
| Tourism and conventions | 2,406,074 | 2,250,268 | - | - | 2,406,074 | 2,250,268 |
| Interest on long-term debt | 3,995,945 | 4,794,621 | - | - | 3,995,945 | 4,794,621 |
| Other | 1,630,703 | 1,600,477 | - | - | 1,630,703 | 1,600,477 |
| Airport | - | - | 9,078,539 | 8,545,303 | 9,078,539 | 8,545,303 |
| Harbors | - | - | 4,844,725 | 4,229,732 | 4,844,725 | 4,229,732 |
| Docks | - | - | 2,417,339 | 2,268,442 | 2,417,339 | 2,268,442 |
| Hospital | - | - | 99,844,666 | 87,199,322 | 99,844,666 | 87,199,322 |
| Water | - | - | 5,697,779 | 5,911,028 | 5,697,779 | 5,911,028 |
| Wastewater | - | - | 12,089,697 | 11,381,424 | 12,089,697 | 11,381,424 |
| Solid Waste | - | - | 1,080,016 | 999,083 | 1,080,016 | 999,083 |
| Total expenses | 118,719,781 | 110,598,620 | 135,052,761 | 120,534,334 | 253,772,542 | 231,132,954 |
| Increase in net position | | | | | | |
| before transfers | 33,042,742 | 30,448,175 | 42,218,637 | 9,375,436 | 75,261,380 | 39,823,611 |
| Transfers | (30,498,125) | (13,758,200) | 30,498,125 | 13,758,200 | - | - |
| Increase in net position | 2,544,617 | 16,689,975 | 72,716,762 | 23,133,636 | 75,261,380 | 39,823,611 |
| Net position beginning of year | 399,903,860 | 383,213,885 | 509,742,645 | 486,609,009 | 909,646,505 | 869,822,894 |
| Restatement | (32,337,385) | - | (41,898,117) | - | (74,235,502) | - |
| Net position end of year | \$ 370,111,092 | 399,903,860 | 540,561,290 | 509,742,645 | 910,672,382 | 909,646,505 |

- Public safety expenses increased \$3.9 million (18.2%) due to increased number of police and increased costs in fire commodities.
- Library expenses increased \$1.0 million (37.3%) due to accounting for the city museum as part of the Library starting in fiscal year 2015.
- Finance expenses and community development expenses each increased \$0.9 million (22.3% and 19.9%, respectively) due to CBJ's share of the \$1 billion payment made by the state to the defined benefit plan on-behalf of all participating employers.

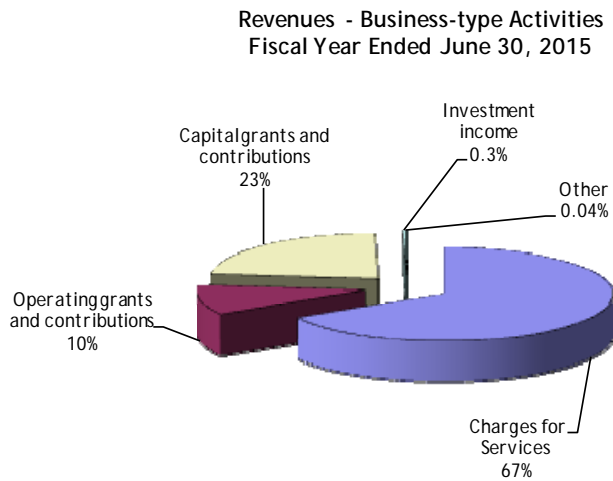
Expenses and Program Revenues - Governmental Activities
Fiscal Year Ended June 30, 2015



MANAGEMENT'S DISCUSSION and ANALYSIS
For the year ended June 30, 2015

Business-type Activities - Business-type activities increased the CBJ's net position by \$30.8 million. Key elements of this increase are as follows:

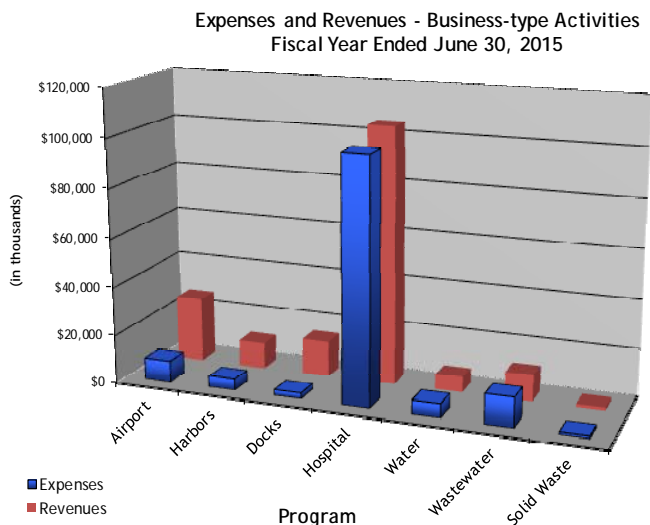
- Operating grants and contributions increased \$11.8 million (187.4%) principally due to CBJ's share of the \$1 billion payment made by the state to the defined benefit plan on-behalf of all participating employers.
- Capital grants and contributions increased \$24.2 million (146.6%) due to state funding related to Harbor and Water projects and bond sales related to Harbor and Dock projects.
- Bartlett Regional Hospital expenses increased \$12.6 million (14.5%) also due to CBJ's share of the \$1 billion payment made by the state to the defined benefit plan on-behalf of all participating employers.



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, unassigned fund balance may serve as a measure of a government's net resources available for spending at the end of the fiscal year.



CBJ's governmental funds reported combined ending fund balances of \$77.1 million, an increase of \$7.2 million (10.2%) over the prior year due to increased revenues.

Fund balances have been classified as follows (see page 43):

- \$ 5.6 million as non-spendable,
- \$35.9 million as restricted,
- \$ 8.9 million as committed,
- \$18.8 million as assigned, and
- \$ 7.9 million as unassigned.

Of the assigned amount, \$2.4 million is set aside for FY16 budgetary spending, \$3.9 million to meet the liability for earned but unused leave, and \$0.1 million for other assigned purposes. The remaining \$12.4 million in assigned fund balance for budget reserve purposes. This amount is secured by the assigned fund balance in the general fund.

The General Fund is the primary operating fund of the CBJ. At the end of the current fiscal year unassigned fund balance was \$7.9 million, while total fund balance reached \$27.5 million. In October 2012, the Assembly passed a resolution establishing the Budget Reserve (previously called the emergency budget reserve) which requires Assembly action to increase or expend the reserve. The General Fund reserve at June 30, 2011 was \$1.7 million and remains in effect at June 30, 2015. After completion of the FY15 audit, available general governmental fund balance will be taken before the Assembly for any formal action changing the Budget Reserve.

MANAGEMENT'S DISCUSSION and ANALYSIS

For the year ended June 30, 2015

Significant changes are as follows:

- Federal revenues increased \$1.9 million (239.7%) due to receipt of the Federal payment in lieu of taxes.
- State revenues increased \$8.1 million (98.3%) due to CBJ's share of the \$1 billion payment made by the state to the defined benefit plan on-behalf of all participating employers.
- Library expenditures increased \$0.9 million (37.7%) due to accounting for the city museum as part of the Library starting in fiscal year 2015

The Sales Tax Special Revenue Fund makes up about 29.4% of total governmental fund revenue. It is largely composed of 5.0% sales tax and 3.0% liquor tax.

Significant changes are as follows:

- Sales tax revenue was virtually unchanged from the prior year with a decrease of \$0.1 million (0.3%). The can be attributed to prices of consumer goods remaining fairly steady for the year.
- Sales tax transfers to other funds decreased by \$9.1 million (17.1%). Sales tax is used for general governmental operations, debt service, and capital projects. Liquor tax is primarily used to fund Rainforest Recovery at Bartlett Regional Hospital. In FY15 transfers to the Debt Service Fund increased \$1.1 million or 73.6% to provide funds for future debt repayment; transfers to the General Fund decreased \$9.9 million (40.7%) after the one year transfer of the budget reserve.

The General Debt Service Fund accounts for all principal and interest payments on outstanding general governmental bond debt. At the end of the current fiscal year, the restricted fund balance was \$3.0 million.

Significant changes are as follows:

- Principal expenditures increased \$0.5 million (2.8%) with no significant new debt entering repayment status.
- Transfers from other funds increased \$1.3 million (71.3%) reflecting the increased funds received from sales tax.

Enterprise Funds - The CBJ's enterprise funds encompass the business-type activities presented in the government-wide financial statements, which include the airport, hospital, harbor, dock, waste management, and water and wastewater utilities; excluding internal service fund activity.

At the end of the current fiscal year, total combined enterprise fund net position was \$533.0 million; an increase of \$30.6 million (6.1%) over the prior year, excluding internal service funds. Of this amount, \$43.2 million represented unrestricted net position. This amount is equal to 37.0% of operating expenses exclusive of depreciation.

Individually, the airport and dock experienced the largest increases in net position, \$16.4 million (11.3%) and \$32.9 million (43.5%), respectively.

Significant changes are as follows:

- Overall, operating revenues increased \$11.9 million (11.2%), with the hospital experiencing the largest dollar increase of \$10.1 million (12.6%) over the prior year. This reflects changes in billings for patient services. The largest percentage growth was the harbors with an increase of \$0.7 million (19.8%) principally due to a one-time settlement from a several year lease negotiation.
- Overall, salaries and fringe benefits increased \$15.7 million (24.4%), principally due to the \$14.1 million (26.1%) increase at the hospital.
- Overall commodities and services were virtually unchanged from the prior year with a decrease of \$75 thousand (0.2%). Decreases at CBJ Water and the hospital of \$0.3 million (19.4%) and \$0.2 million (0.8%), respectively, were offset by a minor increase at CBJ Wastewater of \$0.3 million (5.7%).

GENERAL FUND BUDGETARY HIGHLIGHT

The difference in the change in fund balance between the original budget and final amended budget was \$0.1 million and can be briefly summarized as follows:

MANAGEMENT'S DISCUSSION and ANALYSIS

For the year ended June 30, 2015

- Revenue from state sources increased \$13.9 million due to additional grants being obtained.
- Public safety expenditure budget increased \$4.9 million (22.1%). This reflects additional spending related to grants obtained during the fiscal year.

Actual revenues were \$1.7 million (2.5%) less than budget, while actual expenditures were \$5.2 million (5.1%) less than budget, resulting in an actual net increase in fund balance of \$1.1 million. The original budget had anticipated a decrease. The revenue decrease occurred due to the shortages of \$0.9 million (5.5%) in state sources and \$0.6 million (31.2%) in investment income. The expenditure decrease was primarily due to public safety expenditures being under budget by \$1.3 million (5.0%). These decreases are a result of a reduction in spending in anticipation of projected budget shortfalls in the upcoming fiscal years.

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, 2015, amounts to \$923.9 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 \$52.8 million (6.1%). Governmental capital assets increased \$11.3 million (2.5%), while business-type capital assets increased \$41.5 million (10.1%).

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

- Depreciation expense for the fiscal year was \$32.8 million, which was an increase of \$0.1 million (0.2%) from the \$32.7 million in FY14.
- Construction in progress increased \$73.0 million (15.8%).
- Major asset additions included capital projects such as DZ Covered Play Area, Adair Kennedy Turf Field Resurfacing, and Douglas Harbor Improvement.

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

| | | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Totals</u> | |
|----------------------------|-----------|--------------------------------|--------------------|---------------------------------|--------------------|--------------------|--------------------|
| | | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| Land | \$ | 35,117,870 | 38,511,830 | 18,025,499 | 18,025,499 | 53,143,369 | 56,537,329 |
| Buildings and improvements | | 94,388,135 | 97,450,141 | 159,344,113 | 168,669,360 | 253,732,248 | 266,119,501 |
| Equipment | | 18,940,184 | 19,639,165 | 13,419,250 | 14,813,151 | 32,359,434 | 34,452,316 |
| Infrastructure | | 48,944,981 | 51,321,139 | - | - | 48,944,981 | 51,321,139 |
| Construction in progress | | 272,637,830 | 251,817,219 | 263,123,428 | 210,937,979 | 535,761,258 | 462,755,198 |
| Totals | \$ | 470,029,000 | 458,739,494 | 453,912,290 | 412,445,989 | 923,941,290 | 871,185,483 |

Additional information on the CBJ's capital assets can be found in Note 7 on page 51 of this report.

Debt Administration - As of June 30, 2015, the CBJ had a total of \$173.1 million in bond debt, which consisted of eighteen general obligation and six revenue bond issues. The general obligation issues accounted for \$115.3 million and the revenue bonds accounted for \$57.8 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>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| General obligation bonds | \$ | 115,314,000 | 122,068,000 | - | - | 115,314,000 | 122,068,000 |
| Revenue bonds | | 26,515,000 | 6,055,000 | 31,290,000 | 32,380,000 | 57,805,000 | 38,435,000 |
| Notes payable | | - | - | 7,146,443 | 7,710,908 | 7,146,443 | 7,710,908 |
| Totals | \$ | 141,829,000 | 128,123,000 | 38,436,443 | 40,090,908 | 180,265,443 | 168,213,908 |

MANAGEMENT'S DISCUSSION and ANALYSIS

For the year ended June 30, 2015

The last Moody's Investor's Services rating on the CBJ's bonds was Aa2. The government's general obligation bonded indebtedness is not subject to a legal debt ceiling. CBJ's general obligation bond debt per capita is \$3,492. A more detailed analysis of bonded debt is contained in the Statistical Section, page 209.

Approximately 52.1% or \$60.1 million of CBJ's \$115.3 million in outstanding general obligation bond debt as of June 30, 2015 represents school debt issued for school construction, repairs, or technology. All 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 70% of the qualifying debt service.

The general obligation debt decreased \$6.8 million (5.5%) in the current year. This net decrease is principally due to the refunding of a one general obligation bond.

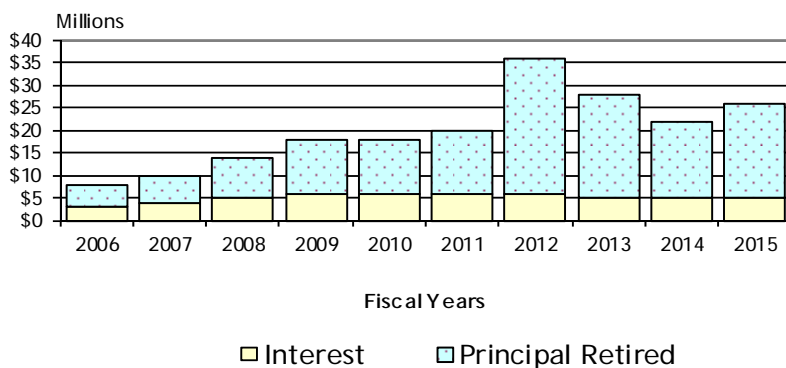
The revenue bond debt increased \$19.4 million (50.4%) principally due to the issuance of debt to fund dock expansion and improvements.

In October 2012, bonds were issued for \$11.4 million to renovate Auke Bay School and Adair Field and for \$7.4 million for the refunding of the 2003A GO bonds. The remaining \$8.1 million for Auke Bay renovation was issued in November 2013.

Voters of the CBJ approved a \$25 million ballot measure in October 2012, authorizing the issuance of bonds for the renovation, construction, and capital improvements to the facilities of the CBJ. The facilities included are the Airport Terminal, Aurora Harbor, Capital Transit Maintenance Shop, Eaglecrest Learning Center, Centennial Hall, and other Parks and Recreation facilities. In March 2013 \$2.6 million was issued and the remaining \$22 million was issued in October 2014.

Additional information on the CBJ's long-term debt can be found in Note 9 on pages 53-58 of this report.

General Obligation Bond Debt Service Last Ten Fiscal Years



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 CBJ's long-term economic stability. However, 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.

Beginning in late 2008 until early 2010 the CBJ's economic position deteriorated with the world economic recession. However, there has been a fairly significant recovery with much of the economy equal to or greater than that of the pre-recession. The

recession resulted in fairly significant reductions in assessed property values in 2009 (FY10 operating year). The trend reversed in 2010 and by 2012 (FY13 operating year) total assessed values had fully recovered and surpassed the assessed values pre-recession by 5.7%. During the first half of 2013, average single family house values grew by 6.9% (Juneau Economic Development Council, Juneau and Southeast Economic Indicators 2013).

The downturn in the nation's economy resulted in significantly fewer total visitors (a drop of approximately 16% between 2008 and 2010) and less spending from both visitors and residents. The CBJ's sales tax revenue declined by \$1 million (2.4%) in FY09 and by \$1.6 million (4%) in FY10. The local economy started recovering in calendar year 2010. The economic growth was led by the mining sector with the opening of the Coeur Kensington Mine. CBJ experienced a slight decrease (1.8%) in cruise ship passengers in 2013. This was due to some cruise ships moving to other destinations. Overall, fairly flat revenue growth (pre-recession through FY14) coupled with inflation has and will continue to put pressure on the CBJ's ability to maintain service levels.

MANAGEMENT'S DISCUSSION and ANALYSIS

For the year ended June 30, 2015

The State of Alaska depends heavily on oil production as its primary source of operating revenues. With the current low oil prices, the State's financial situation is not as strong as in prior years. The State's employment and financial activity is a very influential component of Juneau's economy. The State's employment represents approximately 26% of total local employment. This stability is significant as it is a key factor in helping to keep Juneau's unemployment rate below the state average (4.4% in 2014 and 4.7% average for 2015 January through October, Alaska Department of Labor, not seasonally adjusted).

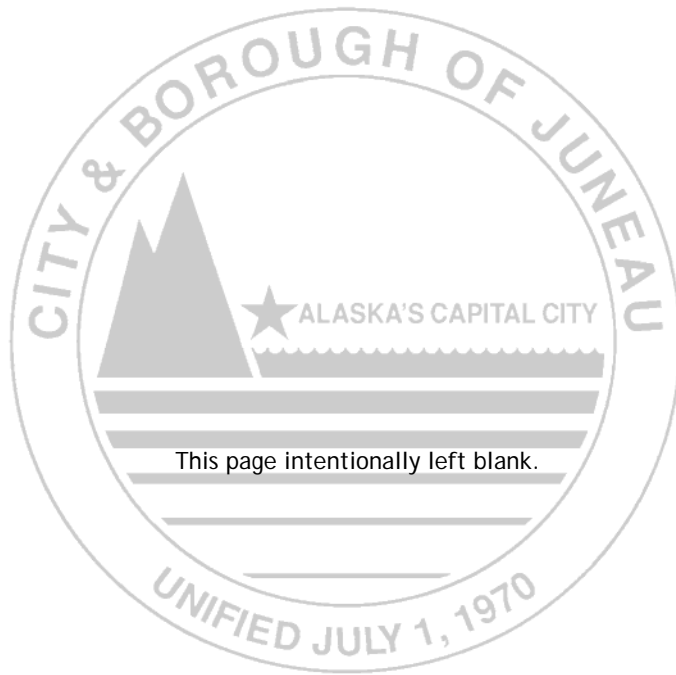
The CBJ divides its annual mill levies between operations and debt service. There is a 12 mill cap applied to the operating mill levy with no local limitation being applied to the debt service mill levy. The stable economy has allowed the CBJ to maintain a flat "operating" property tax mill levy (excluding debt service) of 9.26 mills since FY07. This is well below the operating mill levy cap (Charter provision) of 12 mills. The debt service mill levy (specific to voter approved general obligation debt) increased 0.10 mills from FY14 to FY15 to 1.5 mills. The mill levy (operational & debt service) is 10.76 for FY15.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investor, and creditors with a general overview of the CBJ's finances and to demonstrate the CBJ'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 the internet at http://www.juneau.org/financeftp/controller_CAFR.php. Prior year reports are posted at this internet address back to 1999.

Bartlett Regional Hospital has issued its own separate audited financial statements for FY15. These statements may be obtained by calling (907) 796-8900.

The CBJ component unit issues its own separate audited financial statements. These statements may be obtained by either directly contacting the City and Borough of Juneau School District offices at (907) 523-1700 or on their website at http://www.edlinesites.net/pages/Juneau_School_District/District/Budget/Budget_Information.



CITY and BOROUGH OF JUNEAU

Statement of Net Position (Deficit)

June 30, 2015

with comparative total amounts for 2014 and 2013

| | Primary Government | | | |
|--|-----------------------|--------------------|----------------------|----------------------|
| | Governmental | Business-type | Totals | |
| | Activities | Activities | 2015 | 2014 |
| ASSETS AND DEFERRED OUTFLOW OF RESOURCES | | | | |
| Equity in central treasury | \$ 35,149,932 | 83,650,450 | 118,800,382 | 107,669,890 |
| Receivables (net of allowance for doubtful accounts) | 12,420,578 | 22,383,643 | 34,804,221 | 35,371,347 |
| Due from other governments | 738,397 | - | 738,397 | 780,294 |
| Due from component unit | - | 146,436 | 146,436 | 311,296 |
| Due from primary government | - | - | - | - |
| Internal balances | 10,100,691 | (10,100,691) | - | - |
| Inventories | 1,819,257 | 4,599,517 | 6,418,774 | 6,116,900 |
| Prepaid items | 2,061,815 | 719,698 | 2,781,513 | 3,043,591 |
| Other assets | 520,617 | - | 520,617 | 520,614 |
| Restricted assets: | | | | |
| Temporarily restricted: | | | | |
| Equity in central treasury | 33,921,112 | 73,780,943 | 107,702,055 | 99,099,453 |
| Receivables (net of allowance for doubtful accounts) | - | 1,032,030 | 1,032,030 | 1,194,260 |
| Intergovernmental receivables | 188,841 | 19,948,204 | 20,137,045 | 6,405,256 |
| Capital assets (net of accumulated depreciation where applicable): | | | | |
| Land | 35,117,870 | 18,025,499 | 53,143,369 | 56,537,329 |
| Plant and equipment | 113,328,319 | 172,763,363 | 286,091,682 | 300,571,817 |
| Infrastructure | 48,944,981 | - | 48,944,981 | 51,321,139 |
| Construction and infrastructure in progress | 272,637,830 | 263,123,428 | 535,761,258 | 462,755,198 |
| Total assets | 566,950,240 | 650,072,520 | 1,217,022,760 | 1,131,698,384 |
| Deferred outflows of resources | 3,923,362 | 4,588,321 | 8,511,683 | - |
| Total assets and deferred outflow of resources | 570,873,602 | 654,660,841 | 1,225,534,443 | 1,131,698,384 |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | |
| Accounts payable | 2,226,347 | 4,926,109 | 7,152,456 | 6,688,766 |
| Accrued liabilities | 3,068,831 | 6,678,298 | 9,747,129 | 9,868,517 |
| Accrued interest payable | 1,528,823 | 514,784 | 2,043,607 | 2,256,231 |
| Due to component unit | 79,095 | - | 79,095 | 76,129 |
| Due to primary government | - | - | - | - |
| Unearned revenue | 1,409,179 | 7,124,055 | 8,533,234 | 14,904,666 |
| Liabilities payable from restricted assets | 1,922,913 | 4,383,306 | 6,306,219 | 3,978,123 |
| Noncurrent liabilities: | | | | |
| Due within one year: | | | | |
| Bonds, loans and contracts | 19,152,566 | 2,105,034 | 21,257,600 | 21,488,899 |
| Compensated absences | 1,758,069 | 1,946,029 | 3,704,098 | 3,555,010 |
| Due in more than one year: | | | | |
| Bonds, loans and contracts | 131,302,854 | 39,431,994 | 170,734,848 | 155,286,647 |
| Compensated absences | 2,237,544 | 1,813,865 | 4,051,409 | 3,948,891 |
| Net pension liability | 32,337,471 | 40,497,265 | 72,834,736 | - |
| Total liabilities | 197,023,692 | 109,420,739 | 306,444,431 | 222,051,879 |
| Deferred Inflows of resources | 3,738,818 | 4,678,812 | 8,417,630 | - |
| Total liabilities and deferred inflows of resources | 200,762,510 | 114,099,551 | 314,862,061 | 222,051,879 |
| NET POSITION (DEFICIT) | | | | |
| Net investment in capital assets | 344,714,712 | 415,945,310 | 760,660,022 | 703,198,017 |
| Restricted - expendable: | | | | |
| Capital projects | 4,063,032 | 73,798,632 | 77,861,664 | 81,424,939 |
| Debt service | 5,059,158 | - | 5,059,158 | 3,026,669 |
| Other purposes | 4,820,379 | - | 4,820,379 | 987,794 |
| Restricted - nonexpendable - Jensen-Olson Arboretum | 2,515,610 | - | 2,515,610 | 2,511,406 |
| Unrestricted (deficit) | 8,938,201 | 50,817,348 | 59,755,549 | 118,497,680 |
| Total net position (deficit) | \$ 370,111,092 | 540,561,290 | 910,672,382 | 909,646,505 |

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



| School District Component Unit | | | |
|-----------------------------------|--------------|-----------|-----------|
| 2013 | 2015 | 2014 | 2013 |
| 86,531,515 | 5,963,069 | 4,423,799 | 3,725,468 |
| 38,800,994 | 236,835 | 280,662 | 252,933 |
| 1,931,789 | 1,388,535 | 1,915,817 | 1,735,637 |
| 164,621 | - | - | - |
| - | 79,095 | 76,129 | 72,863 |
| - | - | - | - |
| 5,945,686 | 135,043 | 180,281 | 244,984 |
| 2,222,948 | 11,798 | 881 | 22,759 |
| 520,610 | - | - | - |
| 87,997,995 | - | - | - |
| 1,116,080 | - | - | - |
| 9,604,974 | - | - | - |
| 56,537,329 | - | - | - |
| 306,216,987 | 454,895 | 846,821 | 687,918 |
| 55,534,992 | - | - | - |
| 437,886,000 | - | - | - |
| 1,091,012,520 | 8,269,270 | 7,724,390 | 6,742,562 |
| 1,578,993 | 2,371,566 | - | - |
| 1,092,591,513 | 10,640,836 | 7,724,390 | 6,742,562 |
| 6,603,546 | 177,586 | 949,095 | 157,250 |
| 9,301,008 | 1,228,703 | 1,149,559 | 1,682,446 |
| 1,901,260 | - | - | - |
| 72,863 | - | - | - |
| - | 146,436 | 311,296 | 164,621 |
| 7,349,765 | 215,901 | 112,508 | 63,027 |
| 6,766,033 | - | - | - |
| 20,068,121 | - | - | - |
| 3,469,460 | - | - | - |
| 163,319,508 | - | - | - |
| 3,917,055 | 1,659,999 | 1,637,668 | 1,455,672 |
| - | 29,666,356 | - | - |
| 222,768,619 | 33,094,981 | 4,160,126 | 3,523,016 |
| - | 3,643,945 | - | - |
| 222,768,619 | 36,738,926 | 4,160,126 | 3,523,016 |
| 682,109,857 | 382,072 | 436,631 | 687,918 |
| 71,652,464 | - | - | - |
| 4,174,142 | - | - | - |
| 2,186,062 | 36,180 | 36,180 | 36,180 |
| 2,274,662 | - | - | - |
| 107,425,707 | (26,516,342) | 3,091,453 | 2,495,448 |
| 869,822,894 | (26,098,090) | 3,564,264 | 3,219,546 |

Statement of Activities

For the Fiscal Year Ended June 30, 2015
with comparative total amounts for 2014 and 2013

| Functions/Programs | Expenses | Program Revenues | | |
|--|-----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| Legislative | \$ 3,624,289 | - | 5,248 | - |
| Legal | 2,161,916 | 7,741 | 398,103 | - |
| Administration | 4,815,736 | 2,394 | 1,412,163 | - |
| Education | 30,644,340 | 130,000 | - | 14,141,184 |
| Finance | 4,702,927 | 24,373 | 1,211,425 | - |
| Engineering | 917,558 | 24,706 | 667,411 | - |
| Libraries | 3,555,597 | 115,015 | 853,908 | - |
| Social services | 1,563,390 | - | - | - |
| Parks and recreation | 10,863,398 | 2,635,827 | 1,507,536 | 173,562 |
| Community development and lands management | 5,267,279 | 2,465,985 | 1,182,788 | 5,491,070 |
| Affordable housing | 67,313 | 3,044 | - | - |
| Public safety | 25,356,157 | 2,872,741 | 4,620,201 | - |
| Public works | 10,854,785 | 31,397 | 1,071,401 | 83,459 |
| Public transportation | 7,923,077 | 1,206,703 | 2,202,487 | 79,871 |
| Community projects | - | - | - | - |
| Tourism and conventions | 2,406,074 | 8,141,539 | (229,982) | - |
| Interest on long-term debt | 3,995,945 | - | - | - |
| Total governmental activities | <u>118,719,781</u> | <u>17,661,465</u> | <u>14,902,689</u> | <u>19,969,146</u> |
| Business-type activities: | | | | |
| Airport | 9,078,539 | 6,112,527 | 896,156 | 19,685,733 |
| Harbors | 4,844,725 | 4,202,862 | 834,177 | 5,788,674 |
| Docks | 2,417,339 | 1,489,710 | 266,775 | 13,021,723 |
| Hospital | 99,844,666 | 90,281,184 | 14,851,693 | - |
| Water | 5,697,779 | 4,468,964 | 403,354 | 1,799,237 |
| Sewer | 12,089,697 | 10,043,296 | 852,169 | 406,298 |
| Waste management | 1,080,016 | 1,195,689 | 49,218 | - |
| Total business-type activities | <u>135,052,761</u> | <u>117,794,232</u> | <u>18,153,542</u> | <u>40,701,665</u> |
| Total primary government | <u>\$ 253,772,542</u> | <u>135,455,697</u> | <u>33,056,231</u> | <u>60,670,811</u> |
| Component Unit: | | | | |
| Education | \$ 151,819,404 | 1,956,952 | 8,870,464 | - |

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 position

Net position - beginning

Restatement

Net position (deficit) - ending

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

Net (Expense) Revenue and Changes in Net Position (Deficit)

| | | Primary Government | | | School District Component Unit | | |
|-------------------------|--------------------------|---------------------|---------------------|---------------------|--------------------------------|-------------------|-------------------|
| Governmental Activities | Business-type Activities | Totals | | | 2015 | 2014 | 2013 |
| | | 2015 | 2014 | 2013 | | | |
| (3,619,041) | - | (3,619,041) | (4,268,513) | (2,536,946) | - | - | - |
| (1,756,072) | - | (1,756,072) | (1,472,491) | (1,220,723) | - | - | - |
| (3,401,179) | - | (3,401,179) | (3,293,776) | (3,989,672) | - | - | - |
| (16,373,156) | - | (16,373,156) | (16,701,682) | (17,916,623) | - | - | - |
| (3,467,129) | - | (3,467,129) | (3,378,608) | (3,837,842) | - | - | - |
| (225,441) | - | (225,441) | (284,075) | (238,923) | - | - | - |
| (2,586,674) | - | (2,586,674) | (2,281,177) | (2,398,682) | - | - | - |
| (1,563,390) | - | (1,563,390) | (1,587,101) | (1,562,081) | - | - | - |
| (6,546,473) | - | (6,546,473) | (6,285,982) | (6,576,343) | - | - | - |
| 3,872,564 | - | 3,872,564 | 126,586 | (1,370,301) | - | - | - |
| (64,269) | - | (64,269) | 13,529 | (27,918) | - | - | - |
| (17,863,215) | - | (17,863,215) | (16,462,804) | (17,739,543) | - | - | - |
| (9,668,528) | - | (9,668,528) | (9,552,559) | (9,178,969) | - | - | - |
| (4,434,016) | - | (4,434,016) | (4,587,296) | (4,116,040) | - | - | - |
| - | - | - | (13,376) | (587,236) | - | - | - |
| 5,505,483 | - | 5,505,483 | 6,155,104 | 5,899,284 | - | - | - |
| (3,995,945) | - | (3,995,945) | (4,794,621) | (6,200,610) | - | - | - |
| <u>(66,186,481)</u> | <u>-</u> | <u>(66,186,481)</u> | <u>(68,668,842)</u> | <u>(73,599,168)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| - | 17,615,877 | 17,615,877 | 6,421,242 | 24,068,980 | - | - | - |
| - | 5,980,988 | 5,980,988 | 364,451 | 6,034,645 | - | - | - |
| - | 12,360,869 | 12,360,869 | 4,740,154 | 3,377,117 | - | - | - |
| - | 5,288,211 | 5,288,211 | (2,048,598) | 4,367,621 | - | - | - |
| - | 973,776 | 973,776 | (1,416,621) | (1,276,943) | - | - | - |
| - | (787,934) | (787,934) | (35,698) | (899,629) | - | - | - |
| - | 164,891 | 164,891 | 188,317 | 311,208 | - | - | - |
| - | <u>41,596,678</u> | <u>41,596,678</u> | <u>8,213,247</u> | <u>35,982,999</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>(66,186,481)</u> | <u>41,596,678</u> | <u>(24,589,803)</u> | <u>(60,455,595)</u> | <u>(37,616,169)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| - | - | - | - | - | (140,991,988) | (77,659,546) | (79,122,314) |
| 45,839,741 | - | 45,839,741 | 45,085,031 | 43,987,183 | - | - | - |
| 46,348,749 | - | 46,348,749 | 46,431,198 | 45,378,682 | - | - | - |
| 1,378,365 | - | 1,378,365 | 1,303,919 | 1,159,296 | - | - | - |
| 4,081,193 | - | 4,081,193 | 3,986,857 | 4,760,209 | 142,461,572 | 77,393,040 | 77,826,838 |
| 1,408,380 | 550,199 | 1,958,579 | 3,231,326 | 1,911,844 | 544,919 | 535,249 | 1,285,907 |
| 65,779 | 71,760 | 137,539 | 25,156 | 142,444 | - | - | - |
| 107,016 | - | 107,016 | 215,719 | 187,993 | 89,990 | 75,975 | 71,038 |
| <u>(30,498,125)</u> | <u>30,498,125</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>68,731,098</u> | <u>31,120,084</u> | <u>99,851,182</u> | <u>100,279,206</u> | <u>97,527,651</u> | <u>143,096,481</u> | <u>78,004,264</u> | <u>79,183,783</u> |
| <u>2,544,617</u> | <u>72,716,762</u> | <u>75,261,379</u> | <u>39,823,611</u> | <u>59,911,482</u> | <u>2,104,493</u> | <u>344,718</u> | <u>61,469</u> |
| 399,903,860 | 509,742,645 | 909,646,505 | 869,822,894 | 809,911,412 | 3,564,264 | 3,219,546 | 3,158,077 |
| <u>(32,337,385)</u> | <u>(41,898,117)</u> | <u>(74,235,502)</u> | <u>-</u> | <u>-</u> | <u>(31,766,847)</u> | <u>-</u> | <u>-</u> |
| <u>\$ 370,111,092</u> | <u>540,561,290</u> | <u>910,672,382</u> | <u>909,646,505</u> | <u>869,822,894</u> | <u>(26,098,090)</u> | <u>3,564,264</u> | <u>3,219,546</u> |

CITY and BOROUGH OF JUNEAU

Governmental Funds

Balance Sheet

June 30, 2015

with comparative total amounts for 2014 and 2013

| | General | Sales Tax | General Debt Service |
|---|----------------------|------------------|----------------------------|
| ASSETS | | | |
| Equity in central treasury | \$ 17,322,750 | - | 3,019,405 |
| Receivables, net of allowance for doubtful accounts: | | | |
| Accounts | 1,692,185 | - | - |
| Special assessments | 180,636 | - | - |
| Taxes | 453,599 | 6,806,442 | 51,573 |
| State of Alaska | 735,715 | - | - |
| Federal government | 2,682 | - | - |
| Notes receivable | 38,927 | 392,015 | - |
| Interfund receivable from other funds | 12,772,258 | - | - |
| Inventories | 1,328,195 | - | - |
| Deposits | 513,143 | - | - |
| Prepaid items | 20,252 | - | 2,041,563 |
| Equity in joint ventures | - | - | - |
| Advance to other funds | 141,149 | - | - |
| Restricted assets: | | | |
| Equity in central treasury | - | - | - |
| Receivables: | | | |
| State of Alaska | - | - | - |
| Federal government | - | - | - |
| Total assets | <u>\$ 35,201,491</u> | <u>7,198,457</u> | <u>5,112,541</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Interfund payable to other funds | \$ - | 3,826,280 | - |
| Accounts payable | 1,653,316 | 1,751 | - |
| Accrued salaries, payroll taxes and withholdings payable | 1,615,737 | - | - |
| Accrued and other liabilities | 1,279,488 | - | - |
| Unearned revenues | 245,007 | - | - |
| Advance from General Fund | - | - | - |
| Payable from restricted assets: | | | |
| Interfund payable to other funds | - | - | - |
| Accounts and contracts payable | - | - | - |
| Unearned revenues | - | - | - |
| Total liabilities | <u>4,793,548</u> | <u>3,828,031</u> | <u>-</u> |
| Deferred inflows of resources | <u>2,877,945</u> | <u>631,621</u> | <u>53,383</u> |
| Total liabilities and deferred inflows of resources | <u>7,671,493</u> | <u>4,459,652</u> | <u>53,383</u> |
| FUND BALANCES | | | |
| Nonspendable: | | | |
| Inventory | 1,328,195 | - | - |
| Jensen-Olson Permanent Fund | - | - | - |
| Prepays | 20,252 | - | 2,041,563 |
| Restricted for: | | | |
| Debt Service | - | - | 3,017,595 |
| Capital improvements | - | - | - |
| Jensen-Olson Permanent Fund | - | - | - |
| Other purposes | 335,613 | - | - |
| Committed to: | | | |
| Budget reserve | - | - | - |
| Notes receivable | - | - | - |
| Other purposes | - | 2,673,705 | - |
| Assigned to: | | | |
| Advance to Special Revenue Fund | 141,149 | - | - |
| Subsequent year expenditures | 1,632,200 | 65,100 | - |
| Compensated absences | 3,800,277 | - | - |
| Budget reserve | 12,410,177 | - | - |
| Unassigned | 7,862,135 | - | - |
| Total fund balances | <u>27,529,998</u> | <u>2,738,805</u> | <u>5,059,158</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 35,201,491</u> | <u>7,198,457</u> | <u>5,112,541</u> |

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

| Other Governmental Funds | Totals | | |
|--------------------------------|-------------------|-------------------|-------------------|
| | 2015 | 2014 | 2013 |
| 8,866,184 | 29,208,339 | 28,690,636 | 24,906,392 |
| 1,646,153 | 3,338,338 | 3,166,740 | 3,571,829 |
| - | 180,636 | 140,166 | 151,795 |
| 687,738 | 7,999,352 | 7,963,164 | 8,036,351 |
| - | 735,715 | 636,082 | 1,638,763 |
| - | 2,682 | 144,212 | 293,026 |
| 471,310 | 902,252 | 1,677,134 | 1,681,758 |
| - | 12,772,258 | 4,986,036 | 4,355,261 |
| 267,978 | 1,596,173 | 1,524,216 | 1,462,856 |
| - | 513,143 | 513,143 | 513,143 |
| - | 2,061,815 | 2,122,077 | 1,595,354 |
| 7,475 | 7,475 | 7,471 | 7,467 |
| - | 141,149 | 138,561 | 314,968 |
| 33,921,112 | 33,921,112 | 34,525,182 | 32,231,150 |
| 146,911 | 146,911 | 875,871 | 279,969 |
| 41,930 | 41,930 | 241,583 | 19,371 |
| <u>46,056,791</u> | <u>93,569,280</u> | <u>87,352,274</u> | <u>81,059,453</u> |
| 420,029 | 4,246,309 | 4,954,398 | 1,263,499 |
| 147,683 | 1,802,750 | 2,196,072 | 2,694,767 |
| 61,197 | 1,676,934 | 1,504,456 | 1,461,032 |
| 90,430 | 1,369,918 | 1,360,481 | 1,383,369 |
| 696,906 | 941,913 | 558,576 | 378,658 |
| 141,149 | 141,149 | 138,561 | 314,968 |
| - | - | 31,638 | - |
| 1,922,913 | 1,922,913 | 2,560,050 | 4,616,387 |
| 467,266 | 467,266 | 28,850 | - |
| <u>3,947,573</u> | <u>12,569,152</u> | <u>13,333,082</u> | <u>12,112,680</u> |
| 379,550 | 3,942,499 | 4,113,409 | 2,153,195 |
| <u>4,327,123</u> | <u>16,511,651</u> | <u>17,446,491</u> | <u>14,265,875</u> |
| 93,585 | 1,421,780 | 1,325,089 | 1,158,978 |
| 2,097,159 | 2,097,159 | 2,097,159 | 2,097,159 |
| - | 2,061,815 | 2,122,077 | 1,595,354 |
| - | 3,017,595 | 997,306 | 2,582,394 |
| 29,204,164 | 29,204,164 | 30,510,692 | 25,639,441 |
| 418,451 | 418,451 | 414,247 | 177,503 |
| 2,931,134 | 3,266,747 | 789,105 | 1,871,360 |
| - | - | - | 8,530,792 |
| 257,398 | 257,398 | 375,256 | 451,727 |
| 5,973,760 | 8,647,465 | 7,009,978 | 7,724,602 |
| - | 141,149 | 138,561 | 314,968 |
| 670,900 | 2,368,200 | 3,040,600 | 3,637,800 |
| 83,117 | 3,883,394 | 3,800,046 | 3,564,509 |
| - | 12,410,177 | 11,760,177 | 2,729,385 |
| - | 7,862,135 | 5,525,490 | 4,717,606 |
| <u>41,729,668</u> | <u>77,057,629</u> | <u>69,905,783</u> | <u>66,793,578</u> |
| <u>46,056,791</u> | <u>93,569,280</u> | <u>87,352,274</u> | <u>81,059,453</u> |



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

June 30, 2015

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

| | | | |
|--|----|---------------|--------------------|
| Fund balances-total governmental funds | | \$ | 77,057,629 |
| Capital assets used in governmental activities are not financial resources and therefore not reported in governmental funds. | | | |
| Governmental capital assets | \$ | 803,360,229 | |
| Less accumulated depreciation | | (343,829,545) | 459,530,684 |
| Certain items are not current financial resources in governmental fund financial statements and are reported as deferred outflows of resources on the government-wide financial statement of net position (deficit) | | | |
| Deferred outflows arising from pension contributions paid | | | 3,869,677 |
| Deferred inflows of resources and unearned revenue in governmental funds not available to pay for current-period expenditures are reported as earned in the statement of net position (deficit) | | | |
| Unearned revenue | | 3,939,760 | |
| Deferred inflows arising from State on behalf payments for PERS | | (3,684,957) | 254,803 |
| Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | | |
| Bonds and loans payable | | (142,286,320) | |
| Premium on bonds payable | | (12,557,779) | |
| Accumulated bond premium amortization | | 4,388,679 | |
| Net pension liability | | (31,894,983) | |
| Accrued interest payable | | (1,528,823) | |
| Compensated absences | | (3,948,164) | (187,827,390) |
| 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 position. | | | |
| Equity in central treasury | | 5,941,593 | |
| Inventories | | 223,084 | |
| Capital assets, less accumulated depreciation | | 10,498,316 | |
| Deferred outflows of resources | | 53,685 | |
| Accounts payable | | (423,597) | |
| Other accrued liabilities and payables | | (511,916) | |
| Deferred inflows of resources | | (51,122) | |
| Due to component unit | | (79,095) | |
| Receivable from (payable to) business-type activities | | 1,574,742 | 17,225,689 |
| Net position of governmental activities | | \$ | <u>370,111,092</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, 2015, with comparative totals for 2014 and 2013

| | | | General Debt Service |
|---|----|---------------------|----------------------------|
| REVENUES | | General | Sales Tax |
| Taxes | \$ | 39,234,263 | 44,809,946 |
| State sources | | 16,334,919 | - |
| Federal sources | | 2,695,324 | - |
| Charges for services | | 4,070,772 | - |
| Contracted services | | - | - |
| Licenses, permits and fees | | 1,070,967 | - |
| Sales and repayment of loans | | 42,106 | - |
| Fines and forfeitures | | 392,585 | - |
| Investment and interest income | | 1,326,031 | - |
| Rentals and leases | | 369,002 | - |
| Special assessments | | 42,190 | - |
| Donations and contributions | | 25,620 | - |
| Other | | 77,253 | - |
| Total revenues | | <u>65,681,032</u> | <u>44,809,946</u> |
| | | | <u>20,775,689</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Legislative | | 3,510,598 | - |
| Legal | | 2,167,562 | - |
| Administration | | 4,922,024 | - |
| Education | | 25,344,400 | - |
| Finance | | 4,002,330 | 712,020 |
| Engineering | | 952,811 | - |
| Libraries | | 3,344,833 | - |
| Social services | | 1,563,390 | - |
| Community development | | 3,610,714 | - |
| Lands management | | - | - |
| Parks and recreation | | 6,816,503 | - |
| Affordable housing | | - | - |
| Public safety | | 24,274,709 | - |
| Public works | | 6,913,938 | - |
| Public transportation | | 7,383,034 | - |
| Tourism and conventions | | - | - |
| Special assessments | | - | - |
| Other | | 2,030 | - |
| Debt service: | | | |
| Principal | | - | 18,225,571 |
| Interest | | - | 5,401,707 |
| Fiscal agent, bond issuance and letter of credit fees | | - | 141,378 |
| Capital projects | | - | - |
| Total expenditures | | <u>94,808,876</u> | <u>712,020</u> |
| | | | <u>23,768,656</u> |
| Excess (deficiency) of revenues over expenditures | | <u>(29,127,844)</u> | <u>44,097,926</u> |
| | | | <u>(2,992,967)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from other funds | | 32,072,000 | - |
| Transfers to other funds | | (1,060,000) | (44,138,000) |
| Issuance of refunding bonds | | - | - |
| Payment to refunded bond escrow agent | | - | - |
| Issuance of long-term debt | | 265,576 | - |
| Bond premium | | - | - |
| Total other financing sources (uses) | | <u>31,277,576</u> | <u>(44,138,000)</u> |
| Net change in fund balances (deficits) | | <u>2,149,732</u> | <u>(40,074)</u> |
| Fund balances at beginning of year | | <u>25,380,266</u> | <u>2,778,879</u> |
| | | | <u>3,026,669</u> |
| Fund balances at end of year | \$ | <u>27,529,998</u> | <u>2,738,805</u> |
| | | | <u>5,059,158</u> |

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

| Other Governmental Funds | Totals | | |
|--------------------------------|--------------------|--------------------|--------------------|
| | 2015 | 2014 | 2013 |
| 3,224,221 | 93,847,386 | 92,769,496 | 90,982,977 |
| 6,119,132 | 36,574,789 | 23,813,661 | 22,249,215 |
| 1,930 | 2,697,254 | 1,087,821 | 3,039,953 |
| 3,789,281 | 7,860,053 | 8,480,873 | 8,459,037 |
| 159,864 | 159,864 | 130,983 | 126,164 |
| 4,996,910 | 6,067,877 | 6,175,467 | 5,915,231 |
| 1,240,374 | 1,282,480 | 289,760 | 378,428 |
| 39,643 | 432,228 | 417,892 | 444,375 |
| 142,787 | 1,480,696 | 2,347,270 | 1,772,753 |
| 1,048,119 | 1,417,121 | 1,482,144 | 1,431,819 |
| - | 42,190 | 64,778 | 47,280 |
| 25,623 | 51,243 | 54,297 | 32,550 |
| 236,006 | 377,376 | 1,577,870 | 260,095 |
| <u>21,023,890</u> | <u>152,290,557</u> | <u>138,692,312</u> | <u>135,139,877</u> |

| | | | |
|-------------------|--------------------|--------------------|--------------------|
| - | 3,510,598 | 4,179,954 | 2,450,173 |
| - | 2,167,562 | 1,607,983 | 1,342,657 |
| - | 4,922,024 | 4,079,996 | 4,015,369 |
| - | 25,344,400 | 24,704,500 | 24,528,500 |
| 30,963 | 4,745,313 | 3,965,803 | 4,350,561 |
| - | 952,811 | 569,179 | 476,691 |
| - | 3,344,833 | 2,429,702 | 2,461,322 |
| - | 1,563,390 | 1,587,101 | 1,562,081 |
| - | 3,610,714 | 3,513,203 | 2,959,280 |
| 757,254 | 757,254 | 638,743 | 618,332 |
| 2,137,283 | 8,953,786 | 9,476,427 | 9,377,788 |
| 67,313 | 67,313 | - | 69,000 |
| - | 24,274,709 | 20,421,022 | 20,847,262 |
| - | 6,913,938 | 6,493,733 | 6,612,344 |
| 451,164 | 7,834,198 | 7,255,393 | 7,240,828 |
| 2,184,080 | 2,184,080 | 2,025,502 | 2,050,789 |
| - | - | - | 133,438 |
| 11,000 | 13,030 | 13,012 | 13,027 |
| - | 18,225,571 | 17,729,983 | 15,564,254 |
| - | 5,401,707 | 5,367,236 | 5,444,510 |
| - | 141,378 | 48,790 | 58,341 |
| 25,471,539 | 25,471,539 | 20,308,220 | 32,867,049 |
| <u>31,110,596</u> | <u>150,400,148</u> | <u>136,415,482</u> | <u>145,043,596</u> |
| (10,086,706) | 1,890,409 | 2,276,830 | (9,903,719) |

| | | | |
|-------------------|-------------------|-------------------|-------------------|
| 17,649,205 | 52,904,084 | 61,924,544 | 49,141,943 |
| (11,429,784) | (83,752,209) | (75,682,744) | (57,378,043) |
| - | 3,135,000 | - | 7,415,000 |
| - | (3,325,000) | - | (8,410,000) |
| 5,884,175 | 32,070,576 | 13,400,000 | 12,455,001 |
| 992,809 | 4,228,986 | 1,193,575 | 3,440,778 |
| <u>13,096,405</u> | <u>5,261,437</u> | <u>835,375</u> | <u>6,664,679</u> |
| 3,009,699 | 7,151,846 | 3,112,205 | (3,239,040) |
| 38,719,969 | 69,905,783 | 66,793,578 | 70,032,618 |
| <u>41,729,668</u> | <u>77,057,629</u> | <u>69,905,783</u> | <u>66,793,578</u> |



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, 2015

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

| | | |
|---|---------------------|---------------------|
| Net change in fund balances - total governmental funds | | \$ 7,151,846 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives. This is the amount by which capital outlays exceeded depreciation in the current period. | | |
| Expenditures for capital assets | \$ 25,002,988 | |
| Less current year depreciation, net | <u>(13,675,664)</u> | 11,327,324 |
| Current year PERS pension expense related to change in net pension liability is reported as an expense in the Statement of Activities but is not recorded as an expenditure in the governmental funds. | | 2,627,650 |
| Changes in deferred inflows and outflows related to pension | | (2,451,513) |
| 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 refunding is reported as a deferred outflow of resources. | | |
| Bond and loan advances | (35,205,576) | |
| Bond premium | (4,228,986) | |
| Bond and loan payments | <u>21,763,123</u> | (17,671,439) |
| Deferred inflows 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. | | (732,225) |
| 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 | 1,174,045 | |
| Change in accrued interest payable | 161,056 | |
| Change in compensated absences | <u>(69,835)</u> | 1,265,266 |
| 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. | | <u>1,027,708</u> |
| Change in net assets of governmental activities | | <u>\$ 2,544,617</u> |

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

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Net Position

June 30, 2015

with comparative total amounts for 2014 and 2013

| | Business-type Activities - | | | | |
|---|------------------------------------|----------------------------------|------------------------------|-----------------------------------|-------------------|
| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Areawide Wastewater Utility | Boat Harbors |
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Current assets: | | | | | |
| Equity in central treasury | \$ 2,787,521 | 44,834,531 | 3,948,266 | 7,431,730 | 3,975,676 |
| Receivables, net of allowance for doubtful accounts: | | | | | |
| Accounts | 795,791 | 18,411,713 | 526,041 | 1,399,636 | 929,762 |
| Other | - | - | 2,086 | 27,780 | - |
| Inventories | 642,773 | 1,693,691 | 527,083 | 1,735,970 | - |
| Prepaid items | - | 715,577 | 1,270 | 1,985 | 706 |
| Total current assets | <u>4,226,085</u> | <u>65,655,512</u> | <u>5,004,746</u> | <u>10,597,101</u> | <u>4,906,144</u> |
| Non-current assets: | | | | | |
| Restricted assets: | | | | | |
| Equity in central treasury | - | 5,327,519 | 4,298,127 | 6,597,918 | 4,462,510 |
| Receivables: | | | | | |
| State of Alaska | 293,100 | - | 691,785 | 380,921 | 5,118,662 |
| Federal government | 13,463,736 | - | - | - | - |
| Special assessments | - | - | 13,312 | 1,018,718 | - |
| Capital assets: | | | | | |
| Land | 13,363,761 | 348,551 | 221,038 | 850,562 | 2,676,768 |
| Buildings and improvements | 64,234,617 | 105,058,066 | 96,711,070 | 87,535,319 | 28,771,330 |
| Machinery, equipment and fixtures | 6,416,614 | 41,114,772 | 506,917 | 4,917,000 | 1,160,479 |
| Construction work in progress | 132,028,999 | 3,647,565 | 7,613,617 | 19,790,398 | 50,214,768 |
| Less accumulated depreciation | (59,150,783) | (82,811,177) | (58,031,224) | (56,830,955) | (15,091,024) |
| Total capital assets (net of accumulated depreciation) | <u>156,893,208</u> | <u>67,357,777</u> | <u>47,021,418</u> | <u>56,262,324</u> | <u>67,732,321</u> |
| Total noncurrent assets | <u>170,650,044</u> | <u>72,685,296</u> | <u>52,024,642</u> | <u>64,259,881</u> | <u>77,313,493</u> |
| Deferred outflows of resources | 232,012 | 2,989,061 | 143,229 | 294,059 | 788,177 |
| Total assets & deferred outflows of resources | <u>\$ 175,108,141</u> | <u>141,329,869</u> | <u>57,172,617</u> | <u>75,151,041</u> | <u>83,007,814</u> |



Enterprise Funds

| <u>Dock</u> | <u>Waste Management</u> | <u>Totals</u> | | | <u>Internal Service Funds</u> | | |
|---------------------|-------------------------|----------------------|----------------------|----------------------|-------------------------------|---------------------|---------------------|
| | | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| 4,159,714 | 1,770,826 | 68,908,264 | 60,020,979 | 43,762,532 | 20,683,779 | 18,958,275 | 17,862,591 |
| 139,177 | 149,925 | 22,352,045 | 21,495,571 | 25,358,512 | - | - | - |
| - | - | 29,866 | 36,023 | - | 1,732 | 892,549 | 749 |
| - | - | 4,599,517 | 4,359,420 | 4,253,110 | 223,084 | 233,264 | 229,720 |
| - | 160 | 719,698 | 869,126 | 530,015 | - | 52,388 | 97,579 |
| <u>4,298,891</u> | <u>1,920,911</u> | <u>96,609,390</u> | <u>86,781,119</u> | <u>73,904,169</u> | <u>20,908,595</u> | <u>20,136,476</u> | <u>18,190,639</u> |
| 53,094,869 | - | 73,780,943 | 64,574,271 | 55,766,845 | - | - | - |
| - | - | 6,484,468 | 3,276,092 | 2,492,349 | - | - | - |
| - | - | 13,463,736 | 2,011,710 | 6,813,285 | - | - | - |
| - | - | 1,032,030 | 1,194,260 | 1,116,080 | - | - | - |
| 564,819 | - | 18,025,499 | 18,025,499 | 18,025,499 | - | - | - |
| 22,799,381 | 300,000 | 405,409,783 | 401,615,528 | 392,704,600 | - | - | - |
| 469,475 | 342,282 | 54,927,539 | 53,479,516 | 52,200,710 | 27,379,969 | 25,835,457 | 23,726,827 |
| 49,828,081 | - | 263,123,428 | 210,937,979 | 198,036,774 | - | - | - |
| <u>(15,426,638)</u> | <u>(251,758)</u> | <u>(287,593,559)</u> | <u>(271,637,733)</u> | <u>(255,506,136)</u> | <u>(16,862,053)</u> | <u>(15,274,123)</u> | <u>(14,134,913)</u> |
| 58,235,118 | 390,524 | 453,892,690 | 412,420,789 | 405,461,447 | 10,517,916 | 10,561,334 | 9,591,914 |
| <u>111,329,987</u> | <u>390,524</u> | <u>548,653,867</u> | <u>483,477,122</u> | <u>471,650,006</u> | <u>10,517,916</u> | <u>10,561,334</u> | <u>9,591,914</u> |
| 84,699 | 14,507 | 4,545,744 | - | 1,182,347 | 96,262 | - | - |
| <u>115,713,577</u> | <u>2,325,942</u> | <u>649,809,001</u> | <u>570,258,241</u> | <u>546,736,522</u> | <u>31,522,773</u> | <u>30,697,810</u> | <u>27,782,553</u> |

(Continued)

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Net Position, continued

June 30, 2015

with comparative total amounts for 2014 and 2013

| | Business-type Activities - | | | | |
|--|------------------------------------|----------------------------------|------------------------------|-----------------------------------|-------------------|
| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Areawide Wastewater Utility | Boat Harbors |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | \$ 135,305 | 4,011,768 | 56,996 | 396,177 | 90,666 |
| Contracts payable | - | - | - | - | - |
| Accrued salaries, payroll taxes and withholdings payable | 135,443 | 1,042,825 | 47,250 | 108,109 | 66,023 |
| Accrued annual leave and compensation time | 115,096 | 1,451,041 | 39,332 | 228,097 | 53,298 |
| Accrued interest and other liabilities | 32,784 | 375,957 | 14,484 | 59,623 | 31,936 |
| Unearned revenues | 13,490 | 1,503,196 | - | - | 951,017 |
| State of Alaska extension loans payable | - | - | 67,487 | 552,916 | - |
| Revenue bonds payable | - | 968,563 | 91,152 | 49,081 | 375,835 |
| Total current liabilities | 432,118 | 9,353,350 | 316,701 | 1,394,003 | 1,568,775 |
| Non-current liabilities: | | | | | |
| Restricted liabilities: | | | | | |
| Interfund payable to other funds | 8,525,949 | - | - | - | - |
| Accounts and contracts payable | 1,398,270 | - | 374,426 | 28,544 | 559,996 |
| Unearned revenues | 381,440 | - | 13,312 | - | 186,600 |
| Accrued annual leave and compensation time | 80,518 | 1,301,150 | 50,059 | 266,927 | 67,835 |
| Net pension liability | 1,912,310 | 32,827,474 | 1,180,533 | 2,423,714 | 984,611 |
| Long-term contracts payable | - | - | - | - | - |
| State of Alaska extension loans payable | - | - | 539,897 | 5,986,143 | - |
| Revenue bonds payable | - | 23,378,054 | 94,250 | 50,751 | 9,382,899 |
| Total non-current liabilities | 12,298,487 | 57,506,678 | 2,252,477 | 8,756,079 | 11,181,941 |
| Total liabilities | 12,730,605 | 66,860,028 | 2,569,178 | 10,150,082 | 12,750,716 |
| Deferred inflows of resources | 220,937 | 3,792,691 | 136,392 | 280,021 | 113,756 |
| Total liabilities and deferred inflows of resources | 12,951,542 | 70,652,719 | 2,705,570 | 10,430,103 | 12,864,472 |
| NET POSITION | | | | | |
| Net investment in capital assets | 156,893,208 | 43,011,160 | 46,228,632 | 49,623,433 | 61,543,635 |
| Restricted: | | | | | |
| Capital projects | 3,437,687 | 5,327,519 | 4,615,486 | 7,969,013 | 5,451,128 |
| Unrestricted | 1,825,704 | 22,338,471 | 3,622,929 | 7,128,492 | 3,148,579 |
| Total net position | \$ 162,156,599 | 70,677,150 | 54,467,047 | 64,720,938 | 70,143,342 |

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

Net position of business-type activities

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



Enterprise Funds

| Dock | Waste Management | Totals | | | Internal Service Funds | | |
|--------------------|------------------|-----------------------|--------------------|--------------------|------------------------|-------------------|-------------------|
| | | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| 32,805 | 67,280 | 4,790,997 | 2,871,943 | 3,327,342 | 558,709 | 1,161,890 | 225,504 |
| - | - | - | 458,862 | 355,933 | - | 31,219 | 60,440 |
| 49,988 | 5,103 | 1,454,741 | 1,339,395 | 1,241,505 | 40,536 | 42,985 | 32,402 |
| 26,671 | 5,760 | 1,919,295 | 1,806,999 | 1,845,221 | 47,611 | 41,546 | 35,566 |
| - | - | 514,784 | 566,352 | 515,906 | 5,205,000 | 5,621,200 | 5,182,700 |
| - | - | 2,467,703 | 4,766,136 | 1,751,305 | - | - | - |
| - | - | 620,403 | 565,159 | 565,159 | - | - | - |
| - | - | 1,484,631 | 1,409,906 | 1,498,900 | - | - | - |
| <u>109,464</u> | <u>78,143</u> | <u>13,252,554</u> | <u>13,784,752</u> | <u>11,101,271</u> | <u>5,851,856</u> | <u>6,898,840</u> | <u>5,536,612</u> |
| - | - | 8,525,949 | - | 3,091,762 | - | - | - |
| 2,022,070 | - | 4,383,306 | 1,389,223 | 2,149,646 | - | - | - |
| 4,075,000 | - | 4,656,352 | 10,138,530 | 5,598,460 | - | - | - |
| 33,945 | 7,332 | 1,807,766 | 1,724,150 | 1,842,276 | 32,671 | 52,879 | 45,431 |
| 698,113 | 119,578 | 40,146,333 | - | - | 793,420 | - | - |
| - | - | - | - | - | - | - | 31,219 |
| - | - | 6,526,040 | 7,145,749 | 7,710,908 | - | - | - |
| - | - | 32,905,954 | 33,665,487 | 35,100,970 | - | - | - |
| <u>6,829,128</u> | <u>126,910</u> | <u>98,951,700</u> | <u>54,063,139</u> | <u>55,494,022</u> | <u>826,091</u> | <u>52,879</u> | <u>76,650</u> |
| 6,938,592 | 205,053 | 112,204,254 | 67,847,891 | 66,595,293 | 6,677,947 | 6,951,719 | 5,613,262 |
| 80,656 | 13,815 | 4,638,268 | - | - | 91,666 | - | - |
| <u>7,019,248</u> | <u>218,868</u> | <u>116,842,522</u> | <u>67,847,891</u> | <u>66,595,293</u> | <u>6,769,613</u> | <u>6,951,719</u> | <u>5,613,262</u> |
| 58,235,118 | 390,524 | 415,925,710 | 373,266,315 | 365,183,003 | 10,517,916 | 10,530,115 | 9,500,255 |
| 46,997,799 | - | 73,798,632 | 56,070,500 | 50,737,708 | - | - | - |
| 3,461,412 | 1,716,550 | 43,242,137 | 73,073,535 | 64,220,518 | 14,235,244 | 13,215,976 | 12,669,036 |
| <u>108,694,329</u> | <u>2,107,074</u> | <u>532,966,479</u> | <u>502,410,350</u> | <u>480,141,229</u> | <u>24,753,160</u> | <u>23,746,091</u> | <u>22,169,291</u> |
| | | 7,594,811 | 7,332,295 | 6,467,780 | | | |
| | | <u>\$ 540,561,290</u> | <u>509,742,645</u> | <u>486,609,009</u> | | | |

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2015

with comparative total amounts for 2014 and 2013

| | Business-type Activities - | | | | |
|--|------------------------------------|----------------------------------|------------------------------|-----------------------------------|--------------------|
| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Areawide Wastewater Utility | Boat Harbors |
| OPERATING REVENUES | | | | | |
| Charges for services: | | | | | |
| Unpledged | \$ 3,432,004 | - | - | - | - |
| Pledged as security for revenue bonds | - | 88,700,378 | 3,958,948 | 9,670,513 | 2,966,808 |
| Licenses, permits and fees | 440,636 | - | - | - | - |
| Sales | 51,251 | 118,440 | - | - | - |
| Fines and forfeitures | 921 | - | - | - | 21,210 |
| Rentals | 2,173,766 | 213,084 | - | - | 1,214,844 |
| Special assessments | - | - | - | 23,400 | - |
| Other | 13,949 | 1,249,282 | 510,016 | 349,383 | - |
| Total operating revenues | <u>6,112,527</u> | <u>90,281,184</u> | <u>4,468,964</u> | <u>10,043,296</u> | <u>4,202,862</u> |
| OPERATING EXPENSES | | | | | |
| Salaries and fringe benefits | 3,122,505 | 67,912,959 | 1,757,019 | 3,848,595 | 2,049,828 |
| Commodities and services | 3,215,883 | 24,763,290 | 1,265,327 | 5,267,926 | 1,297,222 |
| Depreciation | 2,765,781 | 6,815,728 | 2,665,061 | 2,882,143 | 1,150,701 |
| Total operating expenses | <u>9,104,169</u> | <u>99,491,977</u> | <u>5,687,407</u> | <u>11,998,664</u> | <u>4,497,751</u> |
| Operating income (loss) | <u>(2,991,642)</u> | <u>(9,210,793)</u> | <u>(1,218,443)</u> | <u>(1,955,368)</u> | <u>(294,889)</u> |
| NONOPERATING INCOME (EXPENSES) | | | | | |
| Investment and interest income | 12,413 | 338,853 | 35,043 | 83,627 | 28,834 |
| Federal sources | 88,040 | - | - | - | - |
| State sources | 808,116 | 14,709,941 | 403,354 | 852,169 | 834,177 |
| Amortization of bond issuance costs | - | - | - | - | - |
| Interest expense | - | (685,954) | (31,422) | (155,221) | (362,413) |
| Gain (loss) on disposal of assets | 26,784 | 42,576 | - | - | 1,100 |
| Net nonoperating income (expenses) | <u>935,353</u> | <u>14,405,416</u> | <u>406,975</u> | <u>780,575</u> | <u>501,698</u> |
| Income (loss) before contributions and transfers | (2,056,289) | 5,194,623 | (811,468) | (1,174,793) | 206,809 |
| Capital contributions | 19,685,733 | - | 1,799,237 | 406,298 | 5,788,674 |
| Transfers from other funds | 750,000 | 1,184,500 | 1,667,500 | - | 6,224,425 |
| Transfers to other funds | - | (130,000) | - | - | - |
| Change in net position | <u>18,379,444</u> | <u>6,249,123</u> | <u>2,655,269</u> | <u>(768,495)</u> | <u>12,219,908</u> |
| Total net position - beginning | 145,726,167 | 98,509,146 | 53,014,969 | 67,959,665 | 58,926,943 |
| Restatement | <u>(1,949,012)</u> | <u>(34,081,119)</u> | <u>(1,203,191)</u> | <u>(2,470,232)</u> | <u>(1,003,509)</u> |
| Total net position - ending | <u>\$ 162,156,599</u> | <u>70,677,150</u> | <u>54,467,047</u> | <u>64,720,938</u> | <u>70,143,342</u> |
| Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds | | | | | |
| Change in net position of business-type activities (pages 16 and 17) | | | | | |

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



Enterprise Funds

| <u>Dock</u> | <u>Waste Management</u> | <u>Totals</u> | | | <u>Internal Service Funds</u> | | |
|--------------------|-------------------------|--------------------|--------------------|--------------------|-------------------------------|-------------------|-------------------|
| | | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| - | 1,177,308 | 4,609,312 | 4,258,948 | 3,612,701 | 24,212,790 | 23,087,961 | 22,938,419 |
| 1,074,841 | - | 106,371,488 | 97,176,405 | 101,009,708 | - | - | - |
| 414,869 | 2,299 | 857,804 | 861,977 | 927,313 | - | - | - |
| - | - | 169,691 | 158,533 | 159,395 | - | - | - |
| - | - | 22,131 | 10,828 | 12,519 | - | - | - |
| - | - | 3,601,694 | 2,705,448 | 2,510,200 | - | - | - |
| - | - | 23,400 | 215,365 | - | - | - | - |
| - | 16,082 | 2,138,712 | 540,104 | 632,982 | - | - | - |
| <u>1,489,710</u> | <u>1,195,689</u> | <u>117,794,232</u> | <u>105,927,608</u> | <u>108,864,818</u> | <u>24,212,790</u> | <u>23,087,961</u> | <u>22,938,419</u> |
| 927,882 | 226,301 | 79,845,089 | 64,193,328 | 64,355,422 | 1,514,447 | 1,324,077 | 1,209,479 |
| 508,223 | 833,305 | 37,151,176 | 37,226,261 | 33,998,444 | 19,859,373 | 18,788,366 | 20,576,458 |
| 990,138 | 29,065 | 17,298,617 | 17,450,118 | 17,295,570 | 1,719,986 | 1,651,063 | 1,543,733 |
| <u>2,426,243</u> | <u>1,088,671</u> | <u>134,294,882</u> | <u>118,869,707</u> | <u>115,649,436</u> | <u>23,093,806</u> | <u>21,763,506</u> | <u>23,329,670</u> |
| (936,533) | 107,018 | (16,500,650) | (12,942,099) | (6,784,618) | 1,118,984 | 1,324,455 | (391,251) |
| 40,514 | 10,915 | 550,199 | 1,161,510 | 373,763 | 29,273 | 73,225 | 21,728 |
| - | - | 88,040 | 143,992 | 162,068 | - | - | - |
| 266,775 | 49,218 | 17,923,750 | 6,132,325 | 6,229,129 | 250,895 | 157,667 | 342,915 |
| - | - | - | (551) | (168,600) | - | - | - |
| - | - | (1,235,010) | (2,486,602) | (1,659,360) | (513) | (3,024) | (5,595) |
| - | - | 70,460 | (291) | (37,852) | 67,078 | 24,477 | 142,444 |
| <u>307,289</u> | <u>60,133</u> | <u>17,397,439</u> | <u>4,950,383</u> | <u>4,899,148</u> | <u>346,733</u> | <u>252,345</u> | <u>501,492</u> |
| (629,244) | 167,151 | 896,789 | (7,991,716) | (1,885,470) | 1,465,717 | 1,576,800 | 110,241 |
| 13,021,723 | - | 40,701,665 | 16,502,637 | 40,061,850 | - | - | - |
| 21,251,700 | - | 31,078,125 | 14,208,200 | 8,562,300 | 450,000 | - | 175,000 |
| - | (450,000) | (580,000) | (450,000) | (501,200) | (100,000) | - | - |
| <u>33,644,179</u> | <u>(282,849)</u> | <u>72,096,579</u> | <u>22,269,121</u> | <u>46,237,480</u> | <u>1,815,717</u> | <u>1,576,800</u> | <u>285,241</u> |
| 75,761,663 | 2,511,797 | | | | 23,746,091 | 22,169,291 | 21,884,050 |
| (711,513) | (121,874) | | | | (808,648) | - | - |
| <u>108,694,329</u> | <u>2,107,074</u> | | | | <u>24,753,160</u> | <u>23,746,091</u> | <u>22,169,291</u> |
| | | 620,183 | 864,514 | (11,789) | | | |
| | \$ | <u>72,716,762</u> | <u>23,133,635</u> | <u>46,225,691</u> | | | |

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Cash Flows

For the fiscal year ended June 30, 2015
with comparative total amounts for 2014 and 2013

| | Juneau International Airport | Bartlett Regional Hospital | Areawide Water Utility | Business-type Activities - Areawide Wastewater Utility | Boat Harbors |
|---|------------------------------------|----------------------------------|------------------------------|---|-----------------|
| Increase (decrease) in cash and cash equivalents: | | | | | |
| Cash flows from operating activities: | | | | | |
| Cash receipts from customers | \$ 6,143,308 | 87,560,366 | 4,393,690 | 9,778,988 | 4,030,223 |
| Payments to suppliers for goods and services | (2,679,869) | (22,395,327) | (929,070) | (4,473,627) | (1,155,360) |
| Payments to employees for services | (3,138,332) | (68,079,405) | (1,840,574) | (3,885,587) | (2,729,855) |
| Payments for interfund exchange transactions | (564,614) | (612,115) | (475,377) | (816,450) | (285,843) |
| Net cash provided (used) by operating activities | (239,507) | (3,526,481) | 1,148,669 | 603,324 | (140,835) |
| Cash flows from noncapital financing activities: | | | | | |
| Transfers to other funds | - | (130,000) | - | - | - |
| Transfers from other funds | 750,000 | 1,184,500 | 1,667,500 | - | 6,224,425 |
| Cash from federal sources | 88,040 | - | - | - | - |
| Cash from state sources | 808,116 | 14,709,941 | 403,354 | 852,169 | 834,177 |
| Net cash provided (used) by noncapital financing activities | 1,646,156 | 15,764,441 | 2,070,854 | 852,169 | 7,058,602 |
| Cash flows from capital and related financing activities: | | | | | |
| Cash received on disposal of assets | 26,784 | 42,576 | - | - | 1,100 |
| Cash received from capital contribution - Federal and State capital grants | 7,128,329 | - | 988,945 | 368,008 | 1,075,383 |
| Cash received from capital contribution | 916,200 | - | 120,139 | 281,343 | 32,876 |
| Cash paid for acquisition and construction of capital assets | (10,774,439) | (4,736,624) | (2,527,423) | (1,132,243) | (13,807,532) |
| Cash paid for debt service fee | - | - | - | - | - |
| Principal paid on revenue bond maturities | - | (840,000) | (84,672) | (45,593) | 404,812 |
| Principal paid on long-term bans and contracts | - | - | (67,488) | (496,977) | - |
| Interest paid on bonds and contracts | - | (805,309) | (31,422) | (155,221) | (362,413) |
| Net cash provided (used) by capital and related financing activities | (2,703,126) | (6,339,357) | (1,601,921) | (1,180,683) | (12,655,774) |
| Cash flows from investing activities: | | | | | |
| Earnings from invested proceeds | 12,413 | 338,853 | 35,043 | 83,627 | 28,834 |
| Net cash provided by investing activities | 12,413 | 338,853 | 35,043 | 83,627 | 28,834 |
| Net increase (decrease) in cash and cash equivalents: | (1,284,064) | 6,237,456 | 1,652,645 | 358,437 | (5,709,173) |
| Cash and cash equivalents at beginning of year | 4,071,585 | 43,924,594 | 6,593,748 | 13,671,211 | 14,147,359 |
| Cash and cash equivalents at end of year | \$ 2,787,521 | 50,162,050 | 8,246,393 | 14,029,648 | 8,438,186 |



Enterprise Funds

| Dock | Waste Management | Totals | | | Internal Service Funds | | |
|--------------|------------------|--------------|--------------|--------------|------------------------|--------------|--------------|
| | | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| (3,976,913) | 1,233,641 | 109,163,303 | 117,309,428 | 111,150,554 | 25,103,607 | 22,196,161 | 22,700,869 |
| (213,536) | (926,713) | (32,773,502) | (35,050,386) | (31,915,590) | (20,847,201) | (17,371,833) | (20,016,266) |
| (936,463) | (225,208) | (80,835,424) | (64,251,786) | (64,463,604) | (1,519,848) | (1,300,066) | (1,244,833) |
| (276,768) | (28,550) | (3,059,717) | (2,923,319) | (2,861,495) | - | - | - |
| (5,403,680) | 53,170 | (7,505,340) | 15,083,937 | 11,909,865 | 2,736,558 | 3,524,262 | 1,439,770 |
| - | (450,000) | (580,000) | (450,000) | (501,200) | - | - | - |
| 21,251,700 | - | 31,078,125 | 14,208,200 | 8,562,300 | 450,000 | - | 175,000 |
| - | - | 88,040 | 143,992 | 162,068 | (100,000) | - | - |
| 266,775 | 49,218 | 17,923,750 | 6,132,325 | 6,229,129 | 250,895 | 157,667 | 342,915 |
| 21,518,475 | (400,782) | 48,509,915 | 20,034,517 | 14,452,297 | 600,895 | 157,667 | 517,915 |
| - | - | 70,460 | 2,043,063 | 11,015 | 131,537 | 33,076 | 149,161 |
| 15,282,681 | - | 24,843,346 | 19,202,230 | 34,203,874 | - | - | - |
| 9,589 | - | 1,360,147 | 1,240,059 | 4,205,230 | - | - | - |
| (14,021,869) | (250,357) | (47,250,487) | (30,305,001) | (48,208,371) | (1,741,027) | (2,629,082) | (1,231,910) |
| - | - | - | (551) | (550) | - | - | - |
| - | - | (565,453) | (1,524,477) | (751,724) | - | - | - |
| - | - | (564,465) | (565,159) | 526,385 | (31,219) | (60,440) | (57,869) |
| - | - | (1,354,365) | (1,304,255) | (1,833,885) | (513) | (3,024) | (5,595) |
| 1,270,401 | (250,357) | (23,460,817) | (11,214,091) | (11,848,026) | (1,641,222) | (2,659,470) | (1,146,213) |
| 40,514 | 10,915 | 550,199 | 1,161,510 | 373,763 | 29,273 | 73,225 | 21,728 |
| 40,514 | 10,915 | 550,199 | 1,161,510 | 373,763 | 29,273 | 73,225 | 21,728 |
| 17,425,710 | (587,054) | 18,093,957 | 25,065,873 | 14,887,899 | 1,725,504 | 1,095,684 | 833,200 |
| 39,828,873 | 2,357,880 | 124,595,250 | 99,529,377 | 84,641,478 | 18,958,275 | 17,862,591 | 17,029,391 |
| 57,254,583 | 1,770,826 | 142,689,207 | 124,595,250 | 99,529,377 | 20,683,779 | 18,958,275 | 17,862,591 |

(Continued)

CITY and BOROUGH OF JUNEAU

Proprietary Funds

Statement of Cash Flows, continued

For the fiscal year ended June 30, 2015

with comparative total amounts for 2014 and 2013

| | Business-type Activities - | | | | |
|---|---|---|-------------------------------------|--|------------------|
| | Juneau International <u>Airport</u> | Bartlett Regional <u>Hospital</u> | Areawide Water <u>Utility</u> | Areawide Wastewater <u>Utility</u> | Boat Harbors |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Operating income (loss) | \$ (2,991,642) | (9,210,793) | (1,218,443) | (1,955,368) | (294,889) |
| Adjustments to reconcile net operating loss to net cash provided (used) by operating activities: | | | | | |
| Depreciation | 2,765,781 | 6,815,728 | 2,665,061 | 2,882,143 | 1,150,701 |
| Pension income (expense) | (193,960) | (3,953,188) | (119,737) | (245,830) | (99,867) |
| (Increase) decrease in assets: | | | | | |
| Accounts receivable | 36,016 | (344,532) | (87,078) | (264,357) | (249,855) |
| Other receivables | - | - | 6,108 | 49 | - |
| Inventories | (21,249) | (96,600) | (104,516) | (17,732) | - |
| Prepaid expenses | - | 148,315 | (1,270) | (1,357) | (706) |
| Deferred outflows of resources for pensions | (74,755) | (289,518) | (46,149) | (94,747) | (38,490) |
| Increase (decrease) in liabilities: | | | | | |
| Accounts payable | (9,501) | 1,716,181 | (46,143) | (62,685) | (29,173) |
| Accrued salaries payable | 47,316 | 70,613 | (1,172) | (17,889) | 6,010 |
| Accrued annual leave and compensation time | (15,365) | 212,956 | (52,889) | 41,453 | 7,282 |
| Unearned revenues | (5,235) | (2,376,286) | 5,696 | - | 77,216 |
| Deferred inflows of resources for pensions | 220,937 | 3,792,691 | 136,392 | 280,021 | (554,962) |
| Accrued and other liabilities | 2,150 | (12,048) | 12,809 | 59,623 | (114,102) |
| Total adjustments | <u>2,752,135</u> | <u>5,684,312</u> | <u>2,367,112</u> | <u>2,558,692</u> | <u>154,054</u> |
| Net cash provided (used) by operating activities | \$ <u>(239,507)</u> | <u>(3,526,481)</u> | <u>1,148,669</u> | <u>603,324</u> | <u>(140,835)</u> |
| Noncash activities from investing, capital and related financing: | | | | | |
| Receivable from capital contribution - | | | | | |
| Federal and State grants | \$ (13,650,101) | - | (684,457) | (75,127) | 4,680,415 |
| Receivable from capital contribution - | | | | | |
| Special Assessment | - | - | - | 167,926 | - |
| | <u>\$ (13,650,101)</u> | <u>-</u> | <u>(684,457)</u> | <u>92,799</u> | <u>4,680,415</u> |



Enterprise Funds

| Dock | Waste Management | Totals | | | Internal Service Funds | | |
|-------------|------------------|--------------|--------------|-------------|------------------------|-----------|-----------|
| | | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| (936,533) | 107,018 | (16,500,650) | (12,942,099) | (6,784,618) | 1,118,984 | 1,324,455 | (391,251) |
| 990,138 | 29,065 | 17,298,617 | 17,450,118 | 17,295,570 | 1,719,986 | 1,651,063 | 1,543,733 |
| (70,809) | (12,129) | (4,695,520) | - | - | (80,475) | - | - |
| 15,379 | 37,952 | (856,475) | 3,862,942 | (816,203) | - | - | - |
| - | - | 6,157 | (36,023) | - | 890,817 | (891,800) | 1,022 |
| - | - | (240,097) | (106,310) | 215,659 | 10,180 | (3,544) | (2,218) |
| 4,606 | (160) | 149,428 | (339,111) | 158,000 | 52,388 | 45,191 | (14,759) |
| (27,290) | (4,674) | (575,623) | - | - | (31,015) | - | - |
| 13,313 | (121,798) | 1,460,194 | (352,469) | (1,413,315) | (603,181) | 936,386 | 43,469 |
| 9,903 | 565 | 115,346 | 97,890 | 107,796 | (2,449) | 10,583 | (6,710) |
| (1,041) | 3,516 | 195,912 | (156,348) | (215,978) | (14,143) | 13,428 | (28,644) |
| (5,482,002) | - | (7,780,611) | 7,554,901 | 3,101,939 | - | - | (238,572) |
| 80,656 | 13,815 | 3,969,550 | - | - | 91,666 | - | - |
| - | - | (51,568) | 50,446 | 261,015 | (416,200) | 438,500 | 533,700 |
| (4,467,147) | (53,848) | 8,995,310 | 28,026,036 | 18,694,483 | 1,617,574 | 2,199,807 | 1,831,021 |
| (5,403,680) | 53,170 | (7,505,340) | 15,083,937 | 11,909,865 | 2,736,558 | 3,524,262 | 1,439,770 |
| (2,270,547) | - | (11,999,817) | (1,071,481) | (8,828,211) | - | - | - |
| - | - | 167,926 | (78,404) | 115,010 | - | - | - |
| (2,270,547) | - | (11,831,891) | (1,149,885) | (8,713,201) | - | - | - |

Fiduciary Funds

Comparative Statement of Fiduciary Assets and Liabilities

June 30, 2015, 2014 and 2013

| | Agency Funds | | |
|-------------------------------|-------------------|----------------|------------------|
| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| ASSETS | | | |
| Equity in central treasury | \$ 827,514 | 821,703 | 1,108,066 |
| Plant and equipment | <u>7,588</u> | <u>7,588</u> | <u>7,588</u> |
| Total assets | <u>\$ 835,102</u> | <u>829,291</u> | <u>1,115,654</u> |
| LIABILITIES | | | |
| Accounts payable | \$ - | 1,345 | 1,000 |
| Accrued and other liabilities | <u>835,102</u> | <u>827,946</u> | <u>1,114,654</u> |
| Total liabilities | <u>\$ 835,102</u> | <u>829,291</u> | <u>1,115,654</u> |

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

| | |
|---|----|
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The City and Borough of Juneau, Alaska (CBJ) has a population of an estimated 33,026 living within an area of 3,248 square miles making it the largest area capital city in the country. The population grows significantly during the summer when cruise ships frequent our port. Approximately one million people visit CBJ annually. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the CBJ 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. 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, wastewater and water utilities, 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 presented 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 approves 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 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 position (deficit) and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements with the exception of the internal service funds, that are reported as governmental or business type as determined by their primary services. *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 legally separate *component units* for which the primary government is financially accountable.

The statement of net position (deficit) presents the financial condition of the governmental and business-type activities of the CBJ at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

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 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 position (deficit). 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 position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. 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 "soon enough thereafter" means expected to be received within sixty days of year-end.

Revenues - Non-exchange Transactions - Non-exchange 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 non-exchange transactions also must be available (i.e., collected within sixty 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 unearned 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. In prior years the Roaded Service Area and Fire Service Area were accounted for as Special Revenue Funds. In FY15 management determined that these taxing areas should be combined in General Fund for financial reporting purposes.

The *Sales Tax Fund* accounts for the revenues received from tax on the sale of goods and services. Funds are restricted and committed for use in specific areas and/or for specific purposes as advised by the ballot initiatives for each of the components of the CBJ's permanent and temporary sales tax.

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 bond proceeds, interest earned on unspent bond proceeds, property tax, State of Alaska school debt reimbursement and interfund transfers.

The CBJ reports the following major enterprise funds:

The *Juneau International Airport Fund* 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 and other services provided by the CBJ-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 Wastewater 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 the operations, maintenance and capital improvements to the four CBJ-owned boat harbors and numerous launch ramps.

The *Dock Fund* accounts for operations, maintenance and capital improvements to the CBJ-owned docks which are heavily used by over 500 cruise ships during the summer months.

The *Waste Management Fund* accounts for hazardous waste disposal and recycling programs provided to the residents of the CBJ.

Additionally, the CBJ reports the following fund types:

Governmental Fund Types:

Special Revenue Funds account for operating 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).

Permanent Funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the CBJ programs.

*For the year ended June 30, 2015***NOTES TO BASIC FINANCIAL STATEMENTS****Proprietary Fund Types:**

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. Activities include maintenance of commodities for individuals deemed incapable of managing these monies, promotion of the relationship between Juneau and her sister cities, historical projects, and the local library infrastructure.

D. ASSETS, LIABILITIES, AND NET POSITION 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 proprietary funds and certain government funds with material inventories, are valued at either cost or first-in, first-out (FIFO) using the consumption method. The remaining governmental fund inventories 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, 2015, 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 and capital projects funds. Any reimbursements from outside sources for these projects are restricted accordingly.

Liabilities payable from these restricted assets include accounts payable, unearned 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 three years. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of acquisition.

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

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

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

| <u>Assets</u> | <u>Years</u> |
|---|--------------|
| Buildings | 5-40 |
| Building improvements | 5-40 |
| Public domain infrastructure | 15-40 |
| Parking areas and garages | 30-40 |
| Water and wastewater 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.

Unearned Revenue

Property taxes receivable but not collected within 60 days of year-end have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned 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 and fund pension costs 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 Affordable Housing, Community Development Block Grant and Lands 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.

Debt Premiums, Discounts, Issuance costs and Debt Refunding Gains and Losses

On the government-wide and proprietary funds statements of net position (deficit), debt premiums and discounts are netted against the debt payable. On the government-wide statement of activities and the proprietary funds statement of revenues, expenses, and changes in net position, debt premiums and discounts, are deferred and amortized over the life of the bond using the effective interest method.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position (deficit). These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old debt).

Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

At the government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as debt service expenditures.

Net Pension Liability

CBJ reports its proportionate share of the Net Pension Liability of PERS. For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS in the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Fund Balances

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position (deficit)."

Governmental funds report fund balance in classifications based primarily on the extent to which the CBJ is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

Nonspendable Fund Balance

The portion of a fund balance that cannot be spent because it is either: (a) not in a spendable form, such as prepaid items, inventories of supplies, or loans receivable; or (b) legally or contractually required to be maintained intact, such as the principal portion of an endowment.

Restricted Fund Balance

The portion of a fund balance that has constraints placed on the use of resources that are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action, such as an ordinance, of the Assembly. Commitments may be changed or lifted only by the Assembly taking formal action.

Assigned Fund Balance

The portion of a fund balance that includes amounts that are constrained by the government's intent to be used for specific purposes but are neither Restricted nor Committed. Through the Home Rule Charter Section 4.5 and Rules of Construction (CBJ Code 01.15.020), the Assembly has given the manager or the manager's designee, the Finance Director, authority to assign unrestricted fund balance amounts through the budgetary process where the CBJ's intent is for those amounts to be used for specific purposes.

Unassigned Fund Balance

The portion of a fund balance that includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report a positive fund balance in this category.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

In all cases, encumbrance amounts have been assigned for specific purposes for which resources already have been allocated.

Net Position (Deficit)

Net position (deficit) represents the difference between assets and deferred outflows less liabilities and deferred inflows.

Net Investment in Capital Assets

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the expended and outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

Restricted Net Position

Net position is 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.

Unrestricted Net Position (Deficit)

This amount is all net position (deficit) that does not meet the definition of "net investment in capital assets" or "restricted net position."

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.

Bartlett Regional Hospital's charges for services as reported in the statement of revenues, expenses, and changes in net position, include net patient service revenue, which is reported net of contractual allowances and charity care of \$45,202,831, \$41,000,694, and \$34,387,233 for the years ended June 30, 2015, 2014, and 2013, respectively and bad debt expense of \$7,700,231, \$8,359,078, and \$9,222,925 for June 30, 2015, 2014, and 2013.

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.

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. Certain prior year data have been reclassified in order to be consistent with the current year's presentation.

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

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

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

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

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

CBJ adopts annual budgets for all government fund types (except for Community Development Block Grant (CDBG) Special Revenue Fund and Capital Projects Funds) and proprietary fund types. The budget for CDBG is budgeted when grants or transfers are appropriated and budgets for capital improvement projects are budgeted on a project-length basis. Budgeted amounts are as originally adopted or as amended by the Assembly during the fiscal year ended June 30, 2015. Amendments are due to new or amended grant awards from the State of Alaska or federal government and to revenues exceeding original estimates if intended to be spent during the current fiscal year.

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.

In October 2012, the Assembly adopted a new policy to maintain a general governmental budget reserve of not less than two months (16.7%) general operating revenue. General governmental operating revenue is comprised of the General Fund and the Sales Tax Special Revenue Fund. The budget reserve is intended to ensure adequate resources in the event of an emergency or significant unanticipated reduction in revenues. The CBJ budget reserve will be adjusted annually based on the most recently-audited annual financial statements. Appropriations from the budget reserve (use) requires Assembly action and will be limited to providing temporary funding for unforeseen needs on an emergency or nonrecurring basis; or to permit orderly budget reductions and/or tax adjustments, for a period not to exceed two fiscal years, when funding sources are lost or substantially reduced. If the budget reserve falls below the target (two months general governmental operating revenue or 16.7%) a plan for replenishment will be developed by the City Manager and presented to the Assembly for action. Reserve replenishment takes priority over tax reductions and/or mill rate reductions.

The budget reserve calculation for June 30, 2015 (using the most recently audited financial information) is as follows:

| | |
|-------------------------------------|-----------------------|
| General Fund | \$ 65,681,032 |
| Special Revenue Funds - Sales Tax | 44,809,946 |
| Total General Governmental Revenues | <u>\$ 110,490,978</u> |
| Two month reserve amount | <u>\$ 18,415,163</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

The amount available to fund the budget reserve for June 30, 2015 is as follows:

| | |
|-----------------------------------|----------------------|
| General Fund | \$ 20,272,312 |
| Special Revenue Funds - Sales Tax | <u>2,673,705</u> |
| Total Available to fund reserve | <u>\$ 22,946,017</u> |

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, 2015 | | | |
| General Fund: | | | |
| Legal | \$ 2,023,268 | 2,203,318 | (180,050) |
| Special Revenue Funds: | | | |
| Sales Tax Fund | 698,400 | 712,020 | (13,620) |
| Hotel Tax Fund | 13,800 | 14,155 | (355) |
| Tobacco Excise Tax Fund | 16,400 | 16,808 | (408) |
| Enterprise Funds: | | | |
| Boat Harbors Fund | 3,619,531 | 3,727,976 | (108,445) |

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 central treasury investments included in the general fund balance sheet. The cash and investment total of \$233,293,020 reported as "equity in central treasury" represents the total actual central treasury balances as of June 30, 2015.

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, 2015:

| | | |
|-----------------|------------------------|----------------------|
| | <u>Carrying Amount</u> | <u>Bank Balance</u> |
| Demand deposits | <u>\$ 14,346,254</u> | <u>\$ 13,682,688</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. As of June 30, 2015 CBJ maintains a collateral agreement with a depository financial institution, First National Bank of Alaska (FNBA). All collateral consists of obligations issued, or fully insured or guaranteed as to payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation, with market value not less than the collateralized deposit balances.

Investments

A summary of CBJ's fixed income investments at June 30, 2015 is displayed below by type of instrument.

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

| Investment Type | Investment Maturities (in years) | | | | June 30, 2015 |
|--------------------------------------|----------------------------------|------------|-----------|--------------------|------------------|
| | Less Than 1 | 1-5 | 6-10 | Greater Than 10 | |
| U.S. Treasury | \$ 37,132,265 | 22,691,609 | - | - | 59,823,874 |
| Federal Agency | 4,001,900 | 10,510,715 | - | - | 14,512,615 |
| Fed Agency pass through | 852 | - | - | - | 852 |
| Asset-backed | 1,104,978 | 218,835 | - | - | 1,323,813 |
| Corporate | 16,493,437 | 59,469,465 | 1,203,910 | - | 77,166,812 |
| Commercial Paper | 7,500,000 | - | - | - | 7,500,000 |
| Managed pool accounts | 46,894,228 | - | - | - | 46,894,228 |
| Investment pool (AMLIP) ¹ | 7,373,968 | - | - | - | 7,373,968 |
| Total Fair Value | \$ 120,501,628 | 92,890,624 | 1,203,910 | - | 214,596,162 |

¹ 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, 2015, the fair value of CBJ's position in the pool approximates the value of CBJ's pool shares.

Equity Investments

A summary of CBJ's Mutual Fund investments at June 30, 2015 is displayed below:

| Investment Type | Cost | Fair Value | Unrealized Gain/(Loss) |
|-------------------------|--------------|------------|---------------------------|
| Total Bond Market Index | \$ 1,333,000 | 1,893,518 | 560,518 |
| S&P 500 Index Fund | 1,167,000 | 1,915,407 | 748,407 |
| Developed Markets Index | 500,000 | 541,679 | 41,679 |
| Total | \$ 3,000,000 | 4,350,604 | 1,350,604 |

Investment Policies

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

Under internal portfolio management:

- Obligations of, or obligations insured or guaranteed by, the United States or agencies or instrumentalities of the United States;
- 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;
- Bankers acceptances drawn on and accepted by a rated bank and eligible for rediscount with or purchase by Federal Reserve System banks;
- Negotiable certificates of deposit issued by rated banks;
- Nonnegotiable certificates of deposit secured as provided in Section 57.25.030;
- Repurchase and reverse repurchase agreements secured by obligations insured or guaranteed by the United States or agencies or instrumentalities of the United States;
- Bank obligations secured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Association;
- U.S. dollar denominated corporate bonds and rated investment grade or higher by a nationally recognized rating agency at the time of purchase;
- Mortgage-backed securities issued by an agency of the United States Government;
- Custodial money market funds;
- Loans to specified funds of the City and Borough for the purpose of capital acquisition, made as provided in Section 57.05.045;
- 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:

- Money market funds and other mutual funds;
- 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;
- Futures and options subject to certain limitations.

Under long portfolio management:

- Domestic fixed income*: Securities issued in the United States matching security types, quality and maturity ranges contained in the Barclays US Aggregate Float Adjusted Index;

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

2. *Domestic equity*: Common and preferred stock issued by companies domiciled in the United States, and traded on a domestic stock exchange, or traded through the National Association of Securities Dealers Automated Quotation (NASDAQ) system;
3. *International equity*: Common and preferred stock issued by companies domiciled outside the United States, primarily in developed countries, as defined by the FTSE Developed ex North America Index.

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, 2015, as described by the nationally recognized statistical rating organization Standard & Poor's, are shown below:

| | <u>S&P Rating</u> | <u>Investment Fair Value</u> | <u>% of Total</u> |
|----------------------------------|---------------------------|----------------------------------|-----------------------|
| U.S. Treasury | | \$ 59,823,874 | 27.88 |
| Federal Agency | AA+ | 14,512,615 | 6.76 |
| Fed Agency pass through* | | 852 | 0.00 |
| Asset-backed** | AAA | 780,066 | 0.36 |
| Asset-backed | AA+ | 543,747 | 0.25 |
| Corporate | A1/P1 | 7,500,000 | 3.49 |
| Corporate*** | AAA | 767,205 | 0.36 |
| Corporate | AA | 13,085,790 | 6.10 |
| Corporate | A | 38,688,297 | 18.03 |
| Corporate | BBB | 24,625,520 | 11.48 |
| Managed pool accounts | not rated | 46,894,228 | 21.85 |
| External investment pool (AMLIP) | not rated | 7,373,968 | 3.44 |
| | | <u>\$ 214,596,162</u> | <u>100.00</u> |

* Cusip313421BC2 not rated by S&P, Fitch or Moody's

** Two securities not rated by S&P but are rated by Fitch and Moody's AAA/Aaa, respectively.

*** Cusip 90349CAA2 not rated by S&P but is rated by Fitch and Moody's AAA/Aaa, respectively.

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, 2015, CBJ had no concentrations exceeding five percent from any issuer.

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 (US Bank) 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 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.

Intermediate investments, consisting of funds not needed within the next five years, have no specific maturity restriction but are controlled by the duration limits of Barclay's Capital Intermediate Government/Credit Index. The Barclay's Capital Intermediate Government/Credit Index at June 30, 2015 was 1.86 with an annual performance of 0.91%.

Long Portfolio investments, consisting of funds to be invested in perpetuity, include fixed income investments in a mutual fund. The fund is designed to track the performance of the Barclays Capital U.S. Aggregate Float Adjusted Index which had a modified duration of 5.69 and annual performance of 1.78% at June 30, 2015.

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

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, 2015 is as follows:

| <u>Investment Type</u> | <u>Investment Fair Value</u> | <u>Modified Duration</u> |
|----------------------------------|----------------------------------|------------------------------|
| U.S. Treasury | \$ 59,823,874 | 1.033 |
| Federal Agency coupon | 14,512,615 | 1.469 |
| Federal Agency pass through | 852 | 0.500 |
| Corporate commercial paper | 7,500,000 | 0.000 |
| Corporate coupon | 77,166,812 | 1.685 |
| Corporate asset-backed | 1,323,813 | 0.089 |
| Managed pool accounts | 46,894,228 | 0.000 |
| External investment pool (AMLIP) | 7,373,968 | 0.000 |
| | <u>\$ 214,596,162</u> | |
| Portfolio modified duration | | 1.000 |

Demand Deposits and Investments - Reconciliation to Equity in Central Treasury

Demand Deposits and Investments:

| | |
|-----------------------------------|-----------------------|
| Demand deposits (carrying amount) | \$ 14,346,254 |
| Investments | 214,596,162 |
| Equity investments | 4,350,604 |
| Demand Deposits and Investments | <u>\$ 233,293,020</u> |

Equity in Central Treasury:

| | |
|---|-----------------------|
| Equity in central treasury | \$ 118,800,382 |
| Restricted assets: Equity in central treasury | 107,702,055 |
| School District component unit | 5,963,069 |
| Agency funds | 827,514 |
| Equity in central treasury | <u>\$ 233,293,020</u> |

NOTE 4 - RECEIVABLES DETAIL

Receivables at June 30, 2015 are as follows:

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> |
|---------------------|--------------------------------|---|---------------------------------|---|-------------------|
| | <u>Receivables</u> | <u>Allowance for Uncollectibles</u> | <u>Receivables</u> | <u>Allowance for Uncollectibles</u> | |
| Customers | \$ 3,696,472 | (358,140) | 39,401,660 | (17,049,615) | 25,690,377 |
| Taxes | 8,125,328 | (125,974) | - | - | 7,999,354 |
| Long-term notes | 902,256 | - | - | - | 902,256 |
| Special assessments | 180,636 | - | - | - | 180,636 |
| Other | - | - | 33,013 | (1,415) | 31,598 |
| Totals | <u>\$ 12,904,692</u> | <u>(484,114)</u> | <u>39,434,673</u> | <u>(17,051,030)</u> | <u>34,804,221</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.

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Each fund participates in the central treasury as described in Note 1. Deficits in 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 at June 30, 2015 amounted to \$12,772,258 to the General Fund. General Fund balance has been reserved for that portion of deficits in central treasury that are considered long-term. A balance is considered long-term if budgeted revenues over expenditures for fiscal year 2015 do not exceed the current year deficit cash balance.

| | Fund Level | | | Additions (Eliminations) | Government- wide Internal balances |
|--|----------------------|---|--|-----------------------------|---|
| | Interfund payable | Interfund payable - Restrict ed assets | Interfund Receivable General Fund | | |
| Interfund payables/receivables: | | | | | |
| Governmental Funds: | | | | | |
| Sales Tax | \$ 3,826,280 | - | 3,826,280 | (3,826,280) | - |
| Non-major governmental funds | 420,029 | - | 420,029 | (420,029) | - |
| Enterprise Funds: | | | | | |
| Juneau International Airport | - | 8,525,949 | 8,525,949 | - | 8,525,949 |
| Internal service reallocation | - | - | - | 1,574,742 | 1,574,742 |
| | <u>4,246,309</u> | <u>8,525,949</u> | <u>12,772,258</u> | <u>(2,671,567)</u> | <u>10,100,691</u> |
| Less: | | | | | |
| Payable from governmental funds | <u>4,246,309</u> | - | <u>4,246,309</u> | <u>(4,246,309)</u> | - |
| Net short-term government-wide internal balances | <u>\$ -</u> | <u>8,525,949</u> | <u>8,525,949</u> | <u>1,574,742</u> | <u>10,100,691</u> |
| | | | | | |
| | Fund Level | | | | Government- wide Internal balances |
| | Interfund payable | Interfund payable - Restrict ed assets | Interfund Receivable General Fund | Additions (Eliminations) | |
| Advances: | | | | | |
| Governmental Funds: | | | | | |
| Non-major governmental funds | \$ 141,149 | - | 141,149 | (141,149) | - |
| Less: | | | | | |
| Payable to General Fund from governmental funds | <u>141,149</u> | - | <u>141,149</u> | <u>(141,149)</u> | - |
| Net long-term government-wide internal balances | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Interfund transfers for the year ended June 30, 2015, were as follows:

| Fund or Component Unit | Transfer Fund Level | Reclassification/ Elimination | Transfer Government-wide | | Component Unit |
|------------------------------|------------------------|----------------------------------|--------------------------|-------------------|-------------------|
| | | | Governmental | Proprietary | |
| Transfers in: | | | | | |
| Primary government: | | | | | |
| Governmental funds: | | | | | |
| General Fund | \$ 32,072,000 | (31,942,000) | 130,000 | - | - |
| General Debt Service | 3,182,879 | (3,182,879) | - | - | - |
| Non-major governmental | 17,649,205 | (17,649,205) | - | - | - |
| Governmental funds subtotal | <u>52,904,084</u> | <u>(52,774,084)</u> | <u>130,000</u> | <u>-</u> | <u>-</u> |
| Proprietary funds: | | | | | |
| Enterprise funds: | | | | | |
| Juneau International Airport | 750,000 | - | - | 750,000 | - |
| Bartlett Regional Hospital | 1,184,500 | - | - | 1,184,500 | - |
| Areawide Water Utility | 1,667,500 | - | - | 1,667,500 | - |
| Boat Harbors | 6,224,425 | - | - | 6,224,425 | - |
| Dock | 21,251,700 | - | - | 21,251,700 | - |
| Enterprise funds subtotal | <u>31,078,125</u> | <u>-</u> | <u>-</u> | <u>31,078,125</u> | <u>-</u> |
| Internal Service funds: | | | | | |
| Central Equipment Services | 450,000 | - | 450,000 | - | - |
| Total transfers in | <u>\$ 84,432,209</u> | <u>(52,774,084)</u> | <u>580,000</u> | <u>31,078,125</u> | <u>-</u> |

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

| Fund or Component Unit | Transfer Fund Level | Reclassification/ Elimination | Transfer Government-wide | | |
|-------------------------------------|------------------------|----------------------------------|--------------------------|-------------------|-------------------|
| | | | Governmental | Proprietary | Component Unit |
| Transfers out: | | | | | |
| Primary government: | | | | | |
| Governmental funds: | | | | | |
| General Fund | \$ 1,060,000 | (1,057,500) | 2,500 | - | - |
| Roaded Service Area | - | - | - | - | - |
| Sales Tax | 44,138,000 | (42,443,000) | 1,695,000 | - | - |
| General Debt Service | 27,124,425 | - | 27,124,425 | - | - |
| Non-major governmental | 11,429,784 | (9,173,584) | 2,256,200 | - | - |
| Governmental funds subtotal | <u>83,752,209</u> | <u>(52,674,084)</u> | <u>31,078,125</u> | <u>-</u> | <u>-</u> |
| Proprietary funds: | | | | | |
| Enterprise funds: | | | | | |
| Bartlett Regional Hospital | 130,000 | - | - | 130,000 | - |
| Waste Management | 450,000 | - | - | 450,000 | - |
| Enterprise funds subtotal | <u>580,000</u> | <u>-</u> | <u>-</u> | <u>580,000</u> | <u>-</u> |
| Internal Service funds: | | | | | |
| Central Equipment Services | 100,000 | (100,000) | - | - | - |
| Total transfers out | <u>\$ 84,432,209</u> | <u>(52,774,084)</u> | <u>31,078,125</u> | <u>580,000</u> | <u>-</u> |
| Net transfers government-wide level | | | <u>\$ (30,498,125)</u> | <u>30,498,125</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 resolution(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 subsidies or matching funds for various grant programs.

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

| | Primary Government | | | |
|---|-----------------------|-------------------|--------------------|--------------------|
| | Beginning Balance | Additions | Retirements | Ending Balance |
| Governmental activities: | | | | |
| Non-depreciable assets: | | | | |
| Land | \$ 38,511,830 | - | (3,393,960) | 35,117,870 |
| Infrastructure in progress | 38,623,099 | 6,544,952 | (1,568,910) | 43,599,141 |
| Construction in progress | 213,194,120 | 18,926,585 | (3,082,016) | 229,038,689 |
| Depreciable assets: | | | | |
| Buildings and improvements | 238,870,142 | 5,304,600 | (45,904) | 244,128,838 |
| Equipment | 56,638,323 | 2,401,111 | (236,178) | 58,803,256 |
| Infrastructure | 218,327,184 | 1,697,220 | - | 220,024,404 |
| Totals at historical cost | <u>804,164,698</u> | <u>34,874,468</u> | <u>(8,326,968)</u> | <u>830,712,198</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 141,420,001 | 8,320,702 | - | 149,740,703 |
| Equipment | 36,999,158 | 3,075,487 | (211,573) | 39,863,072 |
| Infrastructure | 167,006,045 | 4,073,378 | - | 171,079,423 |
| Total accumulated depreciation | <u>345,425,204</u> | <u>15,469,567</u> | <u>(211,573)</u> | <u>360,683,198</u> |
| Governmental activities capital assets, net | <u>\$ 458,739,494</u> | <u>19,404,901</u> | <u>(8,115,395)</u> | <u>470,029,000</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

| | Primary Government | | | Ending Balance |
|--|-----------------------|-------------------|--------------------|--------------------|
| | Beginning Balance | Additions | Retirements | |
| Business-type activities: | | | | |
| Non-depreciable assets: | | | | |
| Land and land rights | \$ 18,025,499 | - | - | 18,025,499 |
| Construction in progress | 210,937,979 | 57,406,632 | (5,221,183) | 263,123,428 |
| Depreciable assets: | | | | |
| Buildings and improvements | 401,615,528 | 4,801,662 | (1,007,407) | 405,409,783 |
| Equipment | 53,507,516 | 2,011,831 | (563,808) | 54,955,539 |
| Totals at historical cost | <u>684,086,522</u> | <u>64,220,125</u> | <u>(6,792,398)</u> | <u>741,514,249</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 232,946,168 | 14,126,911 | (1,007,409) | 246,065,670 |
| Equipment | 38,694,365 | 3,177,306 | (335,382) | 41,536,289 |
| Total accumulated depreciation | <u>271,640,533</u> | <u>17,304,217</u> | <u>(1,342,791)</u> | <u>287,601,959</u> |
| Business-type activities capital assets, net | \$ <u>412,445,989</u> | <u>46,915,908</u> | <u>(5,449,607)</u> | <u>453,912,290</u> |

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|--|----------------------|
| Governmental activities: | |
| Legislative | \$ 120,872 |
| Administration | 18,264 |
| Education | 5,799,940 |
| Finance | 4,478 |
| Libraries | 345,620 |
| Recreation | 1,445,071 |
| Community development & lands management | 273,781 |
| Public safety | 1,272,170 |
| Public works | 4,113,986 |
| Public transportation | 138,319 |
| Tourism and conventions | 222,680 |
| Central equipment | 1,714,386 |
| Total depreciation expense governmental activities | \$ <u>15,469,567</u> |
| Business-type activities: | |
| Airport | \$ 2,765,781 |
| Harbors | 1,150,701 |
| Docks | 990,138 |
| Hospital | 6,815,728 |
| Water | 2,665,061 |
| Wastewater | 2,882,143 |
| Waste management | 29,065 |
| Self-insurance | 5,600 |
| Total depreciation expense business-type activities | \$ <u>17,304,217</u> |

NOTE 8 - DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position (deficit) reports a separate financial statement element, *deferred outflows of resources*, which represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position (deficit) reports a separate financial statement element, *deferred inflows of resources*, which represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. CBJ reports, *unavailable revenue*, only in the governmental funds balance sheet. The governmental funds report unavailable revenues from delinquent property taxes (\$535,672), notes receivable from sale of land (\$379,550), sales tax (\$930,110), special assessments (\$181,024), and payment in lieu of property tax (\$1,916,143) totaling \$3,942,499. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9 - DEBT

The majority of the debt service of CBJ is paid through the General Debt Service Fund, Juneau International Airport, Bartlett Regional Hospital and Areawide Water and Wastewater 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 bond proceeds, earnings on bond proceeds, property taxes, State of Alaska school debt reimbursements and interfund transfers. 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. 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, 2015, by fund or function follows:

| | | Governmental activities | | | | | |
|---------------------------------|----|-------------------------|-------------------|--------------------|------------------|-------------------|--------------------|
| | | General | School | | | | |
| | | Government | Facilities | | | | |
| | | | & Equipment | Subtotal | | | |
| General obligation bonds | \$ | 20,612,000 | 94,702,000 | 115,314,000 | | | |
| Revenue bonds | | 26,515,000 | - | 26,515,000 | | | |
| State of Alaska extension loans | | - | - | - | | | |
| Equipment purchase agreements | | 457,320 | - | 457,320 | | | |
| Subtotal | | 47,584,320 | 94,702,000 | 142,286,320 | | | |
| Unamortized bond premium | | 4,590,000 | 3,579,100 | 8,169,100 | | | |
| | \$ | <u>52,174,320</u> | <u>98,281,100</u> | <u>150,455,420</u> | | | |
| Business-type activities | | | | | | | |
| | | Harbor | Bartlett | Areawide | Areawide | Subtotal | Total |
| | | | Regional | Water | Wastewater | | |
| | | | Hospital | Utility | Utility | | |
| General obligation bonds | \$ | - | - | - | - | - | 115,314,000 |
| Revenue bonds | | 8,910,000 | 22,095,000 | 185,250 | 99,750 | 31,290,000 | 57,805,000 |
| State of Alaska extension loans | | - | - | 607,384 | 6,539,059 | 7,146,443 | 7,146,443 |
| Equipment purchase agreements | | - | - | - | - | - | 457,320 |
| Subtotal | | 8,910,000 | 22,095,000 | 792,634 | 6,638,809 | 38,436,443 | 180,722,763 |
| Unamortized bond premium | | 848,734 | 2,251,617 | 152 | 82 | 3,100,585 | 11,269,685 |
| | \$ | <u>9,758,734</u> | <u>24,346,617</u> | <u>792,786</u> | <u>6,638,891</u> | <u>41,537,028</u> | <u>191,992,448</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

A summary of long-term debt excluding compensated absences and net pension liability at June 30, 2015 follows:

| Description | Interest | | Issue dates | Date of maturity | Date callable |
|---|--------------|----------------|---------------|------------------|------------------|
| | Rates (%) | Dates | | | |
| General obligation bonds: | | | | | |
| 2000A Thunder Mountain Sch Bonds | 5.05-6.20 | Jun.1/Dec.1 | Jun. 1, 2000 | 2015 | Noncallable |
| 2003 CIP Bonds | 2.15-5.45 | Feb.1/Aug.1 | Feb. 11, 2003 | 2023 | Noncallable |
| 2004A JDHS Renovation Bonds | 2.5-3.75 | May 1/Nov.1 | Nov. 1, 2004 | 2014 | Noncallable |
| 2004B JDHS Renovation Bonds | 4.3-4.375 | May 1/Nov.1 | Nov. 1, 2004 | 2014 | Noncallable |
| 2004C FD & HBRVW CIP Bonds | 2.5-3.75 | May 1/Nov.1 | Nov. 1, 2004 | 2014 | Noncallable |
| 2005A Thunder Mountain Sch Bonds | 3.25-4.0 | Mar.1/Sep.1 | Mar. 1, 2005 | 2020 | Mar. 1, 2016 |
| 2006A IMHS (OIC) Bonds | 3.85-4.65 | May 1/Nov.1 | May 1, 2006 | 2021 | Noncallable |
| 2006B Thunder Mountain Sch Bonds | 4.0-4.25 | Mar.1/Sep.1 | Sep. 27, 2006 | 2021 | Sep. 1, 2017 |
| 2006C Glacier Valley Reno Bonds | 4.0-4.25 | Mar.1/Sep.1 | Sep. 27, 2006 | 2016 | Noncallable |
| 2008A THMS/HBRVW/GV Bonds | 4.0-4.6 | Jun.1/Dec.1 | Jul. 9, 2008 | 2024 | Noncallable |
| 2008B Thunder Mountain Sch Bonds | 5.875 | Jun.1/Dec.1 | Jul. 9, 2008 | 2023 | Noncallable |
| 2008C Pool (OTC) Bonds | 2.5-4.55 | Apr.1/Oct.1 | Oct. 1, 2008 | 2023 | Noncallable |
| 2009 III Pool & DZ Covered Play Area Bonds | 2.0-4.0 | Feb.1/Aug.1 | Oct. 1, 2009 | 2019 | Noncallable |
| 2010 II Pool & Gastineau Elementary Bonds | 2.0-4.757 | Feb.1/Aug.1 | Jun. 1, 2010 | 2025 | Noncallable |
| 2011 II Gastineau Elementary Bonds | 2.0-4.0 | Apr.1/Oct.1 | May 10, 2011 | 2021 | Noncallable |
| 2012 I GO Refund (00B & 02) Sch Bonds | 2.0-5.0 | Jun.1/Dec.1 | Mar. 6, 2012 | 2016 | Noncallable |
| 2012 II GO Sch (Refund 03A) \$9.08 M | 2.0-5.0 | Mar.1/Sep.1 | May 24, 2012 | 2019 | Noncallable |
| 2012 III Auke Bay Reno & Adair/Kennedy Turf | 2.0-5.0 | Jan.1/Jul.1 | Oct. 18, 2012 | 2023 | Noncallable |
| 2012 III GO Sch (Refund 03B) | 2.0-5.0 | Jan.1/Jul.1 | Oct. 18, 2012 | 2023 | Noncallable |
| 2013 I GO CIP Projects Bonds | 2.0-5.0 | Feb.1/Aug.1 | Mar. 12, 2013 | 2033 | Noncallable |
| 2013 III GO Auke Bay Sch Bonds | 1.5-5.0 | Feb.1/Aug.1 | Nov. 14, 2013 | 2023 | Noncallable |
| 2014 III CIP GO Projects Bonds | 1.25-5.0 | Oct.1/Apr.1 | Oct. 30, 2014 | 2033 | Oct. 1, 2024 |
| 2015 II GO Refund (05A TMHS Sch Bonds) | 2.0-5.0 | Sep.1/Mar.1 | June 4, 2015 | 2020 | Noncallable |
| Total general obligation bonds | | | | | |
| Revenue bonds: | | | | | |
| 2002 W&S Rev and Refunding Bonds | 4.0-4.75 | Feb.1/Aug.1 | Mar. 13, 2002 | 2017 | Feb.1, 2012 |
| 2007 Harbor Revenue Bond | 4.25-5.5 | Mar.1/Sep.1 | Jul. 10, 2007 | 2032 | Sept. 1, 2017 |
| 2013 I Hospital Refunding \$23.66M | 2.0-5.0 | Feb.1/Aug.1 | Mar.12, 2013 | 2035 | Noncallable |
| 2014 I Seawalk CIP | 2.0-5.0 | Mar.1/Sep.1 | Feb. 20, 2014 | 2039 | Feb.1, 2024 |
| 2015II Harbor Refund (2007) | 2.0-5.0 | Sep.1/Mar.1 | June 4, 2015 | 2033 | Mar.1, 2026 |
| 2015 II Port Expansion Bonds | 2.0-5.0 | Sep.1/Mar.1 | June 4, 2015 | 2034 | Mar.1, 2022/2025 |
| Total revenue bonds | | | | | |
| State of Alaska extension loans: | | | | | |
| DEC ABTP Loan #445061 | 3.83/2.5/1.5 | Dec. 1 | Mar. 15, 1999 | 2019 | - |
| DEC Wastewater 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 | 2.5/1.5 | Dec. 1 | Feb. 07, 2000 | 2024 | - |
| DEC Wastewater Loan #445131 | 2.5/1.5 | Dec. 1 | Nov. 22, 2002 | 2023 | - |
| DEC Wastewater Loan #445141 | 2.5/1.5 | Dec. 1 | Jul. 23, 2003 | 2024 | - |
| DEC Water Loan #445151 | 2.5/1.5 | Dec. 1 | Mar. 12, 2003 | 2023 | - |
| DEC Wastewater Loan #445171 | 1.5 | Dec. 1 | May 27, 2008 | 2028 | - |
| DEC Wastewater Loan #445181 | 1.5 | Dec. 1 | Mar. 16, 2010 | 2030 | - |
| DEC Wastewater Loan #445291 | 1.5 | Dec. 1 | Oct. 10, 2009 | 2029 | - |
| DEC Wastewater Loan #445241 | 1.5 | Dec. 1 | May 17, 2011 | 2031 | - |
| Total DEC Loans | | | | | |
| Other long-term debt: | | | | | |
| Equipment purchase agreements | 2.59-4.49 | Qtrly/Annually | Various | Various | - |
| Total long-term debt | | | | | |

The annual requirements to retire all outstanding long-term debt as of June 30, 2015 are as follows:

| Year ending | General obligation bonds | | | Revenue bonds | | |
|-------------|--------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| June 30 | | | | | | |
| 2016 | \$ 16,435,000 | 4,655,445 | 21,090,445 | 2,305,000 | 2,217,014 | 4,522,014 |
| 2017 | 16,823,000 | 4,087,959 | 20,910,959 | 2,120,000 | 2,500,763 | 4,620,763 |
| 2018 | 15,644,000 | 3,495,821 | 19,139,821 | 2,045,000 | 2,425,325 | 4,470,325 |
| 2019 | 12,798,000 | 2,852,930 | 15,650,930 | 2,150,000 | 2,355,000 | 4,505,000 |
| 2020 | 11,358,000 | 2,342,340 | 13,700,340 | 2,230,000 | 2,264,750 | 4,494,750 |
| 2021-2025 | 34,341,000 | 5,179,866 | 39,520,866 | 12,725,000 | 9,774,350 | 22,499,350 |
| 2026-2030 | 5,150,000 | 1,499,300 | 6,649,300 | 16,025,000 | 6,503,013 | 22,528,013 |
| 2031-2035 | 2,765,000 | 390,355 | 3,155,355 | 16,735,000 | 2,322,463 | 19,057,463 |
| 2036-2040 | - | - | - | 1,470,000 | 150,000 | 1,620,000 |
| | <u>\$ 115,314,000</u> | <u>24,504,016</u> | <u>139,818,016</u> | <u>57,805,000</u> | <u>30,512,678</u> | <u>88,317,678</u> |

| Amount authorized | Prior Years | | Balance at June 30, 2014 | Current Year | | Balance at June 30, 2015 | 2015 interest paid |
|-----------------------|--------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------|--------------------|
| | Issued | Retired | | Issued | Retired | | |
| \$ 657,000 | 657,000 | 620,000 | 37,000 | - | 37,000 | - | 2,294 |
| 1,000,000 | 1,000,000 | 803,000 | 197,000 | - | 40,000 | 157,000 | 10,055 |
| 8,155,000 | 8,155,000 | 7,215,000 | 940,000 | - | 940,000 | - | 17,625 |
| 4,345,000 | 4,345,000 | 3,825,000 | 520,000 | - | 520,000 | - | 11,375 |
| 6,945,000 | 6,945,000 | 6,130,000 | 815,000 | - | 815,000 | - | 15,281 |
| 8,000,000 | 8,000,000 | 4,085,000 | 3,915,000 | - | 3,915,000 | - | 193,523 |
| 2,000,000 | 1,940,000 | 1,218,000 | 722,000 | - | 17,000 | 705,000 | 33,010 |
| 44,060,000 | 44,060,000 | 16,475,000 | 27,585,000 | - | 2,965,000 | 24,620,000 | 1,067,408 |
| 5,995,000 | 5,995,000 | 3,905,000 | 2,090,000 | - | 665,000 | 1,425,000 | 72,125 |
| 36,695,000 | 36,695,000 | 18,025,000 | 18,670,000 | - | 3,490,000 | 15,180,000 | 824,315 |
| 2,805,000 | 2,805,000 | 840,000 | 1,965,000 | - | 170,000 | 1,795,000 | 115,444 |
| 662,000 | 662,000 | 90,000 | 572,000 | - | 15,000 | 557,000 | 24,504 |
| 12,415,000 | 12,415,000 | 4,460,000 | 7,955,000 | - | 1,225,000 | 6,730,000 | 268,075 |
| 13,893,000 | 13,580,000 | 1,620,000 | 11,960,000 | - | 575,000 | 11,385,000 | 566,794 |
| 5,623,000 | 5,623,000 | 1,568,000 | 4,055,000 | - | 540,000 | 3,515,000 | 119,631 |
| 6,300,000 | 5,685,000 | 2,200,000 | 3,485,000 | - | 1,185,000 | 2,300,000 | 138,700 |
| 19,000,000 | 9,080,000 | 145,000 | 8,935,000 | - | 1,670,000 | 7,265,000 | 222,250 |
| 11,415,000 | 11,415,000 | 1,030,000 | 10,385,000 | - | 1,055,000 | 9,330,000 | 427,875 |
| 7,415,000 | 7,415,000 | - | 7,415,000 | - | 585,000 | 6,830,000 | 318,050 |
| 2,600,000 | 2,600,000 | 95,000 | 2,505,000 | - | 90,000 | 2,415,000 | 114,610 |
| 7,345,000 | 7,345,000 | - | 7,345,000 | - | 585,000 | 6,760,000 | 320,504 |
| 22,400,000 | - | - | - | 11,210,000 | - | 11,210,000 | 220,518 |
| 3,135,000 | - | - | - | 3,135,000 | - | 3,135,000 | - |
| <u>232,860,000</u> | <u>196,417,000</u> | <u>74,349,000</u> | <u>122,068,000</u> | <u>14,345,000</u> | <u>21,099,000</u> | <u>115,314,000</u> | <u>5,103,966</u> |
| 2,685,000 | 2,685,000 | 2,270,000 | 415,000 | - | 130,000 | 285,000 | 19,213 |
| 10,620,000 | 10,620,000 | 1,475,000 | 9,145,000 | - | 8,160,000 | 985,000 | 453,813 |
| 23,660,000 | 23,660,000 | 840,000 | 22,820,000 | - | 725,000 | 22,095,000 | 931,213 |
| 6,055,000 | 6,055,000 | - | 6,055,000 | - | 135,000 | 5,920,000 | 268,859 |
| 7,925,000 | - | - | - | 7,925,000 | - | 7,925,000 | - |
| 22,945,000 | - | - | - | 20,595,000 | - | 20,595,000 | - |
| <u>73,890,000</u> | <u>43,020,000</u> | <u>4,585,000</u> | <u>38,435,000</u> | <u>28,520,000</u> | <u>9,150,000</u> | <u>57,805,000</u> | <u>1,673,098</u> |
| 656,000 | 656,000 | 459,265 | 196,735 | - | 32,790 | 163,945 | 2,951 |
| 400,000 | 400,000 | 220,000 | 180,000 | - | 20,000 | 160,000 | 2,700 |
| 1,680,000 | 1,680,000 | 924,000 | 756,000 | - | 84,000 | 672,000 | 11,340 |
| 1,527,500 | 1,527,500 | 687,375 | 840,125 | - | 76,375 | 763,750 | 12,602 |
| 2,203,000 | 2,065,686 | 1,032,841 | 1,032,845 | - | 103,284 | 929,561 | 15,493 |
| 1,300,000 | 1,294,484 | 582,516 | 711,968 | - | 64,724 | 647,244 | 10,679 |
| 1,510,000 | 1,399,997 | 725,125 | 674,872 | - | 67,487 | 607,385 | 10,123 |
| 1,200,000 | 899,818 | 44,991 | 854,827 | 694 | 44,991 | 810,530 | 12,822 |
| 825,000 | 825,000 | 41,250 | 783,750 | - | 41,250 | 742,500 | 11,756 |
| 2,000,000 | 1,104,876 | - | 1,104,876 | - | - | 1,104,876 | - |
| 825,000 | 605,168 | 30,258 | 574,910 | - | 30,258 | 544,652 | 8,624 |
| <u>14,126,500</u> | <u>12,458,529</u> | <u>4,747,621</u> | <u>7,710,908</u> | <u>694</u> | <u>565,159</u> | <u>7,146,443</u> | <u>99,090</u> |
| 8,148,149 | 13,486,455 | 12,734,369 | 752,086 | 265,576 | 560,342 | 457,320 | 29,398 |
| <u>\$ 329,024,649</u> | <u>265,381,984</u> | <u>96,415,990</u> | <u>168,965,994</u> | <u>43,131,270</u> | <u>31,374,501</u> | <u>180,722,763</u> | <u>6,905,552</u> |

| State of Alaska extension loans | | | Other long-term debt | | | Totals | | |
|---------------------------------|----------------|------------------|----------------------|---------------|----------------|--------------------|-------------------|--------------------|
| Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 620,441 | 184,188 | 804,629 | 296,991 | 10,150 | 307,141 | 19,657,432 | 7,066,797 | 26,724,229 |
| 620,441 | 97,890 | 718,331 | 52,064 | 4,209 | 56,273 | 19,615,505 | 6,690,821 | 26,306,326 |
| 620,441 | 88,584 | 709,025 | 53,431 | 2,842 | 56,273 | 18,362,872 | 6,012,572 | 24,375,444 |
| 620,441 | 79,276 | 699,717 | 54,834 | 1,439 | 56,273 | 15,623,275 | 5,288,645 | 20,911,920 |
| 620,441 | 69,970 | 690,411 | - | - | - | 14,208,441 | 4,677,060 | 18,885,501 |
| 2,559,488 | 216,730 | 2,776,218 | - | - | - | 49,625,488 | 15,170,946 | 64,796,434 |
| 858,906 | 85,599 | 944,505 | - | - | - | 22,033,906 | 8,087,912 | 30,121,818 |
| 625,844 | 22,916 | 648,760 | - | - | - | 20,125,844 | 2,735,734 | 22,861,578 |
| - | - | - | - | - | - | 1,470,000 | 150,000 | 1,620,000 |
| <u>7,146,443</u> | <u>845,153</u> | <u>7,991,596</u> | <u>457,320</u> | <u>18,640</u> | <u>475,960</u> | <u>180,722,763</u> | <u>55,880,487</u> | <u>236,603,250</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

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 (96%) and the Special Revenue Funds - Lands (1%), Visitor Services (1%), and Eaglecrest (2%).

Changes in long-term debt:

| | Balance at July 1, 2014 | Current Year | | Balance at June 30, 2015 | Current Portion | Long-term balance at June 30, 2015 |
|----------------------------------|----------------------------|-------------------|-------------------|-----------------------------|--------------------|--|
| | | Issued | Retired | | | |
| Governmental activities: | | | | | | |
| General obligation bonds | \$ 122,068,000 | 14,345,000 | 21,099,000 | 115,314,000 | 16,435,000 | 98,879,000 |
| Revenue bonds | 6,055,000 | 20,595,000 | 135,000 | 26,515,000 | 1,110,000 | 25,405,000 |
| Purchase agreements | 752,086 | 265,576 | 560,342 | 457,320 | 296,991 | 160,329 |
| Unamortized bond premium | 5,114,159 | 4,228,986 | 1,174,045 | 8,169,100 | 1,310,575 | 6,858,525 |
| | <u>133,989,245</u> | <u>39,434,562</u> | <u>22,968,387</u> | <u>150,455,420</u> | <u>19,152,566</u> | <u>131,302,854</u> |
| Compensated absences | 3,934,672 | 3,599,981 | 3,539,040 | 3,995,613 | 1,758,069 | 2,237,544 |
| Total governmental activities | <u>137,923,917</u> | <u>43,034,543</u> | <u>26,507,427</u> | <u>154,451,033</u> | <u>20,910,635</u> | <u>133,540,398</u> |
| Business-type activities: | | | | | | |
| Revenue bonds | 32,380,000 | 7,925,000 | 9,015,000 | 31,290,000 | 1,195,000 | 30,095,000 |
| State of Alaska extension loans | 7,710,908 | 694 | 565,159 | 7,146,443 | 620,403 | 6,526,040 |
| Unamortized bond premium | 2,695,393 | 848,734 | 443,542 | 3,100,585 | 289,631 | 2,810,954 |
| | <u>42,786,301</u> | <u>8,774,428</u> | <u>10,023,701</u> | <u>41,537,028</u> | <u>2,105,034</u> | <u>39,431,994</u> |
| Compensated absences | 3,569,229 | 5,265,613 | 5,074,948 | 3,759,894 | 1,946,029 | 1,813,865 |
| Total business-type activities | <u>46,355,530</u> | <u>14,040,041</u> | <u>15,098,649</u> | <u>45,296,922</u> | <u>4,051,063</u> | <u>41,245,859</u> |
| Total long-term debt | <u>\$ 184,279,447</u> | <u>57,074,584</u> | <u>41,606,076</u> | <u>199,747,955</u> | <u>24,961,698</u> | <u>174,786,257</u> |

Bonds

Fund balance in the General Debt Service Fund available to service the general obligation bonds and property purchase agreements as of June 30, 2015 is \$3,026,669. The large fund balance in the debt service fund includes sinking funds originating from sales tax contributions to help fund 30% of \$12.5 million JDHS Renovation bond debt service, 30% of the \$7.717 million various School Capital Projects bond debt service and 27% of the \$12.1 million TMHS Auditorium and Furniture bond debt service.

General Obligation Bonds

On October 18, 2012, CBJ issued \$7.415M in general obligation and refunding bonds with interest rates ranging between 1.50% and 5.00%. CBJ issued the bonds to advance refund \$8.41 million of the outstanding 2003B general obligation bonds with interest rates ranging between 4.00% and 4.75%. CBJ used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the series bonds listed above. The outstanding bonds under the 2003B general obligation bonds were called and retired using the trust funds on October 1, 2013. This refunding resulted in a net cash flow savings of \$1.150M.

On October 2, 2012 the voters of the CBJ approved the authorization to issue general obligation bonds in the aggregate principal amount not to exceed \$25.0 million to be used to pay for the cost of renovations, construction, upgrades and capital improvements to the facilities of the CBJ; including the airport terminal, Aurora Harbor, the Capital Transit maintenance shop, Eaglecrest Learning Center, Centennial Hall, parks and recreation facilities. \$2.60 million was issued March 12, 2013 with a maturity date of February 2033. On October 30, 2014, an additional \$11.21 million was issued with a maturity date of October 2033; interest rates range between 1.25% and 5.00%.

On June 4, 2015, CBJ issued \$3.135M in general obligation and refunding bonds with interest rates ranging between 2.00% and 5.00%. CBJ issued the bonds to advance refund the outstanding 2005A general obligation bonds with a principal balance of \$3.325M and stated interest rates ranging between 3.60% and 4.00%. CBJ used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the series bonds listed above. The outstanding principal of the defeased bonds was \$3.325M at June 30, 2015. The bonds were subsequently called and retired on July 1, 2015. This refunding resulted in a net cash flow savings of \$0.19M.

The State of Alaska has a program in place that annually reimburses local governments for qualifying general obligation bond debt service (principal and interest) on bonds issued to fund school capital improvements. The State School Construction Bond Debt Reimbursement Program was created by Statute in 1970 (AS 14.11.100) and provides for a program under which the State reimburses municipalities. The State reimbursement is subject to annual appropriation by the legislature. The reimbursement applies to general obligation debt issued for qualified school capital projects approved by the State Commissioner of Education and Early Development. Levels of reimbursement vary from 60% to 70%, depending upon the

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

State's authorization and date of issue. The outstanding general obligation debt of the CBJ as of June 30, 2015, includes \$94,702,000 in school bond principal that qualifies for State reimbursement. If the State fully funds the reimbursement program over the term of these bonds, the CBJ would be reimbursed a total of \$60,057,587 in bond principal plus the interest paid.

Revenue Bonds

On March 12, 2013, Bartlett Regional Hospital (BRH) issued \$23.66 million in Hospital Revenue Refunding Bonds with interest rates ranging between 2.00% and 5.00%. The debt service on these bonds is to be funded by hospital revenues. BRH issued the bonds to advance refund \$24.30 million of the outstanding 2004A Hospital Revenue Bonds with interest rates ranging between 4.00% and 5.375%. BRH used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the revenue bonds listed above. The outstanding bonds under the 2004A Hospital Revenue Bonds were called and retired using the trust funds on July 1, 2014. This refunding resulted in a net cash flow savings of \$3.402 million.

On February 20, 2014, the CBJ issued Port Revenue Bonds in the amount of \$6.055 million with interest rates ranging between 2.0% and 5.0% maturing 2039. The debt service on these bonds is to be funded by port development fees. The Revenue bond proceeds will be used to fund the upgrade of public facilities, wharves and public parks for tourists visiting the CBJ via cruise ships.

On June 4, 2015, the CBJ issued Port Revenue Bonds in the principal amount of \$20.595 million with interest rates ranging between 2.0% and 5.0% maturing 2034. The debt service on these bonds is to be funded by port development fees. The Revenue bond proceeds will be used to expand and upgrade the docking facilities for cruise ships.

On June 4, 2015, CBJ Harbors issued \$7.925 million in Harbor Refunding Bonds with interest rates ranging between 2.00% and 5.00%. The debt service on these bonds is to be funded by harbor revenues. CBJ Harbors issued the bonds to advance refund \$7.865 million of the outstanding 2007-3 Harbor Revenue Bonds with interest rates of 5.000%. CBJ used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the revenue bonds listed above. As a result these bonds are considered defeased and CBJ has removed the liability from its financial statements. The outstanding principal of the defeased bonds was \$7.865 million at June 30, 2015. This refunding resulted in a net cash flow savings of \$0.35 million.

Description of Leasing Arrangements

Capital Leases

CBJ has entered into four lease agreements. One lease is for snow-grooming vehicles with a five year term that terminated at the end of fiscal year 2015. One lease is for the core financial system that will terminate in fiscal year 2016. The final two leases are for firefighting gear and for a police car video system; both have five year terms and will terminate in fiscal year 2019.

The following is an analysis of equipment leased under capital leases as of June 30, 2015:

| | Internal Service Funds | Governmental Funds |
|--------------------------------|---------------------------|-----------------------|
| Machinery & equipment | \$ 283,661 | 4,665,576 |
| Less: accumulated depreciation | (156,013) | - |
| Carrying Value | <u>\$ 127,648</u> | <u>4,665,576</u> |

Amortization of leased equipment under capital assets is included with depreciation expense.

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

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, 2015:

| Fiscal year ending June 30: | Internal Service Funds | Governmental Funds |
|--|---------------------------|-----------------------|
| 2016 | \$ - | 307,141 |
| 2017 | - | 56,273 |
| 2018 | - | 56,273 |
| 2019 | - | 56,275 |
| 2020 | - | - |
| Later years | - | - |
| Total minimum lease payments | - | 475,962 |
| Less: Amount representing interest | - | (18,643) |
| Present value of future minimum lease payments | \$ - | 457,319 |

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 five 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.

Rental expense for city-wide operating leases was \$801,955 for the year ended June 30, 2015.

The following is a schedule by years of future minimum rental payments required under operating leases as of June 30, 2015:

| Fiscal year ending June 30: | Amount |
|---------------------------------|--------------|
| 2016 | \$ 763,569 |
| 2017 | 707,418 |
| 2018 | 428,327 |
| 2019 | 398,993 |
| 2020 | - |
| Later years | - |
| Total minimum payments required | \$ 2,298,307 |

Compensated Absences

Employees earn accrued leave based on their length of service; the accrued leave vests as it is earned and is payable to the employee on termination. The current portion of compensated absences is the portion that is estimated to be utilized in the following fiscal year based upon prior usage patterns.

NOTE 10 - ACCRUED LIABILITIES

Accrued liabilities at June 30, 2015 are as follows:

| | Governmental Activities | Business-type Activities | Totals | | |
|--|----------------------------|-----------------------------|-----------|-----------|-----------|
| | | | 2015 | 2014 | 2013 |
| Accrued salaries, payroll taxes and withholdings | \$ 1,698,913 | 1,473,298 | 3,172,211 | 2,886,836 | 2,734,939 |
| Permit and other deposits | 1,369,918 | - | 1,369,918 | 1,360,481 | 1,383,369 |
| Reserve for claims liabilities | - | 5,205,000 | 5,205,000 | 5,621,200 | 5,182,700 |
| Totals | \$ 3,068,831 | 6,678,298 | 9,747,129 | 9,868,517 | 9,301,008 |

NOTE 11 - PENSION PLANS

State of Alaska Public Employees' Retirement System

Plan Description

The General Government, School District component unit and Bartlett Regional Hospital contribute to the State of Alaska Public Employee's Retirement System (PERS). PERS was originally designed as an agent multiple-employer defined benefit plan. However, as a result of Senate Bill 125 (SB125), effective July 1, 2008, PERS was converted to a cost-sharing multiple employer plan. The cost-sharing plan arrangement does not require the State of Alaska Division of Retirement and Benefits

to track individual employer assets and liabilities. Under the new plan, all costs and past service liabilities will be shared among all participating employers.

PERS is administered by the State of Alaska. 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 or online at <http://doa.alaska.gov/dr/pers/employee/resources/cafr.html>.

Defined Benefit Pension Plan

Plan Benefits

Pension Benefits - Members with five years of service are eligible for normal lifetime benefits at age 55 or early retirement benefits at age 50 if they were hired before July 1, 1986 (Tier 1), and 60 or early retirement age 55 if they were hired on or after July 1, 1986 (Tiers 2 & 3). The benefit is calculated by multiplying the average monthly compensation times credited PERS service times the percentage multiplier. The percentage multipliers for peace officer/firefighter members are 2% for the first ten years of service and 2.5% for all service over ten years. The percentage multipliers of all others are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. Service before that date is calculated at 2%. This plan is closed to new members first hired on or after July 1, 2006.

Death Benefits - Monthly death benefits may be paid to a spouse or dependent children upon the death of a non-retired member calculated based on whether it is an occupational or non-occupational death. For a retired member, the beneficiary will receive a lump-sum refund of the member's account balance or, if the member selected a survivor option, lifetime monthly benefits for the eligible spouse.

Disability Benefits - Monthly benefits are paid to permanently disabled members until they die, recover or become eligible for normal retirement. Members are appointed to normal retirement on the first of the month after they become eligible. Benefits are determined as follows:

Occupational Disability - Members are not required to satisfy age or service requirements. Monthly benefits are equal to 40% of their gross monthly compensation on the date of their disability.

Non-occupational Disability - Members must have at least five years of service. Monthly benefits are calculated based on the member's average monthly compensation and PERS services on the date of termination from employment due to disability.

Benefit Changes After Retirement - Postretirement pension adjustments (PRPA) are granted annually to eligible benefit recipients when the consumer price index (CPI) for urban wage earners and clerical workers for Anchorage increases during the preceding calendar year. Ad hoc PRPAs, up to a maximum of 4%, may be granted to eligible recipients who first entered PERS before July 1, 1986 (Tier 1) if the CPI increases and the funding ratio is at least 105%.

Alaska Cost of Living Allowance - Eligible recipients who reside in Alaska receive an Alaska cost of living allowance equal to 10% of their base benefits or \$50, whichever is more.

Contributions

Alaska Statute 39.35.255 established a statutory employer contribution rate of 22% of covered payroll. Alaska Statute 39.35.280 requires the State to contribute an amount that will make up the difference between the 22% and the actuarially determined fiscal year 2015 contribution rate of 44.03%. Of the 22%, 12.54% funded pension benefits and 9.46% funded other post-employment benefits.

Employee contribution rates are 7.5% for peace officers and fire fighters and 6.75% for other employees, as required by State Statute. Additionally, certain non-certified employees of the School District may elect to contribute 9.6% of their annual covered payroll.

Terminated members may receive refunds of their member contributions accounts which includes their mandatory and voluntary contributions, indebtedness payments, and interest earned. Terminated members' accounts may be attached to satisfy claims under Alaska Statute 09.38.065, federal income tax levies, and valid Qualified Domestic Relations Orders.

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For the year ended June 30, 2015

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, CBJ reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to CBJ. The amount recognized by CBJ as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with CBJ were as follows:

| | <u>CBJ</u> | <u>School District</u> | <u>Bartlett Regional Hospital</u> |
|---|----------------------|----------------------------|---|
| Entity's proportionate share of the net pension liability | \$ 40,007,262 | \$ 13,935,470 | \$ 32,827,474 |
| State's proportionate share of the net pension liability associated with the entity | <u>33,586,246</u> | <u>11,364,099</u> | <u>28,566,766</u> |
| Totals | <u>\$ 73,593,508</u> | <u>\$ 25,299,569</u> | <u>\$ 61,394,240</u> |

This presentation is based on current law (AS 39.35.280) which may be amended at the discretion of the Alaska State Legislature. A change in the law could result in the CBJ having to record some or all of the State's proportionate share of the liability.

The net pension liability was measured as of June 30, 2014, and the total pension liability used for the calculation was determined by an actuarial valuation as of that date. Each entity's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the proportions and changes were as follows:

| | <u>CBJ</u> | <u>School District</u> | <u>Bartlett Regional Hospital</u> |
|--|------------|----------------------------|---|
| June 30, 2014 proportion | 0.858% | 0.272% | 0.704% |
| Increase (decrease) from June 30, 2013 | 0.00019 | (.00006) | 0.00003 |

For the year ended June 30, 2015, the School District, Bartlett Regional Hospital, and CBJ recognized pension expense of \$5,123,750, \$15,678,061, and \$18,025,804 and revenue of \$5,325,302, \$13,974,804, and \$15,390,272 respectively, for support provided by the State. At June 30, 2015, the following deferred outflows or resources and deferred inflows of resources related to pensions were reported:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Changes in proportion and differences between contributions and proportionate Share of contributions | | |
| CBJ | \$ 553,610 | \$ - |
| School District | - | 169,161 |
| Bartlett Regional Hospital | 101,798 | - |
| Net difference between projected and actual earnings on pension plan investments | | |
| CBJ | - | 4,622,201 |
| School District | - | 1,465,707 |
| Bartlett Regional Hospital | - | 3,792,691 |
| Contributions subsequent to measurement date | | |
| CBJ | 4,300,294 | - |
| School District | 893,055 | - |
| Bartlett Regional Hospital | 2,989,061 | - |
| Totals | <u>\$ 8,837,818</u> | <u>\$ 10,049,760</u> |

The deferred outflows of resources related to pensions of \$4,300,294, \$893,055, and \$2,989,061 resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

| <u>Fiscal Year Ending June 30</u> | <u>CBJ</u> | <u>School District</u> | <u>Bartlett Regional Hospital</u> |
|-----------------------------------|------------|------------------------|---|
| 2016 | \$ 729,697 | \$ 496,550 | \$ 869,866 |
| 2017 | 1,027,794 | 405,464 | 924,681 |
| 2018 | 1,155,550 | 366,427 | 948,173 |
| 2019 | 1,155,550 | 366,427 | 948,173 |

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2013, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2014:

| | |
|---------------------------|--|
| Inflation | 3.12% |
| Salary increases | Graded by service, from 6.36% to 4.12% for peace officer/firefighters Graded by age and service, from 9.60% to 3.62% for all others |
| Investment rate of return | 8.00%, compounded annually, net of expenses |

Mortality rates (pre-termination) were based on the 1994 Group Annuity Mortality (GAM) Table, sex-distinct, 1994 Base Year without margin projected to 2013 using Projection Scale AA. For peace officer/firefighter used 80% of the male table for males and 60% of the female table for females. For all others used 75% of the male table for males and 55% of the female table for females. Mortality rates (post-termination) were based on the 1994 GAM Table, sex-distinct, 1994 Base Year without margin projected to 2013 using Projection Scale AA for males and with a 1-year set-forward for females.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2005 to June 30, 2009, resulting in changes in the actuarial assumptions adopted by the Alaska Retirement Management Board to better reflect expected future experience.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by an asset allocation percentage, which is based on the nature and mix of current and expected plan investments, and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the System's current and expected asset allocation are summarized in the following table (note that the rates shown below exclude the inflation component):

| <u>Asset Class</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-------------------------|---|
| Equities: | |
| Broad domestic equity | 5.40% |
| Large cap | 5.25% |
| Small/mid cap | 5.60% |
| International equity | 5.25% |
| Emerging markets equity | 5.65% |
| Global ex-U.S. equity | 5.55% |
| Fixed income: | |
| Domestic fixed | 0.75% |
| TIPS | 0.75% |
| Other: | |
| Real estate | 3.95% |
| Private equity | 6.40% |
| Hedge funds | 2.85% |
| Cash equivalents | (0.25)% |

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that Employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of net pension liability for CBJ, School District, and Bartlett Regional Hospital, calculated using the discount rate of 8.00%, as well as what their proportionate shares of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

| | 1% Decrease (7.0%) | Current Discount Rate (8.0%) | 1% Increase (9.0%) |
|---|-----------------------|------------------------------------|-----------------------|
| CBJ's proportionate share of the net pension liability | \$ 52,457,210 | \$ 40,007,262 | \$ 29,523,252 |
| School District's proportionate share of the net pension liability | 16,634,261 | 13,935,470 | 9,361,868 |
| Bartlett Regional Hospital's proportionate share of the net pension liability | 43,043,128 | 32,827,474 | 24,224,946 |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued AKPERS financial report.

Defined Benefit Other Postemployment Benefit Funding Status

The annual other post-employment benefit contributions for the years ended June 30, 2015, 2014 and 2013 are listed below:

| | Year Ended June 30 | Annual Contribution | Percentage of Required Contribution Contributed |
|------------------------------------|-----------------------|------------------------|--|
| General Government: | | | |
| Post-employment health care | 2015 | 1,988,209 | 100% |
| | 2014 | 2,538,176 | 100% |
| | 2013 | 2,996,041 | 100% |
| School District: | | | |
| Post-employment health care | 2015 | 836,147 | 100% |
| | 2014 | 1,058,985 | 100% |
| | 2013 | 1,200,343 | 100% |
| Bartlett Regional Hospital: | | | |
| Post-employment health care | 2015 | 1,284,913 | 100% |
| | 2014 | 1,604,019 | 100% |
| | 2013 | 1,962,418 | 100% |

Defined Contribution Pension Plan

Effective July 1, 2006, all new CBJ employees who are first time members of PERS, were enrolled in PERS Tier IV. This is a defined contribution plan and benefits depend solely on the amount contributed to the plan and investment earnings.

Annual contributions by CBJ, Bartlett Regional Hospital, and the School District to PERS for the year ended June 30, 2015 were 22% of annual covered payroll. This rate consisted of 5% pension, 0.22% occupational death and disability, 1.66% retiree medical, and 3% Health Reimbursement Arrangement with the rest of the rate funding PERS defined benefit unfunded liability. Qualified employees are required to contribute 8% of covered employee wages.

Bartlett Regional Hospital made PERS pension and other post-employment benefits contributions of \$872,764 and \$851,645, respectively, for the year ended June 30, 2015. Bartlett Regional Hospital employees contributed \$1,340,280 toward PERS pension for the same period.

Effective January 1, 2012, Bartlett Regional Hospital adopted a defined contribution retirement plan, i.e., the Bartlett Regional Hospital 401(a) Plan, for the benefit of its Key personnel who are excluded from participation in PERS. Contributions to this plan are wholly Employer funded and are made each year at the discretion of Bartlett Regional Hospital. Maximum contribution limits are annually determined and defined by the Internal Revenue Service. As a defined contribution plan, the Bartlett Regional Hospital 401(a) Plan provides participant benefits which are dependent solely on the amount contributed by the employer to the plan and investment earnings. Bartlett Regional Hospital made contributions of \$204,457 on behalf of the

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

4 employees currently eligible for the plan for the year ended June 30, 2015. Bartlett Regional Hospital employees did not contribute to this plan during the year.

CBJ made PERS pension and other post-employment benefits contributions of \$686,876 and \$670,256, respectively, for the year ended June 30, 2015. CBJ employees contributed \$1,098,876 toward PERS pension for the same period.

The School District recognized PERS pension expense of \$1,614,666 for the year ended June 30, 2015. School District employees contributed \$408,102 toward PERS pension for the same period.

State of Alaska Teachers' Retirement System

Plan Description

The School District component unit also contributes to the Teachers' Retirement System (TRS) which is a cost sharing, multiple-employer defined benefit plan covering teachers and other eligible participants.

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, PO Box 110203, Juneau, Alaska 99811-0203 or online at <http://doa.alaska.gov/dr/hrs/employee/resources/cafr.html>.

Defined Benefit Pension Plan

Plan Benefits

Pension Benefits - Members with five years of service are eligible for normal lifetime benefits at age 55 or early retirement benefits at age 50 if they were hired before July 1, 1990 (Tier 1), and 60 or early retirement age 55 if they were hired on or after July 1, 1990 (Tier 2). The benefit is based on years of service and average base salary. The average base salary is based upon the members' three highest contract years' salaries. The benefit related to all years of credited service prior to July 1, 1990 and for years of service through a total of 20 years is equal to 2% of the employee's average base salary. The benefit for each year over 20 years of service subsequent to June 30, 1990 is equal to 2.5% of the employee's base salary. This plan is closed to new members first hired on or after July 1, 2006.

Death Benefits - Monthly death benefits may be paid to a spouse or dependent children upon the death of a non-retired member calculated based on whether it is an occupational or non-occupational death. For a retired member, the beneficiary will receive a lump-sum refund of the member's account balance or, if the member selected a survivor option, lifetime monthly benefits for the eligible spouse.

Disability Benefits - Monthly benefits are paid to permanently disabled members until they die, recover or become eligible for normal retirement. To be eligible, members must have at least five years of service. Disability benefits are equal to 50% of the member's base salary at the time of disability. The benefit is increased by 10% of the base salary for each minor child, up to a maximum of 40%.

Benefit Changes After Retirement - Postretirement pension adjustments (PRPA) are granted annually to eligible benefit recipients when the consumer price index (CPI) for urban wage earners and clerical workers for Anchorage increases during the preceding calendar year. Ad hoc PRPAs, up to a maximum of 4%, may be granted to eligible recipients who first entered PERS before July 1, 1990 (Tier 1) if the CPI increases and the funding ratio is at least 105%.

Alaska Cost of Living Allowance - Eligible recipients who reside in Alaska receive an Alaska cost of living allowance equal to 10% of their base benefits.

Contributions

Alaska Statute 14.25.070 established a statutory employer contribution rate of 12.56% of covered payroll. Alaska Statute 14.25.085 requires the State to contribute an amount that will make up the difference between the 12.56% and the actuarially determined fiscal year 2015 contribution rate of 70.75%. Of the 12.56%, 7.22% funded pension benefits and 5.34% funded other post-employment benefits.

Employees contribute 8.65% of their base salary as required by State Statute. Eligible TRS plan members contribute an additional 1% of their salary under the supplemental contribution provision.

Terminated members may receive refunds of their member contribution accounts which includes their mandatory contributions, indebtedness payments, and interest earned. Terminated members' accounts may be attached to satisfy claims under Alaska Statute 09.38.065, federal income tax levies, and valid Qualified Domestic Relations Orders.

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the School District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the School District. The amount recognized by the School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School District were as follows:

| | |
|--|-----------------------|
| School District's proportionate share of the net pension liability | \$ 16,80,356 |
| State's proportionate share of the net pension liability associated with the School District | <u>92,454,172</u> |
| Totals | <u>\$ 109,434,528</u> |

This presentation is based on current law (AS 14.25.085) which may be amended at the discretion of the Alaska State Legislature. A change in the law could result in the School District having to record some or all of the State's proportionate share of the liability.

The net pension liability was measured as of June 30, 2014, and the total pension liability used for the calculation was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the School District's proportion was 0.566% which was a decrease of 0.02616 from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the School District recognized pension expense of \$71,454,227 and revenue of \$72,084,432 for support provided by the State. At June 30, 2015, the following deferred outflows or resources and deferred inflows of resources related to pensions were reported:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ - | \$ 2,008,945 |
| Contributions subsequent to measurement date | 1,399,738 | - |
| Totals | <u>\$ 1,399,738</u> | <u>\$ 2,008,945</u> |

The deferred outflows of resources related to pensions of \$1,399,738 resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ending June 30 | |
|----------------------------|------------|
| 2016 | \$ 758,226 |
| 2017 | 492,755 |
| 2018 | 378,982 |
| 2019 | 378,982 |

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2013, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2014:

| | |
|---------------------------|---|
| Inflation | 3.12% |
| Salary increases | Graded by service, from 6.11% to 3.62% |
| Investment rate of return | 8.00%, compounded annually, net of expenses |

Mortality rates (pre-termination) were based on the 1994 Group Annuity Mortality (GAM) Sex-distinct Table 1994 Base Year without margin projected to 2013 using Projection Scale AA, adjusted 55% for females and 45% for males. Mortality rates (post-termination) were based on the 1994 GAM Table Sex-distinct Table 1994 Base Year without margin projected to 2013 using Projection Scale AA, with a 3-year setback for females and with a 4-year setback for males.

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2005 to June 30, 2009, resulting in changes in the actuarial assumptions adopted by the Alaska Retirement Management Board to better reflect expected future experience.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2010 are summarized in the following table (note that the rates shown below exclude the inflation component):

| <u>Asset Class</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-------------------------|---|
| Equities: | |
| Broad domestic equity | 5.40% |
| Large cap | 5.25% |
| Small/mid cap | 5.60% |
| International equity | 5.25% |
| Emerging markets equity | 5.65% |
| Global ex-U.S. equity | 5.55% |
| Fixed income: | |
| Domestic fixed | 0.75% |
| TIPS | 0.75% |
| Other: | |
| Real estate | 3.95% |
| Private equity | 6.40% |
| Hedge funds | 2.85% |
| Cash equivalents | (0.25)% |

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and non-employer contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of net pension liability for the School District calculated using the discount rate of 8.00%, as well as what their proportionate shares of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

| | <u>1% Decrease (7.0%)</u> | <u>Current Discount Rate (8.0%)</u> | <u>1% Increase (9.0%)</u> |
|--|-------------------------------|---|-------------------------------|
| School District's proportionate share of the net pension liability | \$ 21,384,857 | \$ 16,980,356 | \$ 13,283,716 |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued AKPERS financial report. During fiscal year 2015, pursuant to SB 119, the State of Alaska provided additional on-behalf funding totaling \$2.0 billion. This additional contribution was applied to the non-employer component of the total net pension liability.

Alaska Retiree Healthcare Trust

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT) a health care trust fund of the State was established. The ARHCT is self-funded and provides major medical coverage to retirees of TRS. TRS retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, health care claims were paid for by the Retiree Health Fund.

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

Benefits - When pension benefits, major medical benefits are provided without cost to (1) all members first hired before July 1, 1990, (2) members hired after July 1, 1990 with 25 years of membership service, and (3) members who are disabled or age 60 or older, regardless of their initial hire dates. Members first hired after June 30, 1990 may receive major medical benefits prior to age 60 by paying premiums.

Contributions - Employer contribution rates are actuarially determined and adopted by the Board. Of the 2015 employer effective contribution rate of 12.56%, 2.04% is allocated to the ARHCT.

The School District's annual OPEB costs for the years ended June 30, 2015, 2014 and 2013 are listed below.

| Year Ended <u>June 30</u> | Annual <u>Cost</u> | Percentage of Required Contribution <u>Contributed</u> |
|------------------------------|-----------------------|---|
| 2015 | \$ 1,034,962 | 100% |
| 2014 | 1,219,591 | 100% |
| 2013 | 1,302,280 | 100% |

Defined Contribution Pension Plan

Effective July 1, 2006, all new School District employees who are first time members of TRS, were enrolled in TRS Tier III. TRS Tier III benefits depend solely on the amount contributed to the plan and investment earnings. Employees are eligible to participate from the date of employment.

Annual contributions by the School District to TRS for the year ended June 30, 2015 were 12.56% of annual covered payroll. This rate consisted of 7.0% pension, 2.04% retiree medical, 3% Health Reimbursement Arrangement (HRA), with the rest of the rate funding TRS defined benefit unfunded liability. Qualified employees contribute 8% of their annual covered wages.

The School District recognized TRS pension expense of \$1,858,751 for the year ended June 30, 2015. School District employees contributed \$721,443 toward TRS pension for the same period.

NOTE 12 - NET INVESTMENT IN CAPITAL ASSETS

The following is a breakdown of the CBJ's net investment in capital assets as of June 30, 2015:

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|----------------------|
| Land | \$ 35,117,870 | 18,025,499 | 53,143,369 |
| Infrastructure in progress | 43,599,141 | - | 43,599,141 |
| Construction in progress | 229,038,689 | 263,123,428 | 492,162,117 |
| Plant and equipment | 302,932,094 | 460,365,322 | 763,297,416 |
| Infrastructure | 220,024,404 | - | 220,024,404 |
| | <u>830,712,198</u> | <u>741,514,249</u> | <u>1,572,226,447</u> |
| Less: Accumulated depreciation | (360,683,198) | (287,601,959) | (648,285,157) |
| Net capital assets | <u>470,029,000</u> | <u>453,912,290</u> | <u>923,941,290</u> |
| Unexpended bond proceeds | 25,141,132 | 3,570,048 | 28,711,180 |
| Total invested in capital assets | <u>495,170,132</u> | <u>457,482,338</u> | <u>952,652,470</u> |
| Less: | | | |
| Bonds, loans and contracts due in less than one year | (19,152,566) | (2,105,034) | (21,257,600) |
| Bonds, loans and contracts due in more than one year | (131,302,854) | (39,431,994) | (170,734,848) |
| Total related debt | <u>(150,455,420)</u> | <u>(41,537,028)</u> | <u>(191,992,448)</u> |
| Net investment in capital assets | <u>\$ 344,714,712</u> | <u>415,945,310</u> | <u>760,660,022</u> |

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 13 - COMMITMENTS

Encumbrance Commitments

As of June 30, 2015, the CBJ has encumbered amounts that they intend to honor in the subsequent fiscal year for the following governmental funds:

| | |
|---|----------------------|
| Major Governmental Funds: | |
| General Fund | \$ 997,760 |
| Total Non-major Governmental Funds | <u>9,283,554</u> |
| Total Governmental Funds | <u>\$ 10,281,314</u> |

Construction Commitments

The majority of the capital project construction commitments also are encumbered and included in the above amounts. A summary of capital projects commitments by fund and project type at June 30, 2015, follows:

| <u>Project type</u> | <u>Authorization</u> | <u>Expended to date</u> | <u>Encumbered</u> | <u>Committed</u> | <u>Required future financing</u> |
|-------------------------------------|-----------------------|-------------------------|-------------------|-------------------|----------------------------------|
| Capital Projects Funds: | | | | | |
| Schools | \$ 152,146,456 | 151,646,599 | 142,579 | 357,278 | - |
| Roads and Sidewalks | 53,624,949 | 43,599,141 | 2,863,251 | 7,346,483 | (183,926) |
| Fire and Safety | 454,448 | 255,818 | 24,662 | 173,968 | - |
| Community Development | 44,545,486 | 25,490,574 | 4,436,669 | 14,618,243 | - |
| Parks and Recreation | 58,921,331 | 51,645,698 | 1,771,059 | 5,504,574 | - |
| Total Capital Projects Funds | <u>309,692,670</u> | <u>272,637,830</u> | <u>9,238,220</u> | <u>28,000,546</u> | <u>(183,926)</u> |
| Enterprise Funds: | | | | | |
| Airport | 150,998,431 | 132,038,190 | 3,518,285 | 15,826,297 | (384,341) |
| Hospital | 8,113,442 | 2,785,923 | 16,907 | 5,310,612 | - |
| Harbors | 64,107,382 | 50,360,690 | 9,690,625 | 4,056,502 | (435) |
| Port | 100,824,820 | 49,768,083 | 41,157,923 | 9,898,814 | - |
| Water | 21,787,932 | 7,589,969 | 1,343,574 | 12,854,389 | - |
| Sewer | 27,945,166 | 19,790,396 | 207,061 | 7,947,975 | (266) |
| Total Enterprise Funds | <u>373,777,173</u> | <u>262,333,251</u> | <u>55,934,375</u> | <u>55,894,589</u> | <u>(385,042)</u> |
| Total | <u>\$ 683,469,843</u> | <u>534,971,081</u> | <u>65,172,595</u> | <u>83,895,135</u> | <u>(568,968)</u> |

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 CBJ unless specifically exempted. The sales tax levy rates require 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 CBJ'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, in effect for the period July 1, 2012 through June 30, 2017, to be used for a combination of general governmental operations, capital improvement projects, youth activities and budget reserves; and
- 1% temporary, in effect for the period October 1, 2013 through September 30, 2018, to be used for specific capital improvement projects.

The intent of the Assembly is to spend the 1% temporary sales tax on major maintenance, improvements and upgrades to existing CBJ recreational facilities, parks and trails; harbor facilities; and Capital Transit facilities. The intent is to partially fund design, permitting and construction of an airport snow removal equipment facility; the Juneau Arts and Culture Center facility expansion; a new library facility at Dimond Park; a water filtration system at Salmon Creek; and a new child and

adolescent mental health facility at Bartlett Regional Hospital. The voters further approved partial funding for the Sealaska Heritage Institute's construction of a cultural education facility in downtown Juneau, increase the CBJ Budget Reserve as recommended by the Fiscal Policy Task Force, and pay the first five years of \$25.0 million G.O. Bond approved by the voters on October 2, 2012 in proposition No. 1.

NOTE 15 - EXCISE TAX

Effective April 1, 2015, the Assembly approved to increase tobacco excise tax rates on cigarettes from \$1 to \$3 per pack. The excise tax on other tobacco products remains at 45% of the wholesale price. Excise taxes are collected from the wholesaler/retailer importing the tobacco products into the borough. Other tobacco products include but are not limited to e-cigarettes, cigars, cheroot, stogie, perique, snuff and snuff flour, smoking tobacco, and chewable tobacco not prescribed by a licensed physician. It is the intent of the Assembly to continue to spend the proceeds of this tax on health and social services needs related to substance abuse and tobacco use prevention and cessation.

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, 2015, 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.

In March 2012 the August 12, 1999 revenue bond issue was refunded and reissued due to lower interest rates. The principal amount outstanding as of June 30, 2015 for this bond issue is \$9.285 million. The bonds are term bonds with \$1,390,000 maturing December 1, 2015 and the remaining \$7,895,000 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, 2015 is \$1,318,314.

As of its most recent fiscal year end, December 31, 2014, Wildflower Court disclosed in its audited financial statements that it was not in compliance with the debt service coverage requirement defined in the bond indenture. The indenture requires a debt service coverage ratio equal to or greater than 1.15. The ratio was 1.10 and 1.12 at December 31, 2014 and December 31, 2013, respectively. Wildflower Court intends to pursue remedies, as laid out in the indenture, to cure the condition of non-compliance.

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

The \$6.7 million is held as a construction financing loan with a financial institution to which pay requests have been submitted for reimbursement of applicable construction expenditures. The total amount requested under this financing arrangement is \$6,401,816. 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 construction loan was paid off prior to 6/30/14.

For the year ended June 30, 2015

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 19 - IMPLEMENTATION OF NEW STANDARDS

GASB Statement No. 63 and GASB Statement No. 65

In the fiscal year ended June 30, 2013, the CBJ implemented *GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* and early implemented *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities*. As a result, unamortized bond issuance costs for both governmental activities at the government-wide level and for the enterprise funds at the fund level were written off, by adjusting all periods affected.

GASB Statement No. 68

In the fiscal year ended June 30, 2015, the CBJ implemented *GASB Statement No. 68, Accounting and Reporting for Pension Plans - an amendment of GASB Statement No. 27*. As a result, the beginning net position for the current year of governmental activities and business-type activities was restated. This restatement resulted in a decrease in net position of \$32,337,385 in the governmental activities and a decrease in net position of \$41,898,117 in the business-type activities. In addition the School District component unit restated its beginning net position resulting in a decrease of \$31,759,797.

NOTE 20 - 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 employment practices claims. Under this program, the Self Insurance Fund provides coverage that has self-insured retention amounts up to a maximum of \$1,250,000 for each workers compensation claim and \$250,000 for each general or automobile liability claim. The deductible for each property insurance claim is \$100,000. CBJ purchases commercial insurance for claims in excess of coverage provided by the Fund up to various limits depending on the specific coverage.

CBJ provides coverage for medical/dental/vision claims up to maximum annual claims of \$100,000 per employee. Coverage in excess thereof 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 Self Insurance Fund based on estimates of the amounts needed to pay prior-year and current-year claims.

Claims payables represent actuarially determined 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 liability also includes a provision for other unallocated cost adjustment expenses for health benefit claims and a provision for specific, incremental cost adjustment expenses for other types of claims. The liability also includes a provision for salvage and subrogation for applicable 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. Claims payables balance at fiscal year-end were considered and presented as current liabilities in the Self Insurance fund's statement of net position.

Changes in the Fund's claims liability amount in fiscal years 2015, 2014 and 2013 were:

| | Beginning of Fiscal Year <u>Liability</u> | Current Year Claims and Changes in <u>Estimates</u> | Claim <u>Payments</u> | Balance at Fiscal <u>Year End</u> |
|-----------------------------|--|--|--------------------------|---|
| <u>2015</u> | | | | |
| General liability claims | \$ 1,114,000 | (178,496) | 225,504 | 710,000 |
| Auto claims | 192,000 | 84,995 | 41,995 | 235,000 |
| Property claims | 266,000 | (244,352) | (106,352) | 128,000 |
| Workers compensation claims | 2,529,000 | 1,422,873 | 1,475,873 | 2,476,000 |
| Health benefits claims | 1,520,200 | 15,277,326 | 15,141,526.00 | 1,656,000 |
| | <u>\$ 5,621,200</u> | <u>16,362,346</u> | <u>16,778,546</u> | <u>5,205,000</u> |

NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2015

| | Beginning of Fiscal Year <u>Liability</u> | Current Year Claims and Changes in <u>Estimates</u> | Claim <u>Payments</u> | Balance at Fiscal <u>Year End</u> |
|-----------------------------|--|--|--------------------------|---|
| <u>2014</u> | | | | |
| General liability claims | \$ 1,107,000 | 207,375 | 200,375 | 1,114,000 |
| Auto claims | 212,000 | 40,735 | 60,735 | 192,000 |
| Property claims | 52,000 | 665,355 | 451,355 | 266,000 |
| Workers compensation claims | 2,440,000 | 986,267 | 897,267 | 2,529,000 |
| Health benefits claims | 1,370,700 | 13,216,409 | 13,066,909 | 1,520,200 |
| | <u>\$ 5,181,700</u> | <u>15,116,141</u> | <u>14,676,641</u> | <u>5,621,200</u> |
| <u>2013</u> | | | | |
| General liability claims | \$ 900,000 | 525,150 | 318,150 | 1,107,000 |
| Auto claims | 153,000 | 156,075 | 97,075 | 212,000 |
| Property claims | - | 355,233 | 303,233 | 52,000 |
| Workers compensation claims | 2,167,000 | 1,741,301 | 1,468,301 | 2,440,000 |
| Health benefits claims | 1,428,000 | 14,212,264 | 14,269,564 | 1,370,700 |
| | <u>\$ 4,648,000</u> | <u>16,990,023</u> | <u>16,456,323</u> | <u>5,181,700</u> |

REQUIRED SUPPLEMENTARY INFORMATION

Major Funds Budget to Actual:

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

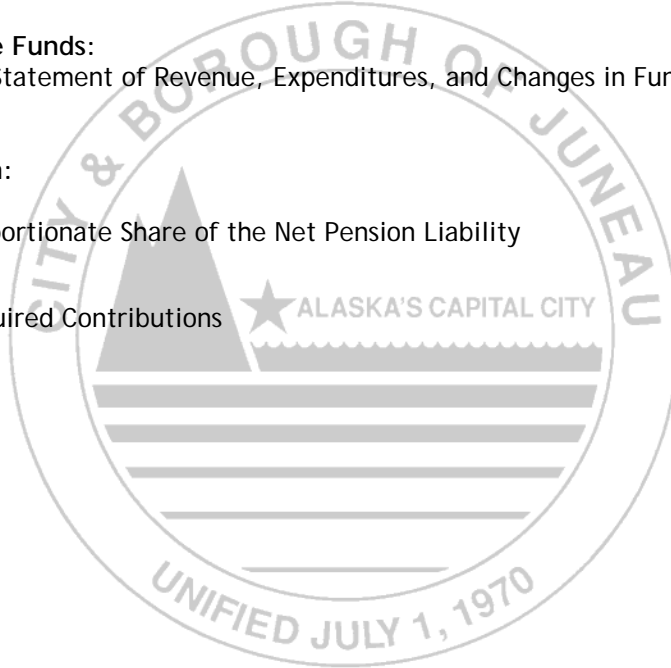
Special Revenue Funds:

Sales Tax - Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget to Actual

Pension Information:

Schedule of Proportionate Share of the Net Pension Liability

Schedule of Required Contributions



GENERAL FUND

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|-----------------------|---------------------|----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 39,622,500 | 39,622,500 | 39,234,263 | (388,237) |
| State sources | 3,428,200 | 17,281,132 | 16,334,919 | (946,213) |
| Federal sources | 1,745,400 | 2,589,161 | 2,695,324 | 106,163 |
| Licenses, permits and fees | 947,000 | 947,000 | 1,070,967 | 123,967 |
| Charges for sales and services | 3,842,200 | 3,836,600 | 4,085,428 | 248,828 |
| Contracted services | 1,137,600 | 1,137,600 | 1,093,107 | (44,493) |
| Fines and forfeitures | 597,800 | 597,800 | 392,585 | (205,215) |
| Investment and interest income | 1,926,600 | 1,926,600 | 1,326,031 | (600,569) |
| Other | 483,700 | 573,397 | 541,515 | (31,882) |
| Total revenues | <u>53,731,000</u> | <u>68,511,790</u> | <u>66,774,139</u> | <u>(1,737,651)</u> |
| EXPENDITURES - Current: | | | | |
| Legislative | 3,700,900 | 3,715,786 | 3,522,522 | 193,264 |
| Legal | 1,495,737 | 2,023,268 | 2,203,318 | (180,050) |
| Administration | 3,873,142 | 5,774,648 | 5,072,609 | 702,039 |
| Education | 24,844,400 | 25,344,400 | 25,344,400 | - |
| Finance | 3,395,037 | 4,648,462 | 4,070,727 | 577,735 |
| Engineering | 316,952 | 984,363 | 949,584 | 34,779 |
| Libraries | 2,813,100 | 3,504,478 | 3,373,294 | 131,184 |
| Social services | 1,558,400 | 1,568,471 | 1,563,390 | 5,081 |
| Community development and lands management | 2,777,300 | 4,374,740 | 3,896,266 | 478,474 |
| Parks and recreation | 6,740,432 | 7,761,402 | 7,064,924 | 696,478 |
| Public safety | 21,945,176 | 26,795,346 | 25,453,662 | 1,341,684 |
| Public works - roads and street maintenance | 5,309,300 | 6,113,204 | 5,328,761 | 784,443 |
| Public transportation | 6,695,400 | 7,822,535 | 7,434,469 | 388,066 |
| Facility maintenance | 1,388,100 | 1,711,800 | 1,697,858 | 13,942 |
| Other - nondepartmental | - | 13,953 | 2,030 | 11,923 |
| Total expenditures and encumbrances | <u>86,853,376</u> | <u>102,156,856</u> | <u>96,977,814</u> | <u>5,179,042</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(33,122,376)</u> | <u>(33,645,066)</u> | <u>(30,203,675)</u> | <u>3,441,391</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from: | | | | |
| Special Revenue Funds | 31,204,500 | 31,854,500 | 31,854,500 | - |
| Permanent Fund | 87,500 | 87,500 | 87,500 | - |
| Enterprise Funds | 130,000 | 130,000 | 130,000 | - |
| Transfers to: | | | | |
| Special Revenue Funds | (1,057,500) | (1,057,500) | (1,057,500) | - |
| Enterprise Funds | - | (2,500) | (2,500) | - |
| Issuance of long-term debt | 265,576 | 265,576 | 265,576 | - |
| Total other financing sources (uses) | <u>30,630,076</u> | <u>31,277,576</u> | <u>31,277,576</u> | <u>-</u> |
| Net change in fund balance budgetary basis | <u>\$ (2,492,300)</u> | <u>(2,367,490)</u> | 1,073,901 | <u>3,441,391</u> |
| Fund balance at beginning of year | | | <u>25,380,266</u> | |
| Fund balance at end of year | | | 26,454,167 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 997,760 | |
| Change in compensated absences, assignment of fund balance | | | <u>78,071</u> | |
| Fund balance at end of year - GAAP basis | | | <u>\$ 27,529,998</u> | |

SALES TAX

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| General and liquor sales tax | \$ 44,609,000 | 44,609,000 | 44,788,842 | 179,842 |
| Miscellaneous | 21,300 | 21,300 | 21,104 | (196) |
| Total revenues | <u>44,630,300</u> | <u>44,630,300</u> | <u>44,809,946</u> | <u>179,646</u> |
| EXPENDITURES - Current: Finance | <u>698,400</u> | <u>698,400</u> | <u>712,020</u> | <u>(13,620)</u> |
| Excess of revenues over expenditures | <u>43,931,900</u> | <u>43,931,900</u> | <u>44,097,926</u> | <u>166,026</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers to: | | | | |
| General Fund | (13,788,500) | (14,438,500) | (14,438,500) | - |
| Special Revenue Funds: | | | | |
| Fire Service Area | (1,434,000) | (1,434,000) | (1,434,000) | - |
| Roaded Service Area | (12,090,500) | (12,090,500) | (12,090,500) | - |
| Capital Projects Funds | (11,862,200) | (11,862,200) | (11,862,200) | - |
| Enterprise Funds: | | | | |
| Bartlett Regional Hospital | (945,000) | (945,000) | (945,000) | - |
| Capital Projects | (750,000) | (750,000) | (750,000) | - |
| General Debt Service Fund | (2,617,800) | (2,617,800) | (2,617,800) | - |
| Total other financing sources (uses) | <u>(43,488,000)</u> | <u>(44,138,000)</u> | <u>(44,138,000)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 443,900</u> | <u>(206,100)</u> | <u>(40,074)</u> | <u>166,026</u> |
| Fund balance at beginning of year | | | <u>2,778,879</u> | |
| Fund balance at end of year | | | <u>\$ 2,738,805</u> | |

Schedule of Proportionate Share of Net Pension Liability

For the fiscal year ended June 30, 2015

| | <u>2014</u> |
|---|-----------------------|
| City's proportion of the net pension liability (asset) | 1.56% |
| City's proportionate share of the net pension liability (asset) | \$ 72,834,736 |
| State's proportionate share of the net pension liability (asset) associated with the City | <u>62,153,012</u> |
| Total Net Pension Liability | <u>\$ 134,987,748</u> |
| City's covered-employee payroll | \$ 65,197,480 |
| City's proportionate share of the net pension liability (asset) as a percentage of covered payroll | 111.71% |
| Plan fiduciary net position as a percentage of total pension liability | 62.37% |

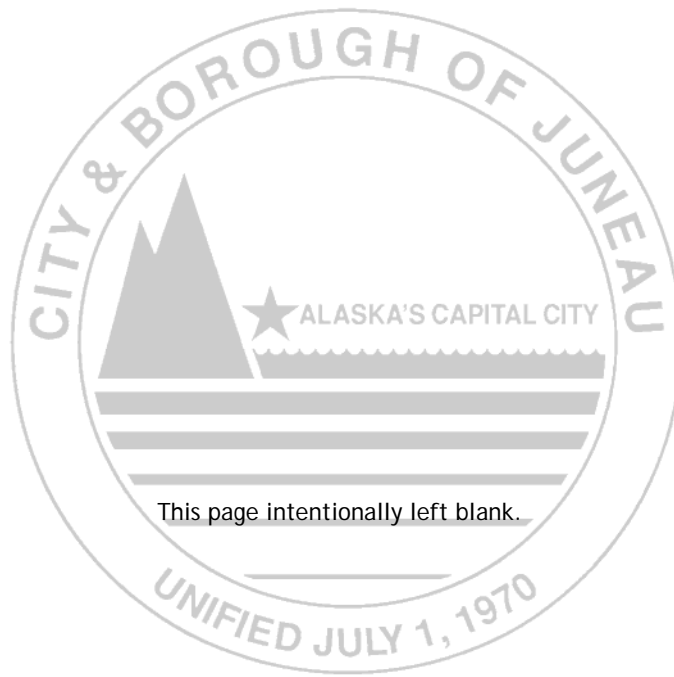
Note: *This schedule is intended to show information for ten years. Additional years will be displayed available. The data provided in the schedule is based as of the measurement date of PERS' net pension as of the beginning of the city's fiscal year.*

Schedule of Contributions of Net Pension Liability

For the fiscal year ended June 30, 2015

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|------------------|------------------|------------------|
| Contractually required contribution | \$ 4,338,789 | 3,879,661 | 3,865,222 |
| Contributions in relation to the contractually required contribution | <u>4,338,789</u> | <u>3,879,661</u> | <u>3,865,222</u> |
| Contribution deficiency (excess) | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |
| City's covered-employee payroll | \$ 67,822,037 | 65,197,480 | 65,442,109 |
| Contributions as a percentage of covered-employee payroll | 6.40% | 5.95% | 5.91% |

Note: *This schedule is intended to show information for ten years. Additional years will be displayed as they become available.*



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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:

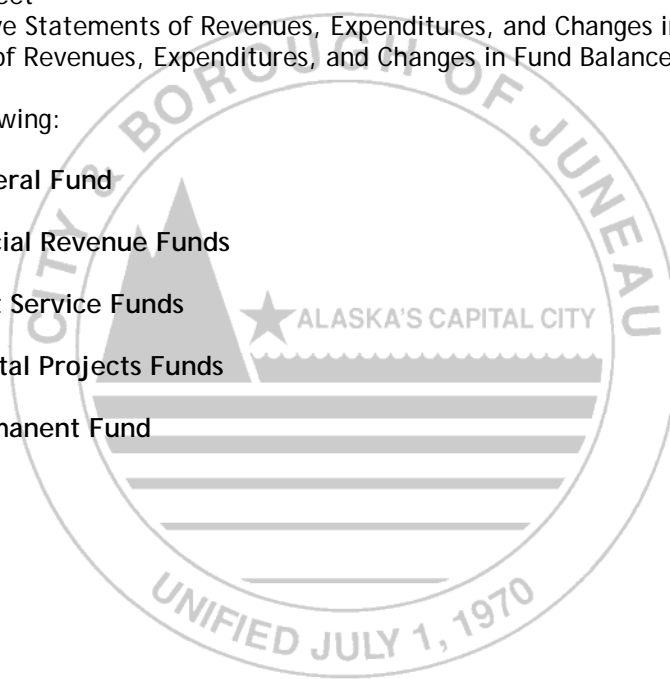
General Fund

Special Revenue Funds

Debt Service Funds

Capital Projects Funds

Permanent Fund



CITY and BOROUGH OF JUNEAU

Non-Major Governmental Funds

Combining Balance Sheet

June 30, 2015

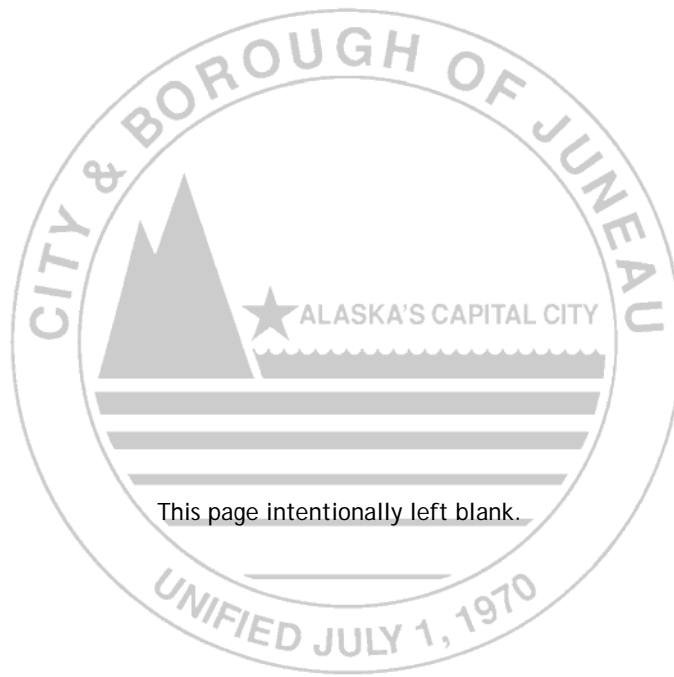
| | Special Revenue | Capital Projects | Jensen-Olson Arboretum Permanent Fund | Total |
|---|----------------------|---------------------|--|-------------------|
| ASSETS | | | | |
| Equity in central treasury | \$ 8,866,184 | - | - | 8,866,184 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Accounts | 1,646,153 | - | - | 1,646,153 |
| Taxes | 687,738 | - | - | 687,738 |
| Long-term notes | 471,310 | - | - | 471,310 |
| Inventories | 267,978 | - | - | 267,978 |
| Equity in joint venture | 7,475 | - | - | 7,475 |
| Restricted assets: | | | | |
| Equity in central treasury | - | 31,405,502 | 2,515,610 | 33,921,112 |
| Receivables: | | | | |
| State of Alaska | - | 146,911 | - | 146,911 |
| Federal | - | 41,930 | - | 41,930 |
| Total assets | <u>\$ 11,946,838</u> | <u>31,594,343</u> | <u>2,515,610</u> | <u>46,056,791</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Interfund payable to other funds | \$ 420,029 | - | - | 420,029 |
| Accounts payable | 147,683 | - | - | 147,683 |
| Accrued salaries, payroll taxes and withholding payable | 61,197 | - | - | 61,197 |
| Accrued and other liabilities | 90,430 | - | - | 90,430 |
| Unearned revenues | 696,906 | - | - | 696,906 |
| Advance from General Fund | 141,149 | - | - | 141,149 |
| Payable from restricted assets: | | | | |
| Accounts and contracts payable | - | 1,922,913 | - | 1,922,913 |
| Unearned revenues | - | 467,266 | - | 467,266 |
| Total liabilities | <u>1,557,394</u> | <u>2,390,179</u> | <u>-</u> | <u>3,947,573</u> |
| Deferred Inflows of Resources | <u>379,550</u> | <u>-</u> | <u>-</u> | <u>379,550</u> |
| Total liabilities and deferred inflows of resources | <u>1,936,944</u> | <u>2,390,179</u> | <u>-</u> | <u>4,327,123</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Inventory | 93,585 | - | - | 93,585 |
| Jensen-Olson Permanent Fund | - | - | 2,097,159 | 2,097,159 |
| Restricted for: | | | | |
| Capital Improvements | - | 29,204,164 | - | 29,204,164 |
| Other Purposes | 2,931,134 | - | - | 2,931,134 |
| Jensen-Olson Permanent Fund | - | - | 418,451 | 418,451 |
| Committed to: | | | | |
| Notes Receivable | 257,398 | - | - | 257,398 |
| Other Purposes | 5,973,760 | - | - | 5,973,760 |
| Assigned to: | | | | |
| Subsequent year expenditures | 670,900 | - | - | 670,900 |
| Compensated absences | 83,117 | - | - | 83,117 |
| Total fund balances | <u>10,009,894</u> | <u>29,204,164</u> | <u>2,515,610</u> | <u>41,729,668</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 11,946,838</u> | <u>31,594,343</u> | <u>2,515,610</u> | <u>46,056,791</u> |

Non-Major Governmental Funds

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

For the fiscal year ended June 30, 2015

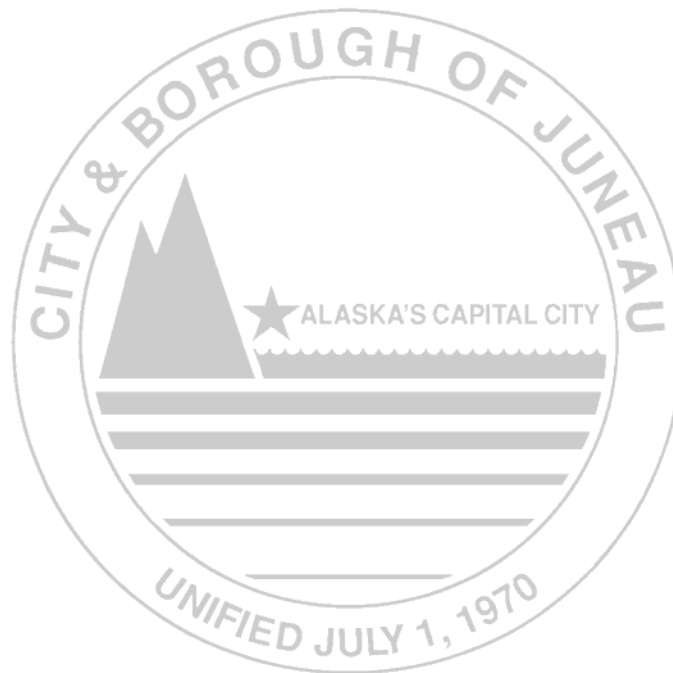
| | Special Revenue | Capital Projects | Jensen-Olson Arboretum Permanent Fund | Total |
|--|----------------------|---------------------|--|---------------------|
| REVENUES | | | | |
| Taxes | \$ 3,224,221 | - | - | 3,224,221 |
| State sources | 435,984 | 5,683,148 | - | 6,119,132 |
| Federal sources | - | 1,930 | - | 1,930 |
| Charges for services | 3,789,281 | - | - | 3,789,281 |
| Contracted services | 159,864 | - | - | 159,864 |
| Licenses, permits and fees | 4,996,910 | - | - | 4,996,910 |
| Fines and forfeitures | 39,643 | - | - | 39,643 |
| Sales | 1,237,330 | - | - | 1,237,330 |
| Repayment of loans | 3,044 | - | - | 3,044 |
| Rentals and leases | 1,036,053 | - | 12,066 | 1,048,119 |
| Donations and contributions | 25,623 | - | - | 25,623 |
| Investment and interest income | 25,223 | 37,926 | 79,638 | 142,787 |
| Other | 7,004 | 229,002 | - | 236,006 |
| Total revenues | <u>14,980,180</u> | <u>5,952,006</u> | <u>91,704</u> | <u>21,023,890</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Finance | 30,963 | - | - | 30,963 |
| Recreation | 2,137,283 | - | - | 2,137,283 |
| Lands management | 757,254 | - | - | 757,254 |
| Affordable housing | 67,313 | - | - | 67,313 |
| Public transportation | 451,164 | - | - | 451,164 |
| Tourism and conventions | 2,184,080 | - | - | 2,184,080 |
| Other | 11,000 | - | - | 11,000 |
| Capital projects | - | 25,471,539 | - | 25,471,539 |
| Total expenditures | <u>5,639,057</u> | <u>25,471,539</u> | <u>-</u> | <u>31,110,596</u> |
| Excess (deficiency) of revenues over expenditures | <u>9,341,123</u> | <u>(19,519,533)</u> | <u>91,704</u> | <u>(10,086,706)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | 2,586,300 | 15,062,905 | - | 17,649,205 |
| Transfers to other funds | (7,615,400) | (3,726,884) | (87,500) | (11,429,784) |
| Premium on bonds issued | - | 992,809 | - | 992,809 |
| Issuance of long-term debt | - | 5,884,175 | - | 5,884,175 |
| Total other financing sources (uses) | <u>(5,029,100)</u> | <u>18,213,005</u> | <u>(87,500)</u> | <u>13,096,405</u> |
| Net change in fund balances | 4,312,023 | (1,306,528) | 4,204 | 3,009,699 |
| Fund balances at the beginning of year | <u>5,697,871</u> | <u>30,510,692</u> | <u>2,511,406</u> | <u>38,719,969</u> |
| Fund balances at end of year | <u>\$ 10,009,894</u> | <u>29,204,164</u> | <u>2,515,610</u> | <u>41,729,668</u> |

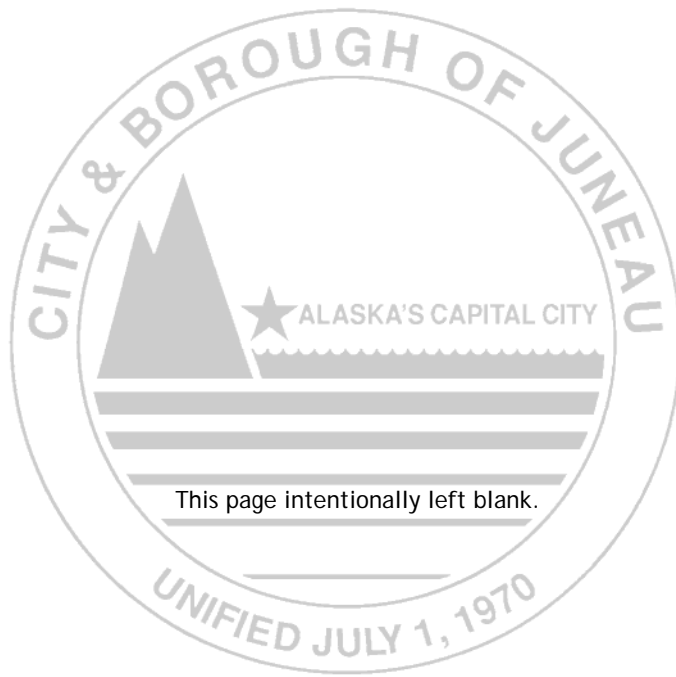


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GENERAL FUND

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





CITY and BOROUGH OF JUNEAU

GENERAL FUND

Comparative Balance Sheets

June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|-----------------------------|-----------------------------|-----------------------------|
| ASSETS | | | |
| Equity in central treasury | \$ 17,322,750 | 22,569,767 | 11,105,282 |
| Receivables, net of allowance for doubtful accounts: | | | |
| Accounts | 1,692,185 | 2,233,360 | 1,986,705 |
| Special assessments | 180,636 | 140,166 | 151,795 |
| Taxes | 453,599 | 487,745 | 519,364 |
| State of Alaska | 735,715 | 636,082 | 1,633,263 |
| Federal government | 2,682 | 144,212 | 293,026 |
| Notes receivable | 38,927 | 12,516 | 36,544 |
| Interfund receivable from other funds | 12,772,258 | 4,986,036 | 4,355,261 |
| Inventories | 1,328,195 | 1,232,898 | 1,158,978 |
| Deposits | 513,143 | 513,143 | 513,143 |
| Prepaid items | 20,252 | 92,714 | 3,606 |
| Advance to Special Revenue Fund | 141,149 | 138,561 | 314,968 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total assets | \$ 35,201,491 | 33,187,200 | 22,071,935 |
| | <u> </u> | <u> </u> | <u> </u> |
| LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 1,653,316 | 1,979,649 | 2,583,241 |
| Accrued salaries, payroll taxes and withholdings payable | 1,615,737 | 1,447,767 | 1,413,364 |
| Accrued and other liabilities | 1,279,488 | 1,262,529 | 1,307,891 |
| Unearned revenues | 245,007 | 155,065 | 62,712 |
| Total liabilities | <u>4,793,548</u> | <u>4,845,010</u> | <u>5,367,208</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred inflows of resources | <u>2,877,945</u> | <u>2,961,924</u> | <u>806,154</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities and deferred inflows of resources | 7,671,493 | 7,806,934 | 6,173,362 |
| | <u> </u> | <u> </u> | <u> </u> |
| FUND BALANCE | | | |
| Nonspendable: | | | |
| Inventory | 1,328,195 | 1,232,898 | 1,158,978 |
| Prepays | 20,252 | 92,714 | 3,606 |
| Restricted for: | | | |
| Other Purposes | 335,613 | 376,620 | 442,382 |
| Assigned to: | | | |
| Advance to Special Revenue Fund | 141,149 | 138,561 | 314,968 |
| Subsequent year expenditures | 1,632,200 | 2,531,600 | 2,967,600 |
| Compensated absences | 3,800,277 | 3,722,206 | 3,516,305 |
| Budget reserve | 12,410,177 | 11,760,177 | 2,729,385 |
| Unassigned | <u>7,862,135</u> | <u>5,525,490</u> | <u>4,765,349</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Total fund balance | 27,529,998 | 25,380,266 | 15,898,573 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities, deferred inflow of resources and fund balance | \$ 35,201,491 | 33,187,200 | 22,071,935 |
| | <u> </u> | <u> </u> | <u> </u> |

GENERAL FUND

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|---------------------|
| REVENUES | | | |
| Taxes | \$ 39,234,263 | 39,103,630 | 38,776,492 |
| State sources | 16,334,919 | 8,236,841 | 8,866,193 |
| Federal sources | 2,695,324 | 793,526 | 3,019,248 |
| Charges for services | 4,070,772 | 4,251,775 | 4,199,232 |
| Licenses, permits and fees | 1,070,967 | 1,023,449 | 904,970 |
| Sales | 42,106 | 38,346 | 39,355 |
| Fines and forfeitures | 392,585 | 389,418 | 423,558 |
| Investment and interest income | 1,326,031 | 1,922,168 | 1,447,928 |
| Rentals | 369,002 | 342,152 | 358,640 |
| Special assessments | 42,190 | 64,778 | 47,280 |
| Donations and contributions | 25,620 | 36,734 | 14,306 |
| Other | 77,253 | 303,746 | 45,103 |
| Total revenues | <u>65,681,032</u> | <u>56,506,563</u> | <u>58,142,305</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Legislative | 3,510,598 | 4,179,954 | 2,450,173 |
| Legal | 2,167,562 | 1,607,983 | 1,342,657 |
| Administration | 4,922,024 | 4,079,996 | 4,015,369 |
| Education | 25,344,400 | 24,704,500 | 24,528,500 |
| Finance | 4,002,330 | 3,145,923 | 3,566,475 |
| Engineering | 952,811 | 569,179 | 476,691 |
| Libraries | 3,344,833 | 2,429,702 | 2,461,322 |
| Social services | 1,563,390 | 1,587,101 | 1,562,081 |
| Community development | 3,610,714 | 3,513,203 | 2,959,280 |
| Parks and recreation | 6,816,503 | 6,878,665 | 6,849,019 |
| Public safety | 24,274,709 | 20,421,022 | 20,847,262 |
| Public works - roads and street maintenance | 5,300,955 | 5,087,341 | 5,223,555 |
| Public transportation | 7,383,034 | 6,767,177 | 6,746,835 |
| Facility maintenance | 1,612,983 | 1,406,392 | 1,388,789 |
| Special assessments | - | - | 133,438 |
| Other - nondepartmental | 2,030 | 2,012 | 2,027 |
| Total expenditures | <u>94,808,876</u> | <u>86,380,150</u> | <u>84,553,473</u> |
| Deficiency of revenues over expenditures | <u>(29,127,844)</u> | <u>(29,873,587)</u> | <u>(26,411,168)</u> |

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|----------------------|-------------------|-------------------|
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from: | | | |
| Permanent Fund | \$ 87,500 | 85,800 | 311,800 |
| Special Revenue Funds: | | | |
| Sales Tax | 27,963,000 | 36,399,792 | 26,460,000 |
| Lands | - | 17,000 | - |
| Marine Passenger Fee | 2,801,300 | 3,069,800 | 2,763,100 |
| Tobacco Excise Tax | 1,090,200 | 1,199,600 | 1,099,600 |
| Enterprise Funds: | | | |
| Bartlett Regional Hospital | 130,000 | 100,000 | - |
| Sewer | - | - | 1,200 |
| Capital Projects Funds | - | 357,700 | - |
| Enterprise Capital Projects Funds | - | 200,000 | - |
| Transfers to: | | | |
| Special Revenue Funds: | | | |
| Visitor Services | (150,000) | (150,000) | (185,000) |
| Downtown Parking | (195,000) | (202,000) | (47,000) |
| Eaglecrest | (712,500) | (750,000) | (750,000) |
| Marine Passenger Fee | - | (33,101) | (56,369) |
| Enterprise Funds: | | | |
| Water | (2,500) | - | - |
| Capital Projects Funds | - | (939,311) | (300,000) |
| Issuance of long-term debt | 265,576 | - | - |
| Total other financing sources (uses) | <u>31,277,576</u> | <u>39,355,280</u> | <u>29,297,331</u> |
| Excess (deficiency) of revenues and other financing sources over | | | |
| Net change in fund balance | 2,149,732 | 9,481,693 | 2,886,163 |
| Fund balance at beginning of year | <u>25,380,266</u> | <u>15,898,573</u> | <u>13,012,410</u> |
| Fund balance at end of year | <u>\$ 27,529,998</u> | <u>25,380,266</u> | <u>15,898,573</u> |

GENERAL FUND

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 39,622,500 | 39,622,500 | 39,234,263 | (388,237) |
| State sources | 3,428,200 | 17,281,132 | 16,334,919 | (946,213) |
| Federal sources | 1,745,400 | 2,589,161 | 2,695,324 | 106,163 |
| Charges for services | 3,832,000 | 3,826,400 | 4,070,772 | 244,372 |
| Contracted services | 1,137,600 | 1,137,600 | 1,093,107 | (44,493) |
| Licenses, permits and fees | 947,000 | 947,000 | 1,070,967 | 123,967 |
| Sales | 31,700 | 31,700 | 42,106 | 10,406 |
| Fines and forfeitures | 597,800 | 597,800 | 392,585 | (205,215) |
| Investment and interest income | 1,926,600 | 1,926,600 | 1,326,031 | (600,569) |
| Rentals | 373,300 | 373,300 | 369,002 | (4,298) |
| Special assessments | 41,500 | 41,500 | 42,190 | 690 |
| Donations and contributions | 7,700 | 12,700 | 25,620 | 12,920 |
| Other | 39,700 | 124,397 | 77,253 | (47,144) |
| Total revenues | <u>53,731,000</u> | <u>68,511,790</u> | <u>66,774,139</u> | <u>(1,737,651)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Legislative | 3,700,900 | 3,715,786 | 3,522,522 | 193,264 |
| Legal | 1,495,737 | 2,023,268 | 2,203,318 | (180,050) |
| Administration | 3,873,142 | 5,774,648 | 5,072,608 | 702,040 |
| Education | 24,844,400 | 25,344,400 | 25,344,400 | - |
| Finance | 3,395,037 | 4,648,462 | 4,070,727 | 577,735 |
| Engineering | 316,952 | 984,363 | 949,585 | 34,778 |
| Libraries | 2,813,100 | 3,504,478 | 3,373,294 | 131,184 |
| Social services | 1,558,400 | 1,568,471 | 1,563,390 | 5,081 |
| Community development | 2,777,300 | 4,374,740 | 3,896,266 | 478,474 |
| Parks and recreation | 6,740,432 | 7,761,402 | 7,064,924 | 696,478 |
| Public safety | 21,945,176 | 26,795,346 | 25,453,662 | 1,341,684 |
| Public works - roads and street maintenance | 5,309,300 | 6,113,204 | 5,328,761 | 784,443 |
| Public transportation | 6,695,400 | 7,822,535 | 7,434,469 | 388,066 |
| Facility maintenance | 1,388,100 | 1,711,800 | 1,697,858 | 13,942 |
| Other - nondepartmental | - | 13,953 | 2,030 | 11,923 |
| Total expenditures and encumbrances | <u>86,853,376</u> | <u>102,156,856</u> | <u>96,977,814</u> | <u>5,179,042</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(33,122,376)</u> | <u>(33,645,066)</u> | <u>(30,203,675)</u> | <u>3,441,391</u> |

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|-----------------------|--------------------|----------------------|---|
| | Original | Final | | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from: | | | | |
| General Fund | | | | |
| Permanent Fund | \$ 87,500 | 87,500 | 87,500 | - |
| Special Revenue Funds: | | | | |
| Sales Tax | 27,313,000 | 27,963,000 | 27,963,000 | - |
| Marine Passenger Fee | 2,801,300 | 2,801,300 | 2,801,300 | - |
| Tobacco Excise Tax | 1,090,200 | 1,090,200 | 1,090,200 | - |
| Enterprise Fund: | | | | |
| Bartlett Regional Hospital | 130,000 | 130,000 | 130,000 | - |
| Transfers to: | | | | |
| Special Revenue Funds: | | | | |
| Visitor Services | (150,000) | (150,000) | (150,000) | - |
| Downtown Parking | (195,000) | (195,000) | (195,000) | - |
| Eaglecrest | (712,500) | (712,500) | (712,500) | - |
| Enterprise Fund: | | | | |
| Water | - | (2,500) | (2,500) | - |
| Issuance of long-term debt | 265,576 | 265,576 | 265,576 | - |
| Total other financing sources (uses) | <u>30,630,076</u> | <u>31,277,576</u> | <u>31,277,576</u> | <u>-</u> |
| Net change in fund balance budgetary basis | \$ <u>(2,492,300)</u> | <u>(2,367,490)</u> | 1,073,901 | <u>3,441,391</u> |
| Fund balance at beginning of year | | | <u>25,380,266</u> | |
| Fund balance at end of year | | | 26,454,167 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 997,760 | |
| Change in compensated absences, assignment of fund balance | | | <u>78,071</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u>27,529,998</u> | |



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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues from specific sources, including grants, service fees, rental charges and sales taxes, which are designated to finance particular functions and activities. This section contains a combining non-major balance sheet and a combining non-major statement of revenues, expenditures, and changes in fund balance for fiscal year ended June 30, 2015. 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

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 as advised by the ballot initiatives for each of the components of the CBJ's permanent and temporary sales tax.

Non-Major Special Revenue Funds

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

Hotel Tax - To account for revenues from tax on transient room rentals. Proceeds are used to fund operations of the convention center and the Juneau Convention and Visitors Bureau and Southeast Alaska Marketing Council.

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.

Community Development Block Grant - To account for revenues and expenditures for the Community Development Block Grants received from the State of Alaska for capital improvements of community social service infrastructure including upgrades to homeless shelters and adult day care centers.

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

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.

Affordable Housing - To account for a grant from the State to stimulate affordable housing development in the Juneau area. The Juneau Housing Commission was formed in June 2010 under Resolution 2530 to support affordable housing development. Disbursements from the fund are directed by the Assembly.

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

Non-Major Special Revenue Funds

Combining Balance Sheet

June 30, 2015

| | <u>Lands</u> | <u>Hotel Tax</u> | <u>Tobacco Excise Tax</u> | <u>Community Development Block Grant</u> |
|---|---------------------|----------------------|-------------------------------|--|
| ASSETS | | | | |
| Equity in central treasury | \$ 3,735,100 | 306,266 | 299,277 | 111,640 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Accounts | 425,405 | - | - | - |
| Taxes | - | 315,125 | 372,613 | - |
| Long-term notes | 363,912 | - | - | - |
| Inventories | - | - | - | - |
| Equity in joint venture | 7,475 | - | - | - |
| Total assets | <u>\$ 4,531,892</u> | <u>621,391</u> | <u>671,890</u> | <u>111,640</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Interfund payable to other funds | \$ - | - | - | - |
| Accounts payable | 18,109 | - | - | - |
| Accrued salaries, payroll taxes, and withholdings payable | 13,036 | - | - | - |
| Accrued and other liabilities | 10,000 | - | - | - |
| Unearned revenues | - | - | - | - |
| Advance from General Fund | - | - | - | - |
| Total liabilities | 41,145 | - | - | - |
| Deferred inflows of resources | 379,550 | - | - | - |
| Total liabilities and deferred inflows of resources | <u>420,695</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Inventory | - | - | - | - |
| Restricted for: | | | | |
| Other purposes | 7,475 | - | - | 40 |
| Committed to: | | | | |
| Notes receivable | 150,000 | - | - | - |
| Other purposes | 3,563,767 | 621,391 | 656,690 | - |
| Assigned to: | | | | |
| Subsequent year expenditures | 332,300 | - | 15,200 | 111,600 |
| Compensated absences | 57,655 | - | - | - |
| Total fund balances | <u>4,111,197</u> | <u>621,391</u> | <u>671,890</u> | <u>111,640</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 4,531,892</u> | <u>621,391</u> | <u>671,890</u> | <u>111,640</u> |



| Visitor Services | Library Minor Contributions | Eaglecrest | Down-town Parking | Port Development | Affordable Housing | Marine Passenger Fee | Total |
|------------------|-----------------------------|----------------|-------------------|------------------|--------------------|----------------------|-------------------|
| 515,085 | 176,903 | - | 346,120 | 2,709,760 | 666,033 | - | 8,866,184 |
| 25,173 | - | 79,516 | 11 | 408,137 | 16,083 | 691,828 | 1,646,153 |
| - | - | - | - | - | - | - | 687,738 |
| - | - | - | - | - | 107,398 | - | 471,310 |
| - | - | 267,978 | - | - | - | - | 267,978 |
| - | - | - | - | - | - | - | 7,475 |
| <u>540,258</u> | <u>176,903</u> | <u>347,494</u> | <u>346,131</u> | <u>3,117,897</u> | <u>789,514</u> | <u>691,828</u> | <u>11,946,838</u> |
| - | - | - | - | - | - | 420,029 | 420,029 |
| 21,276 | - | 81,771 | 9,467 | - | 17,060 | - | 147,683 |
| 17,172 | - | 30,989 | - | - | - | - | 61,197 |
| 80,430 | - | - | - | - | - | - | 90,430 |
| - | - | - | 53,926 | 642,980 | - | - | 696,906 |
| - | - | 141,149 | - | - | - | - | 141,149 |
| 118,878 | - | 253,909 | 63,393 | 642,980 | 17,060 | 420,029 | 1,557,394 |
| - | - | - | - | - | - | - | 379,550 |
| 118,878 | - | 253,909 | 63,393 | 642,980 | 17,060 | 420,029 | 1,936,944 |
| - | - | 93,585 | - | - | - | - | 93,585 |
| - | 176,903 | - | - | 2,474,917 | - | 271,799 | 2,931,134 |
| - | - | - | - | - | 107,398 | - | 257,398 |
| 284,718 | - | - | 282,138 | - | 565,056 | - | 5,973,760 |
| 111,200 | - | - | 600 | - | 100,000 | - | 670,900 |
| 25,462 | - | - | - | - | - | - | 83,117 |
| <u>421,380</u> | <u>176,903</u> | <u>93,585</u> | <u>282,738</u> | <u>2,474,917</u> | <u>772,454</u> | <u>271,799</u> | <u>10,009,894</u> |
| <u>540,258</u> | <u>176,903</u> | <u>347,494</u> | <u>346,131</u> | <u>3,117,897</u> | <u>789,514</u> | <u>691,828</u> | <u>11,946,838</u> |

Non-Major Special Revenue Funds

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

For the fiscal year ended June 30, 2015

| | <u>Lands</u> | <u>Hotel Tax</u> | <u>Tobacco Excise Tax</u> | <u>Community Development Block Grant</u> |
|---|---------------------|----------------------|-------------------------------|--|
| REVENUES | | | | |
| Taxes | \$ - | 1,378,365 | 1,845,856 | - |
| State sources | 102,163 | - | - | - |
| Federal sources | - | - | - | - |
| Charges for services | - | - | - | - |
| Contracted services | 15,194 | - | - | - |
| Licenses, permits and fees | 4,675 | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Sales | 1,228,985 | - | - | - |
| Repayment of loans | - | - | - | - |
| Rentals and leases | 261,529 | - | - | - |
| Donations and contributions | - | - | - | - |
| Investment and interest income | 25,223 | - | - | - |
| Other | - | - | - | - |
| Total revenues | <u>1,637,769</u> | <u>1,378,365</u> | <u>1,845,856</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Finance | - | 14,155 | 16,808 | - |
| Recreation | - | - | - | - |
| Lands management | 757,254 | - | - | - |
| Affordable housing | - | - | - | - |
| Public safety | - | - | - | - |
| Public transportation | - | - | - | - |
| Tourism and conventions | - | - | - | - |
| Other | - | - | - | - |
| Total expenditures | <u>757,254</u> | <u>14,155</u> | <u>16,808</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | 880,515 | 1,364,210 | 1,829,048 | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | - | - | - | - |
| Transfers to other funds | - | (1,248,800) | (1,268,200) | - |
| Total other financing sources (uses) | <u>-</u> | <u>(1,248,800)</u> | <u>(1,268,200)</u> | <u>-</u> |
| Net change in fund balances | 880,515 | 115,410 | 560,848 | - |
| Fund balances at beginning of year | <u>3,230,682</u> | <u>505,981</u> | <u>111,042</u> | <u>111,640</u> |
| Fund balances at end of year | <u>\$ 4,111,197</u> | <u>621,391</u> | <u>671,890</u> | <u>111,640</u> |



| <u>Visitor Services</u> | <u>Library Minor Contributions</u> | <u>Eaglecrest</u> | <u>Down-town Parking</u> | <u>Port Development</u> | <u>Affordable Housing</u> | <u>Marine Passenger Fee</u> | <u>Total</u> |
|-------------------------|------------------------------------|-------------------|--------------------------|-------------------------|---------------------------|-----------------------------|--------------------|
| - | - | - | - | - | - | - | 3,224,221 |
| 119,603 | - | 214,218 | - | - | - | - | 435,984 |
| - | - | - | - | - | - | - | - |
| 1,351 | - | 871,768 | 47,529 | 2,868,633 | - | - | 3,789,281 |
| - | - | 144,670 | - | - | - | - | 159,864 |
| 59,518 | - | 86,262 | - | - | - | 4,846,455 | 4,996,910 |
| 735 | - | - | 38,908 | - | - | - | 39,643 |
| - | - | 8,345 | - | - | - | - | 1,237,330 |
| - | - | - | - | - | 3,044 | - | 3,044 |
| 357,843 | - | 99,848 | 316,833 | - | - | - | 1,036,053 |
| - | 24,557 | 1,066 | - | - | - | - | 25,623 |
| - | - | - | - | - | - | - | 25,223 |
| 7,004 | - | - | - | - | - | - | 7,004 |
| <u>546,054</u> | <u>24,557</u> | <u>1,426,177</u> | <u>403,270</u> | <u>2,868,633</u> | <u>3,044</u> | <u>4,846,455</u> | <u>14,980,180</u> |
| - | - | - | - | - | - | - | 30,963 |
| - | - | 2,137,283 | - | - | - | - | 2,137,283 |
| - | - | - | - | - | - | - | 757,254 |
| - | - | - | - | - | 67,313 | - | 67,313 |
| - | - | - | - | - | - | - | - |
| - | - | - | 451,164 | - | - | - | 451,164 |
| 2,184,080 | - | - | - | - | - | - | 2,184,080 |
| - | - | - | - | 5,500 | - | 5,500 | 11,000 |
| <u>2,184,080</u> | <u>-</u> | <u>2,137,283</u> | <u>451,164</u> | <u>5,500</u> | <u>67,313</u> | <u>5,500</u> | <u>5,639,057</u> |
| (1,638,026) | 24,557 | (711,106) | (47,894) | 2,863,133 | (64,269) | 4,840,955 | 9,341,123 |
| 1,678,800 | - | 712,500 | 195,000 | - | - | - | 2,586,300 |
| - | - | - | - | (403,900) | - | (4,694,500) | (7,615,400) |
| <u>1,678,800</u> | <u>-</u> | <u>712,500</u> | <u>195,000</u> | <u>(403,900)</u> | <u>-</u> | <u>(4,694,500)</u> | <u>(5,029,100)</u> |
| 40,774 | 24,557 | 1,394 | 147,106 | 2,459,233 | (64,269) | 146,455 | 4,312,023 |
| 380,606 | 152,346 | 92,191 | 135,632 | 15,684 | 836,723 | 125,344 | 5,697,871 |
| <u>421,380</u> | <u>176,903</u> | <u>93,585</u> | <u>282,738</u> | <u>2,474,917</u> | <u>772,454</u> | <u>271,799</u> | <u>10,009,894</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---------------------------------------|---------------------|---------------------|---------------------|
| REVENUES | | | |
| General sales tax | \$ 43,844,945 | 43,985,423 | 43,115,042 |
| Liquor sales tax - 3% | 943,897 | 954,002 | 918,926 |
| Miscellaneous | 21,104 | 18,695 | 14,324 |
| Total revenues | <u>44,809,946</u> | <u>44,958,120</u> | <u>44,048,292</u> |
| EXPENDITURES - Finance | 712,020 | 773,789 | 740,006 |
| Excess of revenues over expenditures | <u>44,097,926</u> | <u>44,184,331</u> | <u>43,308,286</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers to: | | | |
| General Fund | (14,438,500) | (24,327,792) | (12,295,000) |
| Special Revenue Funds: | | | |
| Fire Service Area | (1,434,000) | (933,000) | (1,171,000) |
| Roaded Service Area | (12,090,500) | (11,139,000) | (12,994,000) |
| Capital Projects Funds | (11,862,200) | (11,767,200) | (11,288,100) |
| Enterprise Funds: | | | |
| Bartlett Regional Hospital | (945,000) | (987,000) | (845,000) |
| Capital Projects | (750,000) | (2,550,000) | (2,380,000) |
| General Debt Service Fund | (2,617,800) | (1,507,800) | (1,481,900) |
| Total other financing sources (uses) | <u>(44,138,000)</u> | <u>(53,211,792)</u> | <u>(42,455,000)</u> |
| Net change in fund balance | (40,074) | (9,027,461) | 853,286 |
| Fund balance at beginning of year | <u>2,778,879</u> | <u>11,806,340</u> | <u>10,953,054</u> |
| Fund balance at end of year | <u>\$ 2,738,805</u> | <u>2,778,879</u> | <u>11,806,340</u> |

SALES TAX

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| General sales tax | \$ 43,675,000 | 43,675,000 | 43,844,945 | 169,945 |
| Liquor sales tax - 3% | 934,000 | 934,000 | 943,897 | 9,897 |
| Miscellaneous | 21,300 | 21,300 | 21,104 | (196) |
| Total revenues | <u>44,630,300</u> | <u>44,630,300</u> | <u>44,809,946</u> | <u>179,646</u> |
| EXPENDITURES - Finance | 698,400 | 698,400 | 712,020 | (13,620) |
| Excess of revenues over expenditures | <u>43,931,900</u> | <u>43,931,900</u> | <u>44,097,926</u> | <u>166,026</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers to: | | | | |
| General Fund | (13,788,500) | (14,438,500) | (14,438,500) | - |
| Special Revenue Funds: | | | | |
| Fire Service Area | (1,434,000) | (1,434,000) | (1,434,000) | - |
| Roaded Service Area | (12,090,500) | (12,090,500) | (12,090,500) | - |
| Capital Projects Funds | (11,862,200) | (11,862,200) | (11,862,200) | - |
| Enterprise Funds: | | | | |
| Bartlett Regional Hospital | (945,000) | (945,000) | (945,000) | - |
| Capital Projects | (750,000) | (750,000) | (750,000) | - |
| General Debt Service Fund | (2,617,800) | (2,617,800) | (2,617,800) | - |
| Total other financing sources (uses) | <u>(43,488,000)</u> | <u>(44,138,000)</u> | <u>(44,138,000)</u> | <u>-</u> |
| Net change in fund balance | \$ <u>443,900</u> | <u>(206,100)</u> | (40,074) | <u>166,026</u> |
| Fund balance at beginning of year | | | <u>2,778,879</u> | |
| Fund balance at end of year | | | \$ <u>2,738,805</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

LANDS

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|--------------------|------------------|
| REVENUES | | | |
| State sources | \$ 102,163 | 29,758 | 19,944 |
| Charges for services | - | 3,742 | 4,500 |
| Contracted services | 15,194 | - | 11,650 |
| Licenses, permits & fees | 4,675 | 3,905 | 5,350 |
| Sales | 1,228,985 | 203,576 | 304,667 |
| Investment & interest income | 25,223 | 18,017 | 39,746 |
| Rental and leases | 261,529 | 236,750 | 224,133 |
| Other | - | - | 13,160 |
| Total revenues | <u>1,637,769</u> | <u>495,748</u> | <u>623,150</u> |
| EXPENDITURES - Lands management | <u>757,254</u> | <u>638,743</u> | <u>618,332</u> |
| Excess (deficiency) of revenues over expenditures | <u>880,515</u> | <u>(142,995)</u> | <u>4,818</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from Capital Projects | - | - | 885,880 |
| Transfers to: | | | |
| General Fund | - | (17,000) | - |
| Marine Passenger Fee Special Revenue Fund | - | (1,514,583) | - |
| Total other financing sources (uses) | <u>-</u> | <u>(1,531,583)</u> | <u>885,880</u> |
| Net change in fund balance | 880,515 | (1,674,578) | 890,698 |
| Fund balance at beginning of year | <u>3,230,682</u> | <u>4,905,260</u> | <u>4,014,562</u> |
| Fund balance at end of year | <u>\$ 4,111,197</u> | <u>3,230,682</u> | <u>4,905,260</u> |

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|---------------------|------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources | \$ - | 102,163 | 102,163 | - |
| Contracted services | - | - | 15,194 | 15,194 |
| Licenses, permits & fees | 1,000 | 1,000 | 4,675 | 3,675 |
| Sales | 289,000 | 289,000 | 1,228,985 | 939,985 |
| Investment & interest income | 12,000 | 12,000 | 25,223 | 13,223 |
| Rental and leases | 240,400 | 240,400 | 261,529 | 21,129 |
| Total revenues | <u>542,400</u> | <u>644,563</u> | <u>1,637,769</u> | <u>993,206</u> |
| EXPENDITURES - Lands management | <u>860,000</u> | <u>994,417</u> | <u>794,571</u> | <u>199,846</u> |
| Excess (deficiency) of revenues over expenditures and encumbrances | \$ <u>(317,600)</u> | <u>(349,854)</u> | 843,198 | <u>1,193,052</u> |
| Fund balance at beginning of year | | | <u>3,230,682</u> | |
| Fund balance at end of year | | | 4,073,880 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 35,087 | |
| Change in compensated absences, assignment of fund balance | | | <u>2,230</u> | |
| Fund balance at end of year - GAAP basis | | | \$ <u>4,111,197</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|--------------------|--------------------|--------------------|
| REVENUES - Hotel tax | \$ 1,378,365 | 1,303,919 | 1,159,296 |
| EXPENDITURES - Finance | <u>14,155</u> | <u>29,445</u> | <u>28,160</u> |
| Excess of revenues over expenditures | 1,364,210 | 1,274,474 | 1,131,136 |
| OTHER FINANCING USES - Transfer to Visitor Services Special Revenue Fund | <u>(1,248,800)</u> | <u>(1,147,800)</u> | <u>(1,127,800)</u> |
| Net change in fund balance | 115,410 | 126,674 | 3,336 |
| Fund balance at beginning of year | <u>505,981</u> | <u>379,307</u> | <u>375,971</u> |
| Fund balance at end of year | <u>\$ 621,391</u> | <u>505,981</u> | <u>379,307</u> |

HOTEL TAX

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES - Hotel tax | \$ 1,275,000 | 1,275,000 | 1,378,365 | 103,365 |
| EXPENDITURES - Finance | 13,800 | 13,800 | 14,155 | (355) |
| Excess of revenues over expenditures | <u>1,261,200</u> | <u>1,261,200</u> | <u>1,364,210</u> | <u>103,010</u> |
| OTHER FINANCING USES - Transfer to Visitor Services Special Revenue Fund | <u>(1,248,800)</u> | <u>(1,248,800)</u> | <u>(1,248,800)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 12,400</u> | <u>12,400</u> | 115,410 | <u>103,010</u> |
| Fund balance at beginning of year | | | <u>505,981</u> | |
| Fund balance at end of year | | | <u>\$ 621,391</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|--------------------|--------------------|--------------------|
| REVENUES - Tobacco Excise tax | \$ 1,845,856 | 1,330,488 | 1,446,456 |
| EXPENDITURES - Finance | 16,808 | 16,646 | 15,920 |
| Excess of revenues over expenditures | <u>1,829,048</u> | <u>1,313,842</u> | <u>1,430,536</u> |
| OTHER FINANCING USES | | | |
| Transfers to: | | | |
| General Fund | (1,090,200) | (1,199,600) | (1,099,600) |
| Bartlett Regional Hospital Enterprise Fund | (178,000) | (136,000) | (278,000) |
| Total other financing uses | <u>(1,268,200)</u> | <u>(1,335,600)</u> | <u>(1,377,600)</u> |
| Net change in fund balance | 560,848 | (21,758) | 52,936 |
| Fund balance at beginning of year | <u>111,042</u> | <u>132,800</u> | <u>79,864</u> |
| Fund balance at end of year | <u>\$ 671,890</u> | <u>111,042</u> | <u>132,800</u> |

TOBACCO EXCISE TAX

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive - (negative) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES - Tobacco Excise tax | \$ 1,280,000 | 1,280,000 | 1,845,856 | 565,856 |
| EXPENDITURES - Finance | 16,400 | 16,400 | 16,808 | (408) |
| Excess of revenues over expenditures | <u>1,263,600</u> | <u>1,263,600</u> | <u>1,829,048</u> | <u>565,448</u> |
| OTHER FINANCING USES | | | | |
| Transfers to: | | | | |
| General Fund | (1,090,200) | (1,090,200) | (1,090,200) | - |
| Bartlett Regional Hospital Enterprise Fund | (178,000) | (178,000) | (178,000) | - |
| Total other financing uses | <u>(1,268,200)</u> | <u>(1,268,200)</u> | <u>(1,268,200)</u> | <u>-</u> |
| Net change in fund balance | \$ <u>(4,600)</u> | <u>(4,600)</u> | 560,848 | <u>565,448</u> |
| Fund balance at beginning of year | | | <u>111,042</u> | |
| Fund balance at end of year | | | \$ <u>671,890</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--------------------------------------|-------------------|----------------|----------------|
| REVENUES - State sources | \$ - | - | - |
| EXPENDITURES - Community development | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over expenditures | - | - | - |
| Fund balance at beginning of year | <u>111,640</u> | <u>111,640</u> | <u>111,640</u> |
| Fund balance at end of year | <u>\$ 111,640</u> | <u>111,640</u> | <u>111,640</u> |



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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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|--------------------|--------------------|--------------------|
| REVENUES | | | |
| State sources | \$ 119,603 | 37,578 | 35,990 |
| Rental and leases | 357,843 | 370,471 | 354,432 |
| Fines and forfeitures | 735 | 675 | 100 |
| Charges for services | 1,351 | 3,769 | 2,915 |
| Licenses, permits and fees | 59,518 | 65,721 | 69,620 |
| Other | 7,004 | - | 2,223 |
| Total revenues | <u>546,054</u> | <u>478,214</u> | <u>465,280</u> |
| EXPENDITURES - Tourism and conventions | <u>2,184,080</u> | <u>2,025,502</u> | <u>2,050,789</u> |
| Deficiency of revenues over expenditures | <u>(1,638,026)</u> | <u>(1,547,288)</u> | <u>(1,585,509)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from General Fund | 150,000 | 150,000 | 185,000 |
| Transfers from Special Revenue Funds: | | | |
| Hotel Tax | 1,248,800 | 1,147,800 | 1,127,800 |
| Marine Passenger Fee | 280,000 | 270,000 | 277,600 |
| Transfers to Marine Passenger Fee | - | (4,591) | (19,185) |
| Total other financing sources (uses) | <u>1,678,800</u> | <u>1,563,209</u> | <u>1,571,215</u> |
| Net change in fund balance | 40,774 | 15,921 | (14,294) |
| Fund balance at beginning of year | <u>380,606</u> | <u>364,685</u> | <u>378,979</u> |
| Fund balance at end of year | <u>\$ 421,380</u> | <u>380,606</u> | <u>364,685</u> |

VISITOR SERVICES

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources | \$ - | 119,603 | 119,603 | - |
| Rental and leases | 311,800 | 311,800 | 357,843 | 46,043 |
| Fines and forfeitures | 300 | 300 | 735 | 435 |
| Charges for services | 3,200 | 3,200 | 1,351 | (1,849) |
| Licenses, permits, and fees | 49,800 | 49,800 | 61,880 | 12,080 |
| Other | - | - | 4,642 | 4,642 |
| Total revenues | <u>365,100</u> | <u>484,703</u> | <u>546,054</u> | <u>61,351</u> |
| EXPENDITURES - Tourism and conventions | <u>2,155,100</u> | <u>2,287,730</u> | <u>2,194,259</u> | <u>93,471</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(1,790,000)</u> | <u>(1,803,027)</u> | <u>(1,648,205)</u> | <u>154,822</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from: | | | | |
| General Fund | 150,000 | 150,000 | 150,000 | - |
| Special Revenue Funds: | | | | |
| Hotel Tax | 1,248,800 | 1,248,800 | 1,248,800 | - |
| Marine Passenger Fee | 280,000 | 280,000 | 280,000 | - |
| Transfers to Marine Passenger Fee | - | - | - | - |
| Total other financing sources (uses) | <u>1,678,800</u> | <u>1,678,800</u> | <u>1,678,800</u> | <u>-</u> |
| Net change in fund balance budgetary basis \$ | <u>(111,200)</u> | <u>(124,227)</u> | 30,595 | <u>154,822</u> |
| Fund balance at beginning of year | | | <u>380,606</u> | |
| Fund balance at end of year | | | 411,201 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | 6,952 | |
| Change in compensated absences, assignment of fund balance | | | <u>3,227</u> | |
| Fund balance at end of year - GAAP basis | | | <u>\$ 421,380</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|-------------------|----------------|----------------|
| REVENUES - Donations and contributions | \$ 24,557 | 5,493 | 3,138 |
| EXPENDITURES - Libraries | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over expenditures | 24,557 | 5,493 | 3,138 |
| Fund balance at beginning of year | <u>152,346</u> | <u>146,853</u> | <u>143,715</u> |
| Fund balance at end of year | <u>\$ 176,903</u> | <u>152,346</u> | <u>146,853</u> |

LIBRARY MINOR CONTRIBUTIONS

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| REVENUES - Donations and contributions | \$ 3,000 | 3,000 | 24,557 | 21,557 |
| EXPENDITURES - Libraries | - | - | - | - |
| Excess (deficiency) of revenues over expenditures | <u>\$ 3,000</u> | <u>3,000</u> | 24,557 | <u>21,557</u> |
| Fund balance at beginning of year | | | <u>152,346</u> | |
| Fund balance at end of year | | | \$ <u>176,903</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

EAGLECREST

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance (Deficit)

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|------------------|------------------|------------------|
| REVENUES | | | |
| State sources | \$ 214,218 | 70,788 | 66,783 |
| Charges for services | 871,768 | 1,341,034 | 1,347,872 |
| Contracted services | 144,670 | 130,983 | 114,514 |
| Licenses, permits & fees | 86,262 | 214,344 | 207,306 |
| Sales | 8,345 | 34,309 | 33,324 |
| Rentals and leases | 99,848 | 184,168 | 191,864 |
| Donations & contributions | 1,066 | 12,070 | 15,106 |
| Total revenues | <u>1,426,177</u> | <u>1,987,696</u> | <u>1,976,769</u> |
| EXPENDITURES - Recreation | <u>2,137,283</u> | <u>2,597,762</u> | <u>2,528,769</u> |
| Deficiency of revenues over expenditures | <u>(711,106)</u> | <u>(610,066)</u> | <u>(552,000)</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers from: | | | |
| General Fund | 687,500 | 725,000 | 725,000 |
| Roaded Service Area Special Revenue Fund | 25,000 | 25,000 | 25,000 |
| Total other financing sources | <u>712,500</u> | <u>750,000</u> | <u>750,000</u> |
| Net change in fund balance | 1,394 | 139,934 | 198,000 |
| Fund balance (deficit) at beginning of the year | <u>92,191</u> | <u>(47,743)</u> | <u>(245,743)</u> |
| Fund balance (deficit) at end of year | <u>\$ 93,585</u> | <u>92,191</u> | <u>(47,743)</u> |

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|------------------|------------------|------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State shared revenue | \$ - | 214,218 | 214,218 | - |
| Charges for services | 1,393,000 | 1,393,000 | 871,768 | (521,232) |
| Contracted services | 129,700 | 129,700 | 144,670 | 14,970 |
| Licenses, permits & fees | 284,000 | 284,000 | 86,262 | (197,738) |
| Sales | 40,000 | 40,000 | 8,345 | (31,655) |
| Rentals and leases | 265,000 | 265,000 | 99,848 | (165,152) |
| Donations and contributions | 25,000 | 25,000 | 1,066 | (23,934) |
| Total revenues | <u>2,136,700</u> | <u>2,350,918</u> | <u>1,426,177</u> | <u>(924,741)</u> |
| EXPENDITURES - Recreation | <u>2,846,300</u> | <u>3,126,602</u> | <u>2,137,283</u> | <u>989,319</u> |
| Deficiency of revenues over expenditures and encumbrances | <u>(709,600)</u> | <u>(775,684)</u> | <u>(711,106)</u> | <u>64,578</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from: | | | | |
| General Fund | 687,500 | 687,500 | 687,500 | - |
| Roaded Service Area Special Revenue Fund | 25,000 | 25,000 | 25,000 | - |
| Total other financing sources | <u>712,500</u> | <u>712,500</u> | <u>712,500</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 2,900</u> | <u>(63,184)</u> | <u>1,394</u> | <u>64,578</u> |
| Fund balance at beginning of year | | | <u>92,191</u> | |
| Fund balance at end of year - GAAP basis | | | <u>\$ 93,585</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|-------------------|------------------|------------------|
| REVENUES | | | |
| Charges for services | \$ 47,529 | 15,975 | 79,039 |
| Licenses, permits & fees | - | 4,033 | - |
| Fines and forfeitures | 38,908 | 27,799 | 20,717 |
| Rentals and leases | 316,833 | 338,052 | 291,584 |
| Total revenues | <u>403,270</u> | <u>385,859</u> | <u>391,340</u> |
| EXPENDITURES - Public Transportation | | | |
| Deficiency of revenues over expenditures | <u>(47,894)</u> | <u>(102,357)</u> | <u>(102,653)</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers from: | | | |
| Roaded Service Area Special Revenue Fund | 195,000 | 202,000 | 47,000 |
| Total other financing sources | <u>195,000</u> | <u>202,000</u> | <u>47,000</u> |
| Net change in fund balance | 147,106 | 99,643 | (55,653) |
| Fund balance at beginning of year | <u>135,632</u> | <u>35,989</u> | <u>91,642</u> |
| Fund balance at end of year | <u>\$ 282,738</u> | <u>135,632</u> | <u>35,989</u> |

DOWNTOWN PARKING

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|------------------------|------------------------|--------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Rentals and leases | \$ 290,000 | 290,000 | 316,833 | 26,833 |
| Fines and forfeitures | 18,000 | 18,000 | 38,908 | 20,908 |
| Licenses, permits & fees | - | - | - | - |
| Charges for services | 500 | 500 | 47,529 | 47,029 |
| Total revenues | <u>308,500</u> | <u>308,500</u> | <u>403,270</u> | <u>94,770</u> |
| EXPENDITURES - Public transportation | | | | |
| | <u>504,100</u> | <u>520,950</u> | <u>454,459</u> | <u>66,491</u> |
| Deficiency of revenues over expenditures and encumbrances | (195,600) | (212,450) | (51,189) | 161,261 |
| OTHER FINANCING SOURCES | | | | |
| Transfer from: | | | | |
| Roaded Service Area Special Revenue Fund | <u>195,000</u> | <u>195,000</u> | <u>195,000</u> | <u>-</u> |
| Net change in fund balance budgetary basis | <u><u>\$ (600)</u></u> | <u><u>(17,450)</u></u> | <u>143,811</u> | <u><u>161,261</u></u> |
| Fund balance at beginning of year | | | <u>135,632</u> | |
| Fund balance at end of year | | | 279,443 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | <u>3,295</u> | |
| Fund balance at end of year - GAAP basis | | | <u><u>\$ 282,738</u></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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|---------------------|--------------------|--------------------|
| REVENUES | | | |
| Charges for services | \$ 2,868,633 | 2,864,578 | 2,825,479 |
| EXPENDITURES - Other | 5,500 | 5,500 | 5,500 |
| Excess of revenues over expenditures | <u>2,863,133</u> | <u>2,859,078</u> | <u>2,819,979</u> |
| OTHER FINANCING USES | | | |
| Transfers to Debt Service Fund | (403,900) | - | - |
| Transfers to Enterprise Funds Capital Projects | - | (2,925,000) | (2,800,000) |
| Total other financing uses | <u>(403,900)</u> | <u>(2,925,000)</u> | <u>(2,800,000)</u> |
| Net change in fund balance | 2,459,233 | (65,922) | 19,979 |
| Fund balance at beginning of year | <u>15,684</u> | <u>81,606</u> | <u>61,627</u> |
| Fund balance at end of year | <u>\$ 2,474,917</u> | <u>15,684</u> | <u>81,606</u> |

PORT DEVELOPMENT

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|---------------------|--------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources | \$ 4,275,000 | 4,275,000 | - | (4,275,000) |
| Charges for services | 2,874,000 | 2,874,000 | 2,868,633 | (5,367) |
| Total revenues | <u>7,149,000</u> | <u>7,149,000</u> | <u>2,868,633</u> | <u>(4,280,367)</u> |
| EXPENDITURES - Other | 5,500 | 5,500 | 5,500 | - |
| Excess of revenues over expenditures | <u>7,143,500</u> | <u>7,143,500</u> | <u>2,863,133</u> | <u>(4,280,367)</u> |
| OTHER FINANCING USES | | | | |
| Transfers to Debt Service Fund | (403,900) | (403,900) | (403,900) | - |
| Transfers to Enterprise Funds Capital Projects | (4,100,000) | (4,100,000) | - | 4,100,000 |
| Total other financing uses | <u>(4,503,900)</u> | <u>(4,503,900)</u> | <u>(403,900)</u> | <u>4,100,000</u> |
| Net change in fund balance | <u>\$ 2,639,600</u> | <u>2,639,600</u> | 2,459,233 | <u>(180,367)</u> |
| Fund balance at beginning of year | | | <u>15,684</u> | |
| Fund balance at end of year | | | <u>\$ 2,474,917</u> | |

CITY and BOROUGH OF JUNEAU

Non-Major Special Revenue Funds

AFFORDABLE HOUSING

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|-------------------|----------------|----------------|
| REVENUES | | | |
| State sources | \$ - | - | 40,000 |
| Loan repayments | 3,044 | 13,529 | 1,082 |
| Total revenues | <u>3,044</u> | <u>13,529</u> | <u>41,082</u> |
| EXPENDITURES | | | |
| Affordable Housing Program | <u>67,313</u> | - | <u>69,000</u> |
| Excess (deficiency) of revenues over expenditures | (64,269) | 13,529 | (27,918) |
| Fund balance at beginning of year | <u>836,723</u> | <u>823,194</u> | <u>851,112</u> |
| Fund balance at end of year | <u>\$ 772,454</u> | <u>836,723</u> | <u>823,194</u> |

AFFORDABLE HOUSING

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|--------------------|-----------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources | \$ - | 77,000 | - | (77,000) |
| Loan repayments | - | - | 3,044 | 3,044 |
| Total revenues | <u>-</u> | <u>77,000</u> | <u>3,044</u> | <u>(73,956)</u> |
| EXPENDITURES | | | | |
| Affordable Housing Program | <u>75,000</u> | <u>152,000</u> | <u>72,674</u> | <u>79,326</u> |
| Excess of revenues over expenditures | <u>\$ (75,000)</u> | <u>(75,000)</u> | <u>(69,630)</u> | <u>5,370</u> |
| Fund balance at beginning of year | | | <u>836,723</u> | |
| Fund balance at end of year | | | 767,093 | |
| Reconciliation to GAAP fund balance: | | | | |
| Encumbrances at end of year | | | <u>5,361</u> | |
| Fund balance at end of year - GAAP basis | | | <u>\$ 772,454</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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|--------------------|--------------------|--------------------|
| REVENUES - Marine passenger fees | \$ 4,846,455 | 4,864,015 | 4,727,985 |
| EXPENDITURES - Other | <u>5,500</u> | <u>5,500</u> | <u>5,500</u> |
| Excess of revenues over expenditures | <u>4,840,955</u> | <u>4,858,515</u> | <u>4,722,485</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from: | | | |
| General Fund | - | 33,101 | 25,895 |
| Special Revenue Funds: | | | |
| Visitor Services | - | 4,591 | 19,185 |
| Lands | - | 1,514,583 | - |
| Roaded Service Area | - | - | 30,474 |
| Transfers to: | | | |
| General Fund | (1,569,800) | (1,852,800) | (1,574,100) |
| Special Revenue Funds: | | | |
| Visitor Services | (280,000) | (270,000) | (277,600) |
| Roaded Service Area | (1,161,500) | (1,147,000) | (1,119,000) |
| Fire Service Area | (70,000) | (70,000) | (70,000) |
| Enterprise Funds: | | | |
| Water | (1,200,000) | - | - |
| Bartlett Regional Hospital | (61,500) | (54,500) | - |
| Dock | (287,600) | (287,600) | (287,500) |
| Capital Projects | (64,100) | (1,118,100) | (1,171,800) |
| Internal Service Fund, Central Equipment | - | - | (175,000) |
| Capital Projects Funds | - | (1,552,275) | (75,554) |
| Total other financing sources (uses) | <u>(4,694,500)</u> | <u>(4,800,000)</u> | <u>(4,675,000)</u> |
| Net change in fund balance | 146,455 | 58,515 | 47,485 |
| Fund balance at beginning of year | <u>125,344</u> | <u>66,829</u> | <u>19,344</u> |
| Fund balance at end of year | <u>\$ 271,799</u> | <u>125,344</u> | <u>66,829</u> |

MARINE PASSENGER FEE

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|------------------|-------------|-------------|---|
| | Original | Final | | |
| REVENUES - Marine passenger fees | \$ 4,790,000 | 4,790,000 | 4,846,455 | 56,455 |
| EXPENDITURES - Other | 5,500 | 5,500 | 5,500 | - |
| Excess of revenues over expenditures | 4,784,500 | 4,784,500 | 4,840,955 | 56,455 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers to: | | | | |
| General Fund | (1,569,800) | (1,569,800) | (1,569,800) | - |
| Special Revenue Funds: | | | | |
| Visitor Services | (280,000) | (280,000) | (280,000) | - |
| Roaded Service Area | (1,161,500) | (1,161,500) | (1,161,500) | - |
| Fire Service Area | (70,000) | (70,000) | (70,000) | - |
| Enterprise Funds: | | | | |
| Bartlett Regional Hospital | (61,500) | (61,500) | (61,500) | - |
| Dock | (287,600) | (287,600) | (287,600) | - |
| Capital Projects | (1,264,100) | (1,264,100) | (1,264,100) | - |
| Total other financing sources (uses) | (4,694,500) | (4,694,500) | (4,694,500) | - |
| Net change in fund balance | \$ 90,000 | 90,000 | 146,455 | 56,455 |
| Fund balance at beginning of year | | | 125,344 | |
| Fund balance at end of year | | | \$ 271,799 | |

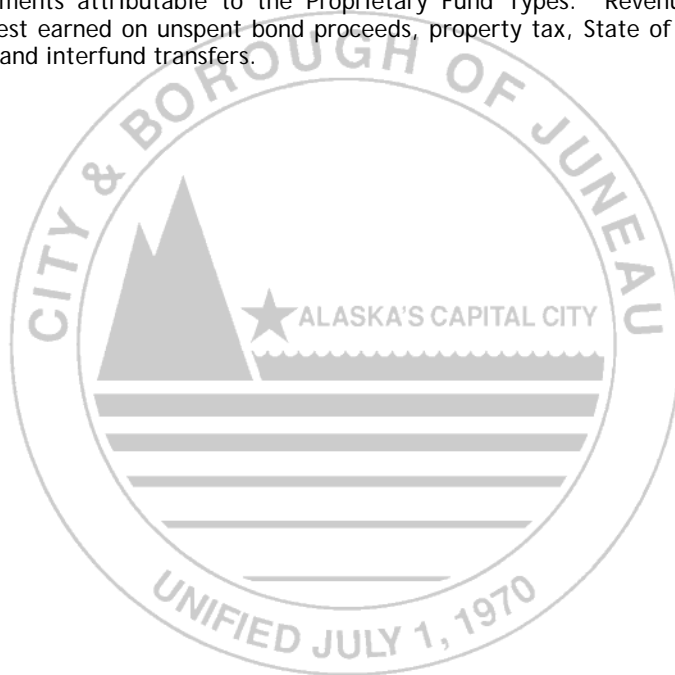


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DEBT SERVICE FUNDS

Major Debt Service Fund

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 bond proceeds, interest earned on unspent bond proceeds, property tax, State of Alaska school debt reimbursement and interfund transfers.



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, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|--------------------|--------------------|
| REVENUES | | | |
| Taxes | \$ 6,578,956 | 6,073,339 | 5,552,441 |
| State sources | 14,120,738 | 13,557,442 | 12,397,993 |
| Investment and interest income | 11,878 | 54,978 | 67,393 |
| Other | 64,117 | - | - |
| Total revenues | <u>20,775,689</u> | <u>19,685,759</u> | <u>18,017,827</u> |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principal on debt | 18,225,571 | 17,729,983 | 15,564,254 |
| Interest on debt | 5,401,707 | 5,367,236 | 5,444,510 |
| Fiscal agent and letter of credit fees | 141,378 | 48,790 | 58,341 |
| Total expenditures | <u>23,768,656</u> | <u>23,146,009</u> | <u>21,067,105</u> |
| Deficiency of revenue over expenditures | <u>(2,992,967)</u> | <u>(3,460,250)</u> | <u>(3,049,278)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers from: | | | |
| Special Revenue Funds: | | | |
| Sales Tax | 2,617,800 | 1,507,800 | 1,481,900 |
| Port Development | 403,900 | - | - |
| Capital Projects Funds | 161,179 | 350,604 | 790,000 |
| Transfers to Enterprise Funds: | | | |
| Harbor | (6,224,425) | - | - |
| Dock | (20,900,000) | (6,000,000) | - |
| Premium on bonds issued | 3,236,177 | 399,373 | 1,416,476 |
| Issuance of general obligation bonds | 5,325,825 | - | - |
| Issuance of revenue bonds | 20,595,000 | 6,055,000 | - |
| Issuance of refunding bonds | 3,135,000 | - | 7,415,000 |
| Payment to refunded bond escrow agent | (3,325,000) | - | (8,410,000) |
| Total other financing sources (uses) | <u>5,025,456</u> | <u>2,312,777</u> | <u>2,693,376</u> |
| Net change in fund balance | 2,032,489 | (1,147,473) | (355,902) |
| Fund balance at beginning of year | <u>3,026,669</u> | <u>4,174,142</u> | <u>4,530,044</u> |
| Fund balance at end of year | <u>\$ 5,059,158</u> | <u>3,026,669</u> | <u>4,174,142</u> |

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--|-----------------------|--------------------|---------------------|---|
| | Original | Final | | |
| REVENUE | | | | |
| Taxes | \$ 6,593,100 | 6,593,100 | 6,578,956 | (14,144) |
| State sources | 14,114,900 | 14,114,900 | 14,120,738 | 5,838 |
| Investment and interest income | 29,000 | 29,000 | 11,878 | (17,122) |
| Other | - | 64,117 | 64,117 | - |
| Total revenues | <u>20,737,000</u> | <u>20,801,117</u> | <u>20,775,689</u> | <u>(25,428)</u> |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal on debt | 18,154,400 | 18,154,400 | 18,225,571 | (71,171) |
| Interest on debt | 6,715,900 | 6,715,900 | 5,401,707 | 1,314,193 |
| Fiscal agent and letter of credit fees | 8,200 | 8,200 | 141,378 | (133,178) |
| Total expenditures | <u>24,878,500</u> | <u>24,878,500</u> | <u>23,768,656</u> | <u>1,109,844</u> |
| Deficiency of revenue over expenditures | <u>(4,141,500)</u> | <u>(4,077,383)</u> | <u>(2,992,967)</u> | <u>1,084,416</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from: | | | | |
| Special Revenue Funds: | | | | |
| Sales Tax | 2,617,800 | 2,617,800 | 2,617,800 | - |
| Port Development | 403,900 | 403,900 | 403,900 | - |
| Capital Projects Funds | - | 161,179 | 161,179 | - |
| Transfers to Enterprise Funds: | | | | |
| Harbors | - | (6,224,425) | (6,224,425) | - |
| Docks | - | (20,900,000) | (20,900,000) | - |
| Premium on bonds issued | - | 3,236,177 | 3,236,177 | - |
| Issuance of general obligation bonds | - | 5,325,825 | 5,325,825 | - |
| Issuance of revenue bonds | - | 20,595,000 | 20,595,000 | - |
| Issuance of refunding bonds | - | 3,135,000 | 3,135,000 | - |
| Payment to refunded bond escrow agent | - | (3,325,000) | (3,325,000) | - |
| Total other financing sources (uses) | <u>3,021,700</u> | <u>5,025,456</u> | <u>5,025,456</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (1,119,800)</u> | <u>948,073</u> | <u>2,032,489</u> | <u>1,084,416</u> |
| Fund balance at beginning of year | | | <u>3,026,669</u> | |
| Fund balance at end of year | | | <u>\$ 5,059,158</u> | |



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CAPITAL PROJECTS FUNDS

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

Non-Major Capital Projects Funds

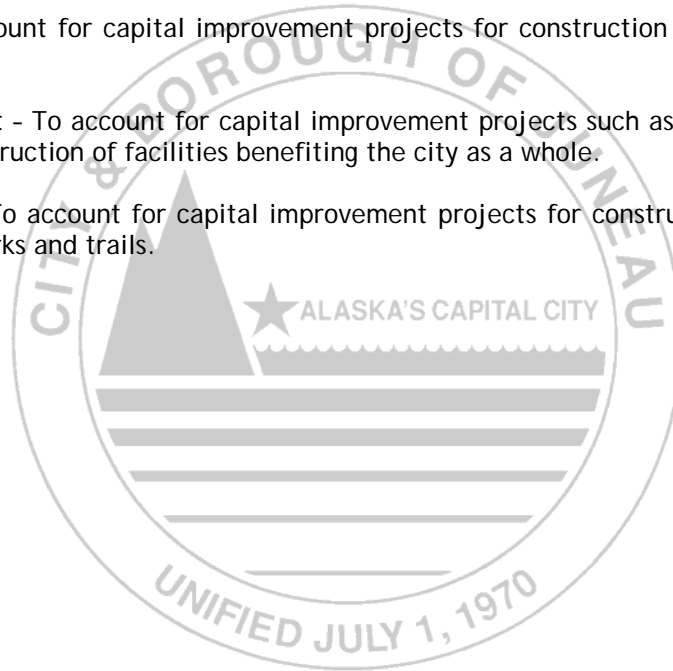
Schools - To account for capital improvement projects for construction, major maintenance and renovation of school buildings.

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, 2015

| | <u>Schools</u> | <u>Roads and Sidewalks</u> | <u>Fire and Safety</u> |
|-------------------------------------|-------------------|--------------------------------|----------------------------|
| ASSETS | | | |
| Restricted assets: | | | |
| Equity in central treasury | \$ 624,863 | 10,364,664 | 198,630 |
| Receivables: | | | |
| State of Alaska | - | - | - |
| Federal government | - | - | - |
| Total assets | <u>\$ 624,863</u> | <u>10,364,664</u> | <u>198,630</u> |
| LIABILITIES | | | |
| Payable from restricted assets: | | | |
| Accounts payable | \$ 4,538 | 338,857 | - |
| Unearned revenue | - | - | - |
| Total liabilities | <u>4,538</u> | <u>338,857</u> | <u>-</u> |
| FUND BALANCES | | | |
| Restricted for capital improvements | <u>620,325</u> | <u>10,025,807</u> | <u>198,630</u> |
| Total liabilities and fund balances | <u>\$ 624,863</u> | <u>10,364,664</u> | <u>198,630</u> |



| <u>Community Development</u> | <u>Parks and Recreation</u> | <u>Total</u> |
|----------------------------------|---------------------------------|-------------------|
| 14,025,380 | 6,191,965 | 31,405,502 |
| 8,116 | 138,795 | 146,911 |
| - | 41,930 | 41,930 |
| <u>14,033,496</u> | <u>6,372,690</u> | <u>31,594,343</u> |
| 1,092,653 | 486,865 | 1,922,913 |
| 447,958 | 19,308 | 467,266 |
| <u>1,540,611</u> | <u>506,173</u> | <u>2,390,179</u> |
| <u>12,492,885</u> | <u>5,866,517</u> | <u>29,204,164</u> |
| <u>14,033,496</u> | <u>6,372,690</u> | <u>31,594,343</u> |

CITY AND BOROUGH OF JUNEAU

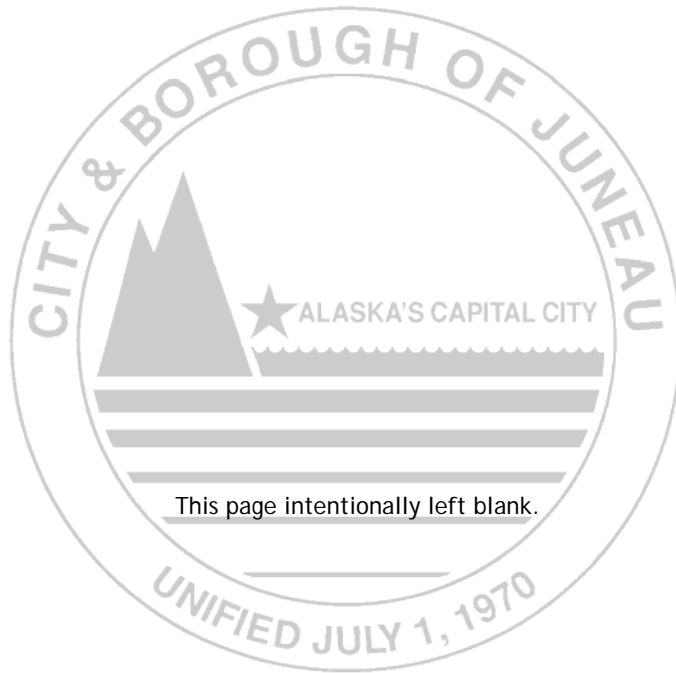
NON-MAJOR CAPITAL PROJECTS FUNDS

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

For the fiscal year ended June 30, 2015

| | <u>Schools</u> | <u>Roads and Sidewalks</u> | <u>Fire and Safety</u> |
|--|--------------------|--------------------------------|----------------------------|
| REVENUES | | | |
| State sources | \$ 20,446 | - | - |
| Federal sources | - | - | - |
| Investment and interest income | 4,588 | - | - |
| Other | 130,000 | 25,000 | - |
| Total revenues | <u>155,034</u> | <u>25,000</u> | <u>-</u> |
| EXPENDITURES | | | |
| Capital outlay | 1,807,084 | 6,544,953 | 246,363 |
| Total expenditures | <u>1,807,084</u> | <u>6,544,953</u> | <u>246,363</u> |
| Deficiency of revenues over expenditures | <u>(1,652,050)</u> | <u>(6,519,953)</u> | <u>(246,363)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| General obligation bond proceeds | - | - | - |
| Bond premium | - | - | - |
| Transfers from other funds | 251,844 | 6,521,089 | 350,000 |
| Transfers to other funds | (413,023) | (3,111,089) | - |
| Total other financing sources (uses) | <u>(161,179)</u> | <u>3,410,000</u> | <u>350,000</u> |
| Net change in fund balances | (1,813,229) | (3,109,953) | 103,637 |
| Fund balances at beginning of year | <u>2,433,554</u> | <u>13,135,760</u> | <u>94,993</u> |
| Fund balances at end of year | <u>\$ 620,325</u> | <u>10,025,807</u> | <u>198,630</u> |

| <u>Community Development</u> | <u>Parks and Recreation</u> | <u>Total</u> |
|----------------------------------|---------------------------------|---------------------|
| 5,491,070 | 171,632 | 5,683,148 |
| - | 1,930 | 1,930 |
| 12,797 | 20,541 | 37,926 |
| 52,588 | 21,414 | 229,002 |
| <u>5,556,455</u> | <u>215,517</u> | <u>5,952,006</u> |
| | | |
| 11,941,519 | 4,931,620 | 25,471,539 |
| <u>11,941,519</u> | <u>4,931,620</u> | <u>25,471,539</u> |
| | | |
| <u>(6,385,064)</u> | <u>(4,716,103)</u> | <u>(19,519,533)</u> |
| | | |
| 2,319,310 | 3,564,865 | 5,884,175 |
| 391,326 | 601,483 | 992,809 |
| 5,663,000 | 2,276,972 | 15,062,905 |
| (38,000) | (164,772) | (3,726,884) |
| <u>8,335,636</u> | <u>6,278,548</u> | <u>18,213,005</u> |
| | | |
| 1,950,572 | 1,562,445 | (1,306,528) |
| | | |
| 10,542,313 | 4,304,072 | 30,510,692 |
| | | |
| <u>12,492,885</u> | <u>5,866,517</u> | <u>29,204,164</u> |

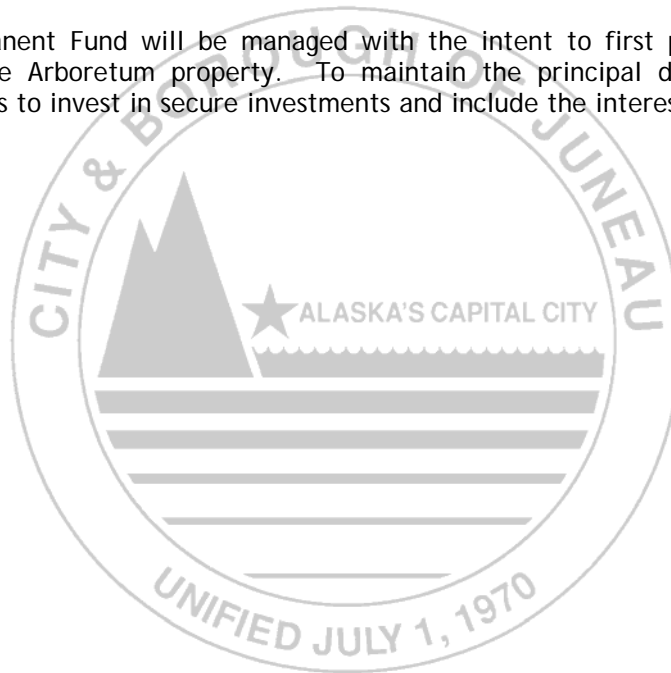


PERMANENT FUND

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Jensen-Olsen Arboretum - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust shall be used for the preservation and maintenance of the Arboretum.

The Permanent Fund will be managed with the intent to first preserve and protect the Arboretum property. To maintain the principal donation, the objective is to invest in secure investments and include the interest earnings in the fund.





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CITY and BOROUGH OF JUNEAU

Non-Major Permanent Fund

JENSEN-OLSEN ARBORETUM

Balance Sheet

June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|------------------|------------------|
| ASSETS | | | |
| Restricted assets: Equity in central treasury | \$ 2,515,610 | 2,512,321 | 2,274,662 |
| Total assets | <u>\$ 2,515,610</u> | <u>2,512,321</u> | <u>2,274,662</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ - | 915 | - |
| FUND BALANCE | | | |
| Nonspendable fund balance | 2,097,159 | 2,097,159 | 2,097,159 |
| Restricted fund balance | <u>418,451</u> | <u>414,247</u> | <u>177,503</u> |
| Total fund balances | <u>2,515,610</u> | <u>2,511,406</u> | <u>2,274,662</u> |
| Total liabilities and fund balance | <u>\$ 2,515,610</u> | <u>2,512,321</u> | <u>2,274,662</u> |

CITY and BOROUGH OF JUNEAU

Non-Major Permanent Fund

JENSEN-OLSEN ARBORETUM

Statement of Revenues, Expenditures, and Changes in Fund Balance

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---------------------------------------|---------------------|------------------|------------------|
| REVENUES | | | |
| Investment and interest income | \$ 79,638 | 311,993 | 200,086 |
| House rental | 12,066 | 10,551 | 11,166 |
| Total revenues | <u>91,704</u> | <u>322,544</u> | <u>211,252</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers to: | | | |
| General Fund | <u>(87,500)</u> | <u>(85,800)</u> | <u>(311,800)</u> |
| Net change in fund balance | 4,204 | 236,744 | (100,548) |
| Fund balance at beginning of the year | <u>2,511,406</u> | <u>2,274,662</u> | <u>2,375,210</u> |
| Fund balance at end of year | <u>\$ 2,515,610</u> | <u>2,511,406</u> | <u>2,274,662</u> |

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---------------------------------------|-------------------|-----------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Investment and interest income | \$ 188,000 | 188,000 | 79,638 | (108,362) |
| House rental | 11,800 | 11,800 | 12,066 | 266 |
| Total revenues | <u>199,800</u> | <u>199,800</u> | <u>91,704</u> | <u>(108,096)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers to: | | | | |
| General Fund | <u>(87,500)</u> | <u>(87,500)</u> | <u>(87,500)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 112,300</u> | <u>112,300</u> | 4,204 | <u>(108,096)</u> |
| Fund balance at beginning of year | | | <u>2,511,406</u> | |
| Fund balance at end of year | | | <u>\$ 2,515,610</u> | |



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ENTERPRISE FUNDS

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

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

Major Enterprise Funds

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

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

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

Areawide Wastewater 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.

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

Major Enterprise Funds

JUNEAU INTERNATIONAL AIRPORT

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|-----------------------|--------------------|--------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 3,432,004 | 3,093,241 | 2,517,789 |
| Licenses, permits and fees | 440,636 | 489,832 | 399,976 |
| Sales | 51,251 | 39,361 | 37,359 |
| Fines and forfeitures | 921 | 1,325 | 956 |
| Rentals | 2,173,766 | 2,098,668 | 1,948,327 |
| Other | 13,949 | 11,640 | 24,099 |
| Total operating revenues | <u>6,112,527</u> | <u>5,734,067</u> | <u>4,928,506</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 3,122,505 | 2,641,523 | 2,433,011 |
| Commodities and services | 3,215,883 | 3,168,900 | 3,230,312 |
| Depreciation | 2,765,781 | 2,783,388 | 2,814,149 |
| Total operating expenses | <u>9,104,169</u> | <u>8,593,811</u> | <u>8,477,472</u> |
| Operating loss | <u>(2,991,642)</u> | <u>(2,859,744)</u> | <u>(3,548,966)</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 12,413 | 39,110 | 14,547 |
| State sources | 808,116 | 327,301 | 309,936 |
| Federal grants | 88,040 | 102,200 | 108,067 |
| Gain (loss) on disposal of capital assets | 26,784 | 300 | - |
| Net nonoperating income (expense) | <u>935,353</u> | <u>468,911</u> | <u>432,550</u> |
| Net loss before contributions and transfers | <u>(2,056,289)</u> | <u>(2,390,833)</u> | <u>(3,116,416)</u> |
| Capital contributions | 19,685,733 | 8,802,977 | 28,206,785 |
| Transfers in | 750,000 | 2,550,000 | 2,380,000 |
| Transfers out | - | (200,000) | - |
| Change in net position | <u>18,379,444</u> | <u>8,762,144</u> | <u>27,470,369</u> |
| Total net position - beginning | 145,726,167 | 136,964,023 | 109,493,654 |
| Restatement | <u>(1,949,012)</u> | <u>-</u> | <u>-</u> |
| Total net position - ending | <u>\$ 162,156,599</u> | <u>145,726,167</u> | <u>136,964,023</u> |

JUNEAU INTERNATIONAL AIRPORT

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|---------------------|--------------------|----------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,135,600 | 3,135,600 | 3,432,004 | 296,404 |
| Licenses, permits and fees | 400,000 | 400,000 | 440,636 | 40,636 |
| Sales | 30,000 | 30,000 | 51,251 | 21,251 |
| Fines and forfeitures | 2,800 | 2,800 | 921 | (1,879) |
| Rentals | 2,169,800 | 2,169,800 | 2,173,766 | 3,966 |
| Other | 9,000 | 9,000 | 13,949 | 4,949 |
| Total operating revenues | <u>5,747,200</u> | <u>5,747,200</u> | <u>6,112,527</u> | <u>365,327</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 2,733,800 | 3,465,869 | 3,122,505 | 343,364 |
| Commodities and services | 3,364,100 | 3,406,182 | 3,438,287 | (32,105) |
| Capital outlay | - | 104,800 | 205,226 | (100,426) |
| Total operating expenses | <u>6,097,900</u> | <u>6,976,851</u> | <u>6,766,018</u> | <u>210,833</u> |
| Operating loss | <u>(350,700)</u> | <u>(1,229,651)</u> | <u>(653,491)</u> | <u>576,160</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Investment and interest income | 30,000 | 30,000 | 12,413 | (17,587) |
| State sources | 90,000 | 90,000 | 808,116 | 718,116 |
| Federal grants | 102,200 | 102,200 | 88,040 | (14,160) |
| Gain on disposal of capital assets | - | - | 26,784 | 26,784 |
| Net nonoperating income (expense) | <u>222,200</u> | <u>222,200</u> | <u>935,353</u> | <u>713,153</u> |
| Change in net position (Non-GAAP) | <u>\$ (128,500)</u> | <u>(1,007,451)</u> | 281,862 | <u>1,289,313</u> |
| Encumbrance adjustment | | | 222,404 | |
| Capitalization of assets | | | 205,226 | |
| Depreciation expense | | | (2,765,781) | |
| Transfers in for capital projects | | | 750,000 | |
| Capital contributions | | | 19,685,733 | |
| Change in net position | | | <u>\$ 18,379,444</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 Position

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|----------------------|--------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 88,700,378 | 80,079,102 | 84,128,171 |
| Sales | 118,440 | 119,172 | 122,036 |
| Rentals | 213,084 | - | - |
| Other | 1,249,282 | - | - |
| Total operating revenues | <u>90,281,184</u> | <u>80,198,274</u> | <u>84,250,207</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 67,912,959 | 53,857,960 | 53,699,266 |
| Commodities and services | 24,763,290 | 24,962,516 | 23,268,178 |
| Depreciation | 6,815,728 | 7,086,559 | 7,001,295 |
| Total operating expenses | <u>99,491,977</u> | <u>85,907,035</u> | <u>83,968,739</u> |
| Operating income (loss) | <u>(9,210,793)</u> | <u>(5,708,761)</u> | <u>281,468</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 338,853 | 621,161 | 175,648 |
| State sources | 14,709,941 | 4,869,640 | 5,162,399 |
| Federal grants | - | 41,792 | 54,001 |
| Bond issuance costs | - | - | (168,050) |
| Interest expense | (685,954) | (1,922,738) | (1,106,721) |
| Gain on disposal of capital assets | 42,576 | 379 | 2,543 |
| Net nonoperating income (expense) | <u>14,405,416</u> | <u>3,610,234</u> | <u>4,119,820</u> |
| Net income (loss) before contributions and transfers | 5,194,623 | (2,098,527) | 4,401,288 |
| Capital contributions | - | - | 134,658 |
| Transfers in | 1,184,500 | 1,177,500 | 1,123,000 |
| Transfers out | (130,000) | (100,000) | - |
| Change in net position | <u>6,249,123</u> | <u>(1,021,027)</u> | <u>5,658,946</u> |
| Total net position - beginning | 98,509,146 | 99,530,173 | 93,871,227 |
| Restatement | <u>(34,081,119)</u> | - | - |
| Total net position - ending | <u>\$ 70,677,150</u> | <u>98,509,146</u> | <u>99,530,173</u> |

BARTLETT REGIONAL HOSPITAL

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 86,591,500 | 86,591,500 | 88,700,378 | 2,108,878 |
| Sales | - | - | 118,440 | 118,440 |
| Rentals | - | - | 213,084 | 213,084 |
| Other | - | - | 1,249,282 | 1,249,282 |
| Total operating revenues | <u>86,591,500</u> | <u>86,591,500</u> | <u>90,281,184</u> | <u>3,689,684</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 51,718,400 | 65,712,539 | 67,912,959 | (2,200,420) |
| Commodities and services | 25,534,400 | 25,534,400 | 24,763,290 | 771,110 |
| Capital outlay | 7,207,500 | 7,207,500 | 4,736,623 | 2,470,877 |
| Debt principal | 725,000 | 725,000 | 725,000 | - |
| Total operating expenses | <u>85,185,300</u> | <u>99,179,439</u> | <u>98,137,872</u> | <u>1,041,567</u> |
| Operating income (loss) | <u>1,406,200</u> | <u>(12,587,939)</u> | <u>(7,856,688)</u> | <u>4,731,251</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Investment and interest income | 73,500 | 73,500 | 338,853 | 265,353 |
| State sources | - | 13,994,139 | 14,709,941 | 715,802 |
| Interest expense | (931,700) | (931,700) | (685,954) | 245,746 |
| Loss on disposal of capital assets | - | - | 42,576 | 42,576 |
| Net nonoperating income (expense) | <u>(858,200)</u> | <u>13,135,939</u> | <u>14,405,416</u> | <u>1,269,477</u> |
| Net Income before other sources | <u>548,000</u> | <u>548,000</u> | <u>6,548,728</u> | <u>6,000,728</u> |
| OTHER SOURCES (USES) | | | | |
| Transfers from: | | | | |
| Special Revenue Funds: | | | | |
| Sales Tax | 945,000 | 945,000 | 945,000 | - |
| Tobacco Excise Tax | 178,000 | 178,000 | 178,000 | - |
| Marine Passenger Fee | 61,500 | 61,500 | 61,500 | - |
| Transfer to the General Fund | (130,000) | (130,000) | (130,000) | - |
| Total other sources | <u>1,054,500</u> | <u>1,054,500</u> | <u>1,054,500</u> | <u>-</u> |
| Change in net position (Non-GAAP) | <u>\$ 1,602,500</u> | <u>1,602,500</u> | <u>7,603,228</u> | <u>6,000,728</u> |
| Capitalization of assets | | | 4,736,623 | |
| Depreciation expense | | | (6,815,728) | |
| Principal payments on loans | | | 725,000 | |
| Change in net position | | | <u>\$ 6,249,123</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 Statements of Revenues, Expenses, and Changes in Net Position

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|----------------------|--------------------|--------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 3,958,948 | 3,825,220 | 3,842,349 |
| Other | 510,016 | 373,214 | 427,288 |
| Total operating revenues | <u>4,468,964</u> | <u>4,198,434</u> | <u>4,269,637</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 1,757,019 | 1,638,111 | 1,716,470 |
| Commodities and services | 1,265,327 | 1,570,680 | 1,301,517 |
| Depreciation | 2,665,061 | 2,715,410 | 2,732,498 |
| Total operating expenses | <u>5,687,407</u> | <u>5,924,201</u> | <u>5,750,485</u> |
| Operating loss | <u>(1,218,443)</u> | <u>(1,725,767)</u> | <u>(1,480,848)</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 35,043 | 77,985 | 24,852 |
| State sources | 403,354 | 139,104 | 154,220 |
| Debt service fees | - | (358) | (358) |
| Interest expense | (31,422) | (13,794) | (29,250) |
| Gain (loss) on disposal of fixed assets | - | - | (27,867) |
| Net nonoperating income (expense) | <u>406,975</u> | <u>202,937</u> | <u>121,597</u> |
| Net loss before contributions and transfers | (811,468) | (1,522,830) | (1,359,251) |
| Capital contributions | 1,799,237 | 156,869 | 111,531 |
| Transfers in | <u>1,667,500</u> | <u>150,000</u> | <u>-</u> |
| Change in net position | 2,655,269 | (1,215,961) | (1,247,720) |
| Total net position - beginning | 53,014,969 | 54,230,930 | 55,478,650 |
| Restatement | <u>(1,203,191)</u> | <u>-</u> | <u>-</u> |
| Total net position - ending | <u>\$ 54,467,047</u> | <u>53,014,969</u> | <u>54,230,930</u> |

AREAWIDE WATER UTILITY

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|-------------------|------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,857,500 | 3,857,500 | 3,958,948 | 101,448 |
| Other | 430,000 | 430,000 | 510,016 | 80,016 |
| Total operating revenues | <u>4,287,500</u> | <u>4,287,500</u> | <u>4,468,964</u> | <u>181,464</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 1,905,600 | 2,308,954 | 1,757,019 | 551,935 |
| Commodities and services | 1,475,100 | 1,522,162 | 1,334,968 | 187,194 |
| Capital outlay | 85,000 | 85,000 | - | 85,000 |
| Debt principal | 152,000 | 152,000 | 151,987 | 13 |
| Total operating expenses | <u>3,617,700</u> | <u>4,068,116</u> | <u>3,243,974</u> | <u>824,142</u> |
| Operating income | <u>669,800</u> | <u>219,384</u> | <u>1,224,990</u> | <u>1,005,606</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Contributions for water extensions | 47,000 | 47,000 | 125,835 | 78,835 |
| Investment and interest income | 55,200 | 55,200 | 35,043 | (20,157) |
| State sources | - | 403,354 | 403,354 | - |
| Water extension additions | (102,700) | (105,200) | (134,590) | (29,390) |
| Interest expense | (22,600) | (22,600) | (31,422) | (8,822) |
| Net nonoperating income (expense) | <u>(23,100)</u> | <u>377,754</u> | <u>398,220</u> | <u>20,466</u> |
| Net income before other uses | 646,700 | 597,138 | 1,623,210 | 1,026,072 |
| OTHER USES | | | | |
| Transfer to Capital Projects Funds | <u>(320,000)</u> | <u>(320,000)</u> | <u>(320,000)</u> | <u>-</u> |
| Change in net position (Non-GAAP) | <u>\$ 326,700</u> | <u>277,138</u> | 1,303,210 | <u>1,026,072</u> |
| Encumbrance adjustment | | | 69,641 | |
| Capitalization of assets | | | 134,590 | |
| Depreciation expense | | | (2,665,061) | |
| Principal payments on loans | | | 151,987 | |
| Capital contributions | | | 1,673,402 | |
| Transfers out for capital projects | | | 320,000 | |
| Transfers in for capital projects | | | 1,667,500 | |
| Change in net position | | | <u>\$ 2,655,269</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 WASTEWATER UTILITY

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|----------------------|--------------------|--------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 9,670,513 | 9,324,192 | 9,343,212 |
| Special assessments | 23,400 | 215,365 | - |
| Other | 349,383 | 151,048 | 181,595 |
| Total operating revenues | <u>10,043,296</u> | <u>9,690,605</u> | <u>9,524,807</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 3,848,595 | 3,529,201 | 4,146,657 |
| Commodities and services | 5,267,926 | 4,984,528 | 4,051,857 |
| Depreciation | 2,882,143 | 2,824,192 | 2,739,718 |
| Total operating expenses | <u>11,998,664</u> | <u>11,337,921</u> | <u>10,938,232</u> |
| Operating loss | <u>(1,955,368)</u> | <u>(1,647,316)</u> | <u>(1,413,425)</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 83,627 | 153,653 | 75,845 |
| State sources | 852,169 | 278,208 | 316,666 |
| Debt service fee | - | (193) | (192) |
| Interest expense | (155,221) | (112,652) | (73,405) |
| Gain (loss) on disposal of capital assets | - | - | 8,472 |
| Net nonoperating income (expense) | <u>780,575</u> | <u>319,016</u> | <u>327,386</u> |
| Net loss before contributions and transfers | (1,174,793) | (1,328,300) | (1,086,039) |
| Capital contributions | 406,298 | 1,376,913 | 271,384 |
| Transfers out | - | - | (1,200) |
| Change in net position | <u>(768,495)</u> | <u>48,613</u> | <u>(815,855)</u> |
| Total net position - beginning | 67,959,665 | 67,911,052 | 68,726,907 |
| Restatement | <u>(2,470,232)</u> | - | - |
| Total net position - ending | <u>\$ 64,720,938</u> | <u>67,959,665</u> | <u>67,911,052</u> |

AREAWIDE WASTEWATER UTILITY

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|-----------------------|--------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 9,619,000 | 9,619,000 | 9,670,513 | 51,513 |
| Special assessments | 79,000 | 79,000 | 23,400 | (55,600) |
| Other | 190,000 | 190,000 | 349,383 | 159,383 |
| Total operating revenues | <u>9,888,000</u> | <u>9,888,000</u> | <u>10,043,296</u> | <u>155,296</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 4,145,100 | 4,997,269 | 3,863,401 | 1,133,868 |
| Commodities and services | 6,831,500 | 7,509,844 | 6,012,049 | 1,497,795 |
| Capital outlay | 425,000 | 477,760 | 30,619 | 447,141 |
| Debt principal | 660,700 | 503,700 | 543,172 | (39,472) |
| Total operating expenses | <u>12,062,300</u> | <u>13,488,573</u> | <u>10,449,241</u> | <u>3,039,332</u> |
| Operating income (loss) | <u>(2,174,300)</u> | <u>(3,600,573)</u> | <u>(405,945)</u> | <u>3,194,628</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Contributions for sewer extensions | 45,000 | 45,000 | 90,020 | 45,020 |
| Investment and interest income | 112,000 | 112,000 | 83,627 | (28,373) |
| State sources | - | 852,169 | 852,169 | - |
| Sewer extension additions | (111,200) | (111,200) | (111,709) | (509) |
| Interest expense | (84,400) | (84,400) | (155,221) | (70,821) |
| Net nonoperating income (expense) | <u>(38,600)</u> | <u>813,569</u> | <u>758,886</u> | <u>(54,683)</u> |
| Net income (loss) before other uses | <u>(2,212,900)</u> | <u>(2,787,004)</u> | <u>352,941</u> | <u>3,139,945</u> |
| OTHER USES | | | | |
| Transfer to Capital Projects Funds | - | (239,245) | (239,245) | - |
| Change in net position (Non-GAAP) | <u>\$ (2,212,900)</u> | <u>(3,026,249)</u> | <u>113,696</u> | <u>3,139,945</u> |
| Encumbrance adjustment | | | 789,548 | |
| Capitalization of assets | | | 111,709 | |
| Depreciation expense | | | (2,882,143) | |
| Principal payments on loans | | | 543,172 | |
| Capital contributions | | | 316,278 | |
| Transfer out for capital projects | | | 239,245 | |
| Change in net position | | | <u>\$ (768,495)</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 Statements of Revenues, Expenses, and Changes in Net Position

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|----------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 2,966,808 | 2,892,147 | 2,600,418 |
| Fines and forfeitures | 21,210 | 9,503 | 11,563 |
| Rentals | 1,214,844 | 606,780 | 561,291 |
| Total operating revenues | <u>4,202,862</u> | <u>3,508,430</u> | <u>3,173,272</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 2,049,828 | 1,547,943 | 1,429,722 |
| Commodities and services | 1,297,222 | 1,266,774 | 1,068,456 |
| Depreciation | 1,150,701 | 1,003,707 | 968,761 |
| Total operating expenses | <u>4,497,751</u> | <u>3,818,424</u> | <u>3,466,939</u> |
| Operating loss | <u>(294,889)</u> | <u>(309,994)</u> | <u>(293,667)</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 28,834 | 141,678 | 44,255 |
| State sources | 834,177 | 424,901 | 191,043 |
| Interest expense | (362,413) | (437,418) | (449,984) |
| Gain (loss) on disposal of capital assets | 1,100 | (728) | - |
| Net nonoperating income (expense) | <u>501,698</u> | <u>128,433</u> | <u>(214,686)</u> |
| Net income (loss) before contributions and transfers | 206,809 | (181,561) | (508,353) |
| Capital contributions | 5,788,674 | 660,852 | 7,392,466 |
| Transfers in | 6,224,425 | - | 500,000 |
| Change in net position | <u>12,219,908</u> | <u>479,291</u> | <u>7,384,113</u> |
| Total net position - beginning | 58,926,943 | 58,447,652 | 51,063,539 |
| Restatement | <u>(1,003,509)</u> | - | - |
| Total net position - ending | <u>\$ 70,143,342</u> | <u>58,926,943</u> | <u>58,447,652</u> |

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|-------------------|------------------|----------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 2,740,500 | 2,740,500 | 2,966,808 | 226,308 |
| Fines and forfeitures | 10,000 | 10,000 | 21,210 | 11,210 |
| Rentals | 690,000 | 690,000 | 1,214,844 | 524,844 |
| Total operating revenues | <u>3,440,500</u> | <u>3,440,500</u> | <u>4,202,862</u> | <u>762,362</u> |
| EXPENSES | | | | |
| Salaries and fringe benefits | 1,640,000 | 2,079,167 | 2,049,828 | 29,339 |
| Commodities and services | 1,203,100 | 1,235,364 | 1,360,018 | (124,654) |
| Capital outlay | 10,000 | 10,000 | 23,130 | (13,130) |
| Debt principal | 295,000 | 295,000 | 295,000 | - |
| Total operating expenses | <u>3,148,100</u> | <u>3,619,531</u> | <u>3,727,976</u> | <u>(108,445)</u> |
| Operating income (loss) | <u>292,400</u> | <u>(179,031)</u> | <u>474,886</u> | <u>653,917</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Investment and interest income | 72,800 | 72,800 | 28,834 | (43,966) |
| State sources | 350,000 | 789,167 | 834,177 | 45,010 |
| Interest expense | (453,800) | (453,800) | (362,413) | 91,387 |
| Gain on disposal of capital assets | - | - | 1,100 | 1,100 |
| Net nonoperating income (expense) | <u>(31,000)</u> | <u>408,167</u> | <u>501,698</u> | <u>93,531</u> |
| Net income before other uses | 261,400 | 229,136 | 976,584 | 747,448 |
| OTHER SOURCES (USES) | | | | |
| Transfer from Debt Service | - | 6,224,425 | 6,224,425 | - |
| Transfer to Capital Projects Funds | - | (846,392) | (846,392) | - |
| Total other uses | <u>-</u> | <u>5,378,033</u> | <u>5,378,033</u> | <u>-</u> |
| Change in net position (Non-GAAP) | <u>\$ 261,400</u> | <u>5,607,169</u> | 6,354,617 | <u>747,448</u> |
| Encumbrance adjustment | | | 64,296 | |
| Capitalization of fixed assets | | | 21,630 | |
| Depreciation expense | | | (1,150,701) | |
| Principal payment on loan | | | 295,000 | |
| Capital contributions | | | 5,788,674 | |
| Transfers to capital projects | | | 846,392 | |
| Change in net position | | | <u>\$ 12,219,908</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

DOCK

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|-----------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,074,841 | 1,055,744 | 1,095,558 |
| Licenses, permits and fees | 414,869 | 368,146 | 522,337 |
| Rentals | - | - | 582 |
| Total operating revenues | <u>1,489,710</u> | <u>1,423,890</u> | <u>1,618,477</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 927,882 | 779,170 | 770,850 |
| Commodities and services | 508,223 | 485,747 | 473,518 |
| Depreciation | 990,138 | 1,020,315 | 1,022,602 |
| Total operating expenses | <u>2,426,243</u> | <u>2,285,232</u> | <u>2,266,970</u> |
| Operating loss | <u>(936,533)</u> | <u>(861,342)</u> | <u>(648,493)</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 40,514 | 97,568 | 29,919 |
| State sources | 266,775 | 79,680 | 81,591 |
| Gain (loss) on disposal of capital assets | - | (242) | - |
| Net nonoperating income (expense) | <u>307,289</u> | <u>177,006</u> | <u>111,510</u> |
| Net loss before contributions and transfers | (629,244) | (684,336) | (536,983) |
| Capital Contributions | 13,021,723 | 5,505,026 | 3,945,026 |
| Transfers in | 21,251,700 | 10,330,700 | 4,559,300 |
| Transfers out | - | (150,000) | (500,000) |
| Change in net position | <u>33,644,179</u> | <u>15,001,390</u> | <u>7,467,343</u> |
| Total net position - beginning | 75,761,663 | 60,760,273 | 53,292,930 |
| Restatement | <u>(711,513)</u> | - | - |
| Total net position - ending | <u>\$ 108,694,329</u> | <u>75,761,663</u> | <u>60,760,273</u> |

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|----------------------|-------------------|----------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Taxes | | | | |
| Charges for services | \$ 1,030,000 | 1,030,000 | 1,074,841 | 44,841 |
| Licenses, permits and fees | 500,000 | 500,000 | 414,869 | (85,131) |
| Total operating revenues | <u>1,530,000</u> | <u>1,530,000</u> | <u>1,489,710</u> | <u>(40,290)</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 766,600 | 1,033,375 | 927,882 | 105,493 |
| Commodities and services | 615,900 | 616,100 | 524,889 | 91,211 |
| Capital outlay | 10,000 | 10,000 | 24,430 | (14,430) |
| Total operating expenses | <u>1,392,500</u> | <u>1,659,475</u> | <u>1,477,201</u> | <u>182,274</u> |
| Operating income (loss) | <u>137,500</u> | <u>(129,475)</u> | <u>12,509</u> | <u>141,984</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Investment and interest income | 78,000 | 78,000 | 40,514 | (37,486) |
| State sources | - | 266,775 | 266,775 | - |
| Net nonoperating income (expense) | <u>78,000</u> | <u>344,775</u> | <u>307,289</u> | <u>(37,486)</u> |
| Net income before other sources | <u>215,500</u> | <u>215,300</u> | <u>319,798</u> | <u>104,498</u> |
| OTHER SOURCES | | | | |
| Transfer from Marine Passenger Fee Fund | 1,551,700 | 287,600 | 287,600 | - |
| Transfer from Debt Service | 20,900,000 | 20,900,000 | 20,900,000 | - |
| Total other sources | <u>22,451,700</u> | <u>21,187,600</u> | <u>21,187,600</u> | <u>-</u> |
| Change in net position (Non-GAAP) | <u>\$ 22,667,200</u> | <u>21,402,900</u> | <u>21,507,398</u> | <u>104,498</u> |
| Encumbrance adjustment | | | 34,466 | |
| Capitalization of fixed assets | | | 6,630 | |
| Depreciation expense | | | (990,138) | |
| Capital contributions | | | 13,021,723 | |
| Transfers in to capital projects | | | 64,100 | |
| Change in net position | | | <u>\$ 33,644,179</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

WASTE MANAGEMENT

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|------------------|------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,177,308 | 1,165,707 | 1,094,912 |
| Licenses, permits and fees | 2,299 | 3,999 | 5,000 |
| Other | 16,082 | 4,202 | - |
| Total operating revenues | <u>1,195,689</u> | <u>1,173,908</u> | <u>1,099,912</u> |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 226,301 | 199,420 | 159,446 |
| Commodities and services | 833,305 | 787,116 | 604,606 |
| Depreciation | 29,065 | 16,547 | 16,547 |
| Total operating expenses | <u>1,088,671</u> | <u>1,003,083</u> | <u>780,599</u> |
| Operating income | <u>107,018</u> | <u>170,825</u> | <u>319,313</u> |
| NONOPERATING INCOME (EXPENSE) | | | |
| Investment and interest income | 10,915 | 30,355 | 8,697 |
| State sources | 49,218 | 13,491 | 13,274 |
| Gain (loss) on disposal of capital assets | - | - | (21,000) |
| Net nonoperating income (expense) | <u>60,133</u> | <u>43,846</u> | <u>971</u> |
| Net income before transfers | 167,151 | 214,671 | 320,284 |
| Transfers out | (450,000) | - | - |
| Change in net position | <u>(282,849)</u> | <u>214,671</u> | <u>320,284</u> |
| Total net position - beginning | 2,511,797 | 2,297,126 | 1,976,842 |
| Restatement | <u>(121,874)</u> | <u>-</u> | <u>-</u> |
| Total net position - ending | <u>\$ 2,107,074</u> | <u>2,511,797</u> | <u>2,297,126</u> |

WASTE MANAGEMENT

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|--------------------------------------|---------------------|--------------------|---------------------|---|
| | Original | Final | | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 611,000 | 611,000 | 1,177,308 | 566,308 |
| Licenses, permits and fees | 5,000 | 5,000 | 2,299 | (2,701) |
| Other | - | - | 16,082 | 16,082 |
| Total operating revenues | <u>616,000</u> | <u>616,000</u> | <u>1,195,689</u> | <u>579,689</u> |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 188,200 | 237,418 | 226,301 | 11,117 |
| Commodities and services | 992,200 | 1,013,143 | 952,028 | 61,115 |
| Capital outlay | 145,000 | 355,869 | 250,357 | 105,512 |
| Total operating expenses | <u>1,325,400</u> | <u>1,606,430</u> | <u>1,428,686</u> | <u>177,744</u> |
| Operating income (loss) | <u>(709,400)</u> | <u>(990,430)</u> | <u>(232,997)</u> | <u>757,433</u> |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Investment and interest income | - | - | 10,915 | 10,915 |
| State sources | 460,000 | 49,218 | 49,218 | - |
| Net nonoperating income (expense) | <u>460,000</u> | <u>49,218</u> | <u>60,133</u> | <u>10,915</u> |
| Net income (loss) before other uses | (249,400) | (941,212) | (172,864) | 768,348 |
| OTHER USES | | | | |
| Transfer to Internal Service Fund | - | (450,000) | (450,000) | - |
| Change in net position (Non-GAAP) | <u>\$ (249,400)</u> | <u>(1,391,212)</u> | <u>(622,864)</u> | <u>768,348</u> |
| Encumbrance adjustment | | | 118,723 | |
| Capitalization of assets | | | 250,357 | |
| Depreciation expense | | | (29,065) | |
| Change in net position | | | <u>\$ (282,849)</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.

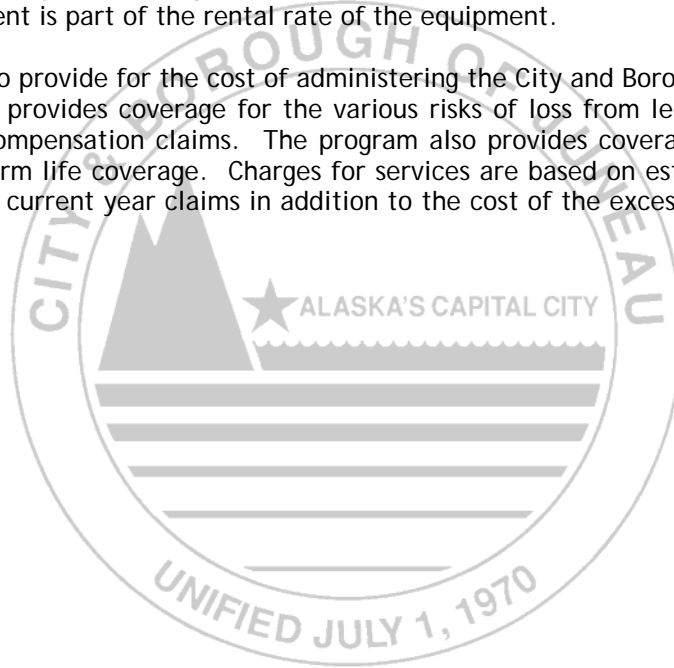


INTERNAL SERVICE FUNDS

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 Position

June 30, 2015

with comparative total amounts for 2014 and 2013

| | Central Equipment Service | Self- insurance | Totals | | |
|---|---------------------------------|--------------------|-------------------|-------------------|-------------------|
| | | | 2015 | 2014 | 2013 |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Equity in central treasury | \$ 5,941,593 | 14,742,186 | 20,683,779 | 18,958,275 | 17,862,591 |
| Receivables net of allowance for doubtful accounts: | | | | | |
| Other | - | 1,732 | 1,732 | 892,549 | 749 |
| Inventories | 223,084 | - | 223,084 | 233,264 | 229,720 |
| Prepaid items | - | - | - | 52,388 | 97,579 |
| Total current assets | <u>6,164,677</u> | <u>14,743,918</u> | <u>20,908,595</u> | <u>20,136,476</u> | <u>18,190,639</u> |
| Capital assets: | | | | | |
| Machinery, equipment and fixtures | 27,351,969 | 28,000 | 27,379,969 | 25,835,457 | 23,726,827 |
| Less accumulated depreciation | (16,853,653) | (8,400) | (16,862,053) | (15,274,123) | (14,134,913) |
| Net property, plant and equipment | <u>10,498,316</u> | <u>19,600</u> | <u>10,517,916</u> | <u>10,561,334</u> | <u>9,591,914</u> |
| Deferred Outflows of Resources | 53,685 | 42,577 | 96,262 | - | - |
| Total assets and deferred outflows | <u>16,716,678</u> | <u>14,806,095</u> | <u>31,522,773</u> | <u>30,697,810</u> | <u>27,782,553</u> |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 423,597 | 135,112 | 558,709 | 1,161,890 | 225,504 |
| Contracts payable | - | - | - | 31,219 | 60,440 |
| Accrued salaries, payroll taxes and withholdings payable | 21,979 | 18,557 | 40,536 | 42,985 | 32,402 |
| Accrued annual leave and compensation time | 20,877 | 26,734 | 47,611 | 41,546 | 35,566 |
| Accrued interest and other liabilities | - | 5,205,000 | 5,205,000 | 5,621,200 | 5,182,700 |
| Total current liabilities | <u>466,453</u> | <u>5,385,403</u> | <u>5,851,856</u> | <u>6,898,840</u> | <u>5,536,612</u> |
| Long-term liabilities: | | | | | |
| Accrued annual leave and compensation time | 26,572 | 6,099 | 32,671 | 52,879 | 45,431 |
| Net pension liability | 442,488 | 350,932 | 793,420 | - | - |
| Long-term contracts payable | - | - | - | - | 31,219 |
| Total long-term liabilities | <u>469,060</u> | <u>357,031</u> | <u>826,091</u> | <u>52,879</u> | <u>76,650</u> |
| Total liabilities | <u>935,513</u> | <u>5,742,434</u> | <u>6,677,947</u> | <u>6,951,719</u> | <u>5,613,262</u> |
| Deferred inflows of resources | 51,122 | 40,544 | 91,666 | - | - |
| Total liabilities and deferred inflows of resources | <u>986,635</u> | <u>5,782,978</u> | <u>6,769,613</u> | <u>6,951,719</u> | <u>5,613,262</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 10,498,316 | 19,600 | 10,517,916 | 10,530,115 | 9,500,255 |
| Unrestricted | 5,231,727 | 9,003,517 | 14,235,244 | 13,215,976 | 12,669,036 |
| Total net position | <u>\$ 15,730,043</u> | <u>9,023,117</u> | <u>24,753,160</u> | <u>23,746,091</u> | <u>22,169,291</u> |

CITY and BOROUGH OF JUNEAU

Internal Service Funds

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

For the fiscal year ended June 30, 2015

with comparative total amounts for 2014 and 2013

| | Central Equipment Services | Self- insurance | | Totals | |
|--|----------------------------------|--------------------|------------|------------|------------|
| | | | 2015 | 2014 | 2013 |
| OPERATING REVENUES - Charges for services \$ | 4,128,336 | 20,084,454 | 24,212,790 | 23,087,961 | 22,938,419 |
| OPERATING EXPENSES | | | | | |
| Salaries and fringe benefits | 806,203 | 708,244 | 1,514,447 | 1,324,077 | 1,209,479 |
| Commodities and services | 1,338,345 | 18,521,028 | 19,859,373 | 18,788,366 | 20,576,458 |
| Depreciation | 1,714,386 | 5,600 | 1,719,986 | 1,651,063 | 1,543,733 |
| Total operating expenses | 3,858,934 | 19,234,872 | 23,093,806 | 21,763,506 | 23,329,670 |
| Operating income (loss) | 269,402 | 849,582 | 1,118,984 | 1,324,455 | (391,251) |
| NONOPERATING INCOME (EXPENSES) | | | | | |
| State revenue | 109,143 | 141,752 | 250,895 | 157,667 | 342,915 |
| Investment and interest income | 29,273 | - | 29,273 | 73,225 | 21,728 |
| Interest expense | (513) | - | (513) | (3,024) | (5,595) |
| Gain on disposal of assets | 65,778 | 1,300 | 67,078 | 24,477 | 142,444 |
| Net nonoperating income | 203,681 | 143,052 | 346,733 | 252,345 | 501,492 |
| Net income before transfers | 473,083 | 992,634 | 1,465,717 | 1,576,800 | 110,241 |
| OTHER SOURCES (USES) | | | | | |
| Transfer from Capital Projects Funds | 450,000 | - | 450,000 | - | - |
| Transfer from Special Revenue Fund | - | - | - | - | 175,000 |
| Transfer to Capital Projects Funds | (100,000) | - | (100,000) | - | - |
| Change in net position | 823,083 | 992,634 | 1,815,717 | 1,576,800 | 285,241 |
| Total net position - beginning | 15,357,941 | 8,388,150 | 23,746,091 | 22,169,291 | 21,884,050 |
| Restatement | (450,981) | (357,667) | (808,648) | - | - |
| Total net position - ending | \$ 15,730,043 | 9,023,117 | 24,753,160 | 23,746,091 | 22,169,291 |

Internal Service Funds

Combining Statement of Cash Flows

For the fiscal year ended June 30, 2015
with comparative total amounts for 2014 and 2013

| | Central Equipment Service | Self- insurance | Totals | | |
|---|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| | | | 2015 | 2014 | 2013 |
| Increase (decrease) in cash and cash equivalents: | | | | | |
| Cash flows from operating activities: | | | | | |
| Cash receipts from users | \$ 4,128,336 | 20,975,271 | 25,103,607 | 22,196,161 | 22,700,869 |
| Payments to suppliers for goods and services | (1,780,037) | (19,067,164) | (20,847,201) | (17,371,833) | (20,016,266) |
| Payments to employees for services | (809,249) | (710,599) | (1,519,848) | (1,300,066) | (1,244,833) |
| Net cash provided by operating activities | <u>1,539,050</u> | <u>1,197,508</u> | <u>2,736,558</u> | <u>3,524,262</u> | <u>1,439,770</u> |
| Cash flows from noncapital financing activities: | | | | | |
| Transfers from other funds | 450,000 | - | 450,000 | - | 175,000 |
| Transfers to other funds | (100,000) | - | (100,000) | - | - |
| Cash from state sources | 109,143 | 141,752 | 250,895 | 157,667 | 342,915 |
| Net cash provided by noncapital financing activities | <u>459,143</u> | <u>141,752</u> | <u>600,895</u> | <u>157,667</u> | <u>517,915</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Cash received from disposal of capital assets | 130,237 | 1,300 | 131,537 | 33,076 | 149,161 |
| Cash paid for the acquisition of capital assets | (1,741,027) | - | (1,741,027) | (2,629,082) | (1,231,910) |
| Principal paid on long-term contracts | (31,219) | - | (31,219) | (60,440) | (57,869) |
| Interest paid on long-term contracts | (513) | - | (513) | (3,024) | (5,595) |
| Net cash provided (used) by capital and related financing activities | <u>(1,642,522)</u> | <u>1,300</u> | <u>(1,641,222)</u> | <u>(2,659,470)</u> | <u>(1,146,213)</u> |
| Cash flows from investing activities - | | | | | |
| Earnings from invested proceeds | 29,273 | - | 29,273 | 73,225 | 21,728 |
| Net cash provided by investing activities | <u>29,273</u> | <u>-</u> | <u>29,273</u> | <u>73,225</u> | <u>21,728</u> |
| Net increase (decrease) in cash and cash equivalents | 384,944 | 1,340,560 | 1,725,504 | 1,095,684 | 833,200 |
| Cash and cash equivalents at beginning of year | <u>5,556,649</u> | <u>13,401,626</u> | <u>18,958,275</u> | <u>17,862,591</u> | <u>17,029,391</u> |
| Cash and cash equivalents at end of year | <u>\$ 5,941,593</u> | <u>14,742,186</u> | <u>20,683,779</u> | <u>18,958,275</u> | <u>17,862,591</u> |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | | |
| Operating income (loss) | \$ 269,402 | 849,582 | 1,118,984 | 1,324,455 | (391,251) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | | |
| Depreciation | 1,714,386 | 5,600 | 1,719,986 | 1,651,063 | 1,543,733 |
| Pension expense | (44,881) | (35,594) | (80,475) | - | - |
| (Increase) decrease in assets: | | | | | |
| Receivables - other | - | 890,817 | 890,817 | (891,800) | 1,022 |
| Inventories | 10,180 | - | 10,180 | (3,544) | (2,218) |
| Prepaid expenses | 2,150 | 50,238 | 52,388 | 45,191 | (14,759) |
| Deferred outflows of resources for pensions | (17,297) | (13,718) | (31,015) | - | - |
| Increase (decrease) in liabilities: | | | | | |
| Accounts payable | (436,725) | (166,456) | (603,181) | 936,386 | 43,469 |
| Accrued salaries payable | (391) | (2,058) | (2,449) | 10,583 | (6,710) |
| Accrued annual leave and compensation time | (8,896) | (5,247) | (14,143) | 13,428 | (28,644) |
| Unearned revenues | - | - | - | - | (238,572) |
| Deferred inflows of resources for pensions | 51,122 | 40,544 | 91,666 | - | - |
| Accrued and other liabilities | - | (416,200) | (416,200) | 438,500 | 533,700 |
| Total adjustments | <u>1,269,648</u> | <u>347,926</u> | <u>1,617,574</u> | <u>2,199,807</u> | <u>1,831,021</u> |
| Net cash provided by operating activities | <u>\$ 1,539,050</u> | <u>1,197,508</u> | <u>2,736,558</u> | <u>3,524,262</u> | <u>1,439,770</u> |

CITY AND BOROUGH OF JUNEAU

Internal Service Funds

CENTRAL EQUIPMENT SERVICES

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|----------------------|-------------------|-------------------|
| OPERATING REVENUES - Charges for services | \$ 4,128,336 | 4,226,649 | 4,064,753 |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 806,203 | 712,729 | 695,103 |
| Commodities and services | 1,338,345 | 1,784,841 | 1,880,266 |
| Depreciation | 1,714,386 | 1,648,263 | 1,543,733 |
| Total operating expenses | <u>3,858,934</u> | <u>4,145,833</u> | <u>4,119,102</u> |
| Operating income (loss) | <u>269,402</u> | <u>80,816</u> | <u>(54,349)</u> |
| NONOPERATING INCOME (EXPENSES) | | | |
| State sources | 109,143 | 116,649 | 304,929 |
| Investment and interest income | 29,273 | 73,225 | 21,728 |
| Interest expense | (513) | (3,024) | (5,595) |
| Gain on disposal of capital assets | 65,778 | 24,477 | 142,444 |
| Net nonoperating income (expenses) | <u>203,681</u> | <u>211,327</u> | <u>463,506</u> |
| Net income before transfers | 473,083 | 292,143 | 409,157 |
| OTHER SOURCES (USES) | | | |
| Transfer from Capital Projects Funds | 450,000 | - | - |
| Transfer from Special Revenue Fund | - | - | 175,000 |
| Transfer to Capital Projects Funds | (100,000) | - | - |
| Change in net position | <u>823,083</u> | <u>292,143</u> | <u>584,157</u> |
| Total net position - beginning | 15,357,941 | 15,065,798 | 14,481,641 |
| Restatement | <u>(450,981)</u> | <u>-</u> | <u>-</u> |
| Total net position - ending | <u>\$ 15,730,043</u> | <u>15,357,941</u> | <u>15,065,798</u> |

CENTRAL EQUIPMENT SERVICES

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|--------------------|--------------------|-------------------|---|
| | Original | Final | | |
| OPERATING REVENUES - Charges for services | \$ 4,680,900 | 4,680,900 | 4,128,336 | (552,564) |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 691,400 | 861,210 | 806,203 | 55,007 |
| Commodities and services | 1,919,400 | 2,002,951 | 1,541,817 | 461,134 |
| Capital outlay | 2,112,900 | 5,282,508 | 2,248,528 | 3,033,980 |
| Debt principal | 31,700 | 31,700 | 31,219 | 481 |
| Total operating expenses | <u>4,755,400</u> | <u>8,178,369</u> | <u>4,627,767</u> | <u>3,550,602</u> |
| Operating loss | <u>(74,500)</u> | <u>(3,497,469)</u> | <u>(499,431)</u> | <u>2,998,038</u> |
| NONOPERATING INCOME (EXPENSES) | | | | |
| State sources | - | 1,769,810 | 109,143 | (1,660,667) |
| Investment and interest income | 56,600 | 56,600 | 29,273 | (27,327) |
| Interest expense | - | - | (513) | (513) |
| Gain (loss) on disposal of capital assets | - | - | 65,778 | 65,778 |
| Net nonoperating income (expenses) | <u>56,600</u> | <u>1,826,410</u> | <u>203,681</u> | <u>(1,622,729)</u> |
| Net loss before other sources | <u>(17,900)</u> | <u>(1,671,059)</u> | <u>(295,750)</u> | <u>1,375,309</u> |
| OTHER SOURCES (USES) | | | | |
| Transfer from Capital Project | - | 450,000 | 450,000 | - |
| Transfer to Capital Project | - | (100,000) | (100,000) | - |
| Change in net position (Non-GAAP) | <u>\$ (17,900)</u> | <u>(1,321,059)</u> | 54,250 | <u>1,375,309</u> |
| Encumbrance adjustment | | | 203,472 | |
| Capitalization of assets | | | 2,248,528 | |
| Net book value of assets disposed | | | - | |
| Depreciation expense | | | (1,714,386) | |
| Principal paid on debt | | | 31,219 | |
| Change in net position | | | <u>\$ 823,083</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

Internal Service Funds

SELF-INSURANCE

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

For the fiscal years ended June 30, 2015, 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|-------------------|-------------------|
| OPERATING REVENUES - Charges for services | \$ 20,084,454 | 18,861,312 | 18,873,666 |
| OPERATING EXPENSES | | | |
| Salaries and fringe benefits | 708,244 | 611,348 | 514,376 |
| Commodities and services | 18,521,028 | 17,003,525 | 18,696,192 |
| Depreciation | 5,600 | 2,800 | - |
| Total operating expenses | <u>19,234,872</u> | <u>17,617,673</u> | <u>19,210,568</u> |
| Operating income (loss) | 849,582 | 1,243,639 | (336,902) |
| NONOPERATING INCOME | | | |
| State sources | 141,752 | 41,018 | 37,986 |
| Gain (loss) on disposal of capital assets | 1,300 | - | - |
| Net nonoperating income | <u>143,052</u> | <u>41,018</u> | <u>37,986</u> |
| Change in net position | 992,634 | 1,284,657 | (298,916) |
| Total net position - beginning | 8,388,150 | 7,103,493 | 7,402,409 |
| Restatement | <u>(357,667)</u> | - | - |
| Total net position - ending | <u>\$ 9,023,117</u> | <u>8,388,150</u> | <u>7,103,493</u> |

SELF-INSURANCE

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

For the fiscal year ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget - positive (negative) |
|---|------------------|-------------|------------|---|
| | Original | Final | | |
| OPERATING REVENUES - Charges for services | \$ 20,585,000 | 20,585,000 | 20,084,454 | (500,546) |
| OPERATING EXPENSES | | | | |
| Salaries and fringe benefits | 606,500 | 748,252 | 708,244 | 40,008 |
| Commodities and services | 21,296,600 | 21,455,487 | 18,542,397 | 2,913,090 |
| Total operating expenses | 21,903,100 | 22,203,739 | 19,250,641 | 2,953,098 |
| Operating income (loss) | (1,318,100) | (1,618,739) | 833,813 | 2,452,552 |
| NONOPERATING INCOME | | | | |
| State sources | - | 141,752 | 141,752 | - |
| Gain (loss) on disposal of capital assets | - | - | 1,300 | 1,300 |
| Change in net position (Non-GAAP) | \$ (1,318,100) | (1,476,987) | 976,865 | 2,453,852 |
| Encumbrance adjustment | | | 21,369 | |
| Depreciation expense | | | (5,600) | |
| Change in net position | | | \$ 992,634 | |

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.



FIDUCIARY FUNDS

Agency Funds

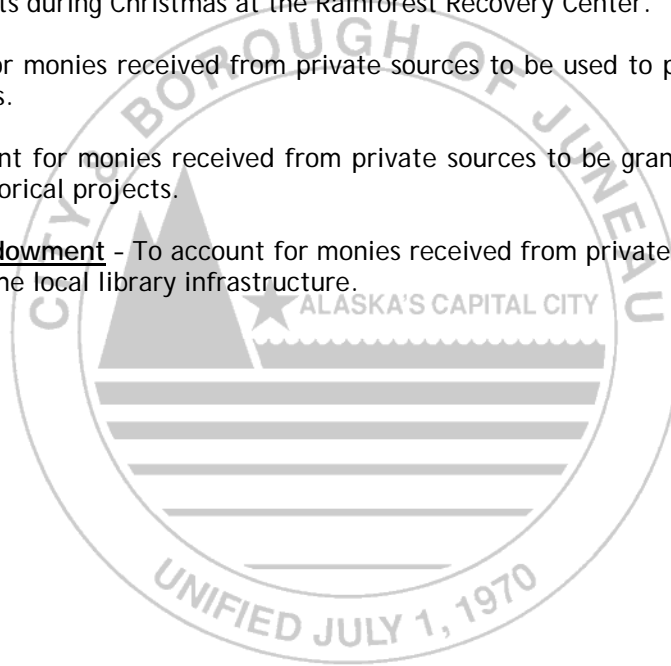
The Agency Funds are used to report assets and liabilities for deposits and investments entrusted to the CBJ as an agent for others and therefore do not support any CBJ programs.

Mental Health Payee - To account for monies received from private sources to be used for the purchase of books for substance abuse patients during Christmas at the Rainforest Recovery Center.

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.



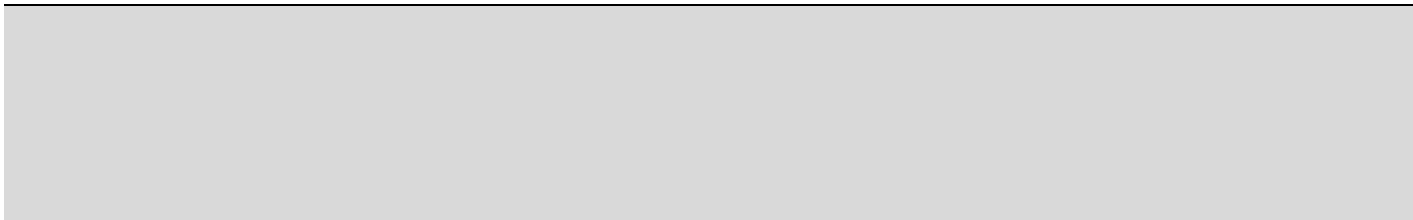
Agency Funds

Combining Statement of Fiduciary Assets and Liabilities

June 30, 2015

with comparative total amounts for 2014 and 2013

| | <u>Mental Health Payee</u> | <u>Sister City</u> | <u>Museum Grant</u> | <u>Juneau Public Library Endowment</u> |
|-------------------------------|------------------------------------|------------------------|-------------------------|--|
| ASSETS | | | | |
| Equity in central treasury | \$ 1,411 | 1,167 | 34,178 | 790,758 |
| Plant and equipment | - | - | - | 7,588 |
| Total assets | \$ 1,411 | 1,167 | 34,178 | 798,346 |
| LIABILITIES | | | | |
| Accounts payable | \$ - | - | - | - |
| Accrued and other liabilities | 1,411 | 1,167 | 34,178 | 798,346 |
| Total liabilities | \$ 1,411 | 1,167 | 34,178 | 798,346 |



| Totals | | |
|----------------|----------------|------------------|
| <u>2015</u> | <u>2014</u> | <u>2013</u> |
| 827,514 | 821,703 | 1,108,066 |
| <u>7,588</u> | <u>7,588</u> | <u>7,588</u> |
| <u>835,102</u> | <u>829,291</u> | <u>1,115,654</u> |
| - | 1,345 | 1,000 |
| <u>835,102</u> | <u>827,946</u> | <u>1,114,654</u> |
| <u>835,102</u> | <u>829,291</u> | <u>1,115,654</u> |

Agency Funds

Combining Statement of Changes in Fiduciary Assets and Liabilities

For the fiscal year ended June 30, 2015

| | Assets | | | Balance at June 30, 2015 |
|---|----------------------------|--------------|------------|-----------------------------|
| | Balance at July 1, 2014 | Increase | Decrease | |
| Mental Health Payee: | | | | |
| Equity in central treasury | \$ 1,411 | - | - | 1,411 |
| Accrued and other liabilities | - | - | - | - |
| Total Mental Health Payee | <u>1,411</u> | <u>-</u> | <u>-</u> | <u>1,411</u> |
| Sister City: | | | | |
| Equity in central treasury | 1,160 | 7 | - | 1,167 |
| Accrued and other liabilities | - | - | - | - |
| Total Sister City | <u>1,160</u> | <u>7</u> | <u>-</u> | <u>1,167</u> |
| Museum Grant: | | | | |
| Equity in central treasury | 34,914 | - | 736 | 34,178 |
| Accounts payable | - | - | - | - |
| Accrued and other liabilities | - | - | - | - |
| Total Museum Grant | <u>34,914</u> | <u>-</u> | <u>736</u> | <u>34,178</u> |
| Juneau Public Library Endowment: | | | | |
| Equity in central treasury | 784,218 | 6,540 | - | 790,758 |
| Plant and equipment | 7,588 | - | - | 7,588 |
| Accrued and other liabilities | - | - | - | - |
| Total Juneau Public Library Endowment | <u>791,806</u> | <u>6,540</u> | <u>-</u> | <u>798,346</u> |
| Total Agency Funds | \$ <u>829,291</u> | <u>6,547</u> | <u>736</u> | <u>835,102</u> |



Liabilities

| <u>Balance at July 1, 2014</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance at June 30, 2015</u> |
|------------------------------------|-----------------|-----------------|-------------------------------------|
| - | - | - | - |
| 1,411 | - | - | 1,411 |
| <u>1,411</u> | <u>-</u> | <u>-</u> | <u>1,411</u> |
| - | - | - | - |
| 1,160 | 7 | - | 1,167 |
| <u>1,160</u> | <u>7</u> | <u>-</u> | <u>1,167</u> |
| - | - | - | - |
| 1,345 | - | 1,345 | - |
| 33,569 | - | (609) | 34,178 |
| <u>34,914</u> | <u>-</u> | <u>736</u> | <u>34,178</u> |
| - | - | - | - |
| - | - | - | - |
| 791,806 | 6,540 | - | 798,346 |
| <u>791,806</u> | <u>6,540</u> | <u>-</u> | <u>798,346</u> |
| <u>829,291</u> | <u>6,547</u> | <u>736</u> | <u>835,102</u> |



CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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





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Capital Assets Used in the Operation of Governmental Funds

Comparative Schedules By Source

June 30, 2015

with comparative total amounts for 2014 and 2013

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|-----------------------|--------------------|--------------------|
| Governmental funds capital assets: | | | |
| Land | \$ 35,117,870 | 38,511,830 | 38,511,830 |
| Buildings and improvements | 244,128,838 | 238,870,142 | 230,601,321 |
| Machinery, equipment and fixtures | 31,451,287 | 30,830,866 | 30,958,994 |
| Infrastructure | 220,024,404 | 218,327,184 | 218,327,184 |
| Construction in progress | 272,637,830 | 251,817,219 | 239,849,226 |
| | <u>803,360,229</u> | <u>778,357,241</u> | <u>758,248,555</u> |
| Total governmental funds capital assets | <u>\$ 803,360,229</u> | <u>778,357,241</u> | <u>758,248,555</u> |
| Investment in governmental funds capital assets by source: | | | |
| General fund | \$ 1,667,765 | 1,532,500 | 1,411,848 |
| Special revenue funds | 3,261,249 | 3,861,198 | 4,137,632 |
| Capital projects funds | 698,968,903 | 673,501,231 | 653,236,763 |
| Donations | 99,462,312 | 99,462,312 | 99,462,312 |
| | <u>803,360,229</u> | <u>778,357,241</u> | <u>758,248,555</u> |
| Total governmental funds capital assets | <u>\$ 803,360,229</u> | <u>778,357,241</u> | <u>758,248,555</u> |

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

Capital Assets Used in the Operation of Governmental Funds

Schedule By Function and Activity

June 30, 2015

with comparative total amounts for 2014 and 2013

| | <u>Land</u> | <u>Buildings and improvements</u> | <u>Machinery, equipment and fixtures</u> |
|---------------------------------|----------------------|---|--|
| Legislative | \$ - | 2,721,788 | 611,568 |
| Administration: | | | |
| Manager | - | - | - |
| Human Resources/Clerk | - | - | 7,994 |
| Management Information Systems | - | - | 1,744,545 |
| Lands | 13,403,805 | 797,942 | 104,498 |
| Education | 2,212,963 | 161,378,010 | 5,442,320 |
| Community development | 374,514 | 8,003,639 | 199,181 |
| Finance | - | 34,700 | 166,297 |
| Library | 94,544 | 7,001,159 | 683,769 |
| Recreation: | | | |
| Parks and Landscape Maintenance | 9,721,641 | 16,343,380 | 456,125 |
| Eaglecrest | - | 6,567,914 | 6,835,196 |
| Parks and Recreation | 3,496,470 | 10,065,986 | 1,125,042 |
| Public safety: | | | |
| Police | 920,812 | 8,514,260 | 5,299,716 |
| Fire | 642,315 | 11,915,296 | 2,041,508 |
| Public works: | | | |
| Building Maintenance | - | 154,698 | - |
| Downtown Parking | - | 1,350,895 | 430,767 |
| Streets | 1,652,805 | 2,313,162 | 50,357 |
| Public transportation | - | 540,465 | 5,650,084 |
| Tourism and conventions | 2,598,001 | 6,425,544 | 602,320 |
| Construction work in progress | - | - | - |
| | <u>\$ 35,117,870</u> | <u>244,128,838</u> | <u>31,451,287</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>2015</u> | <u>2014</u> | <u>2013</u> |
| - | - | 3,333,356 | 3,333,356 | 2,871,816 |
| - | - | - | - | 5,287 |
| - | - | 7,994 | 7,994 | 26,079 |
| - | - | 1,744,545 | 1,712,657 | 1,688,233 |
| 175,547 | - | 14,481,792 | 14,481,792 | 14,481,792 |
| 212,950 | - | 169,246,243 | 166,855,857 | 159,829,126 |
| - | - | 8,577,334 | 9,178,559 | 9,178,559 |
| - | - | 200,997 | 200,997 | 200,997 |
| - | - | 7,779,472 | 7,417,778 | 7,298,178 |
| 228,104 | - | 26,749,250 | 26,569,248 | 26,249,294 |
| 263,610 | - | 13,666,720 | 13,422,701 | 13,422,701 |
| - | - | 14,687,498 | 14,938,709 | 14,918,709 |
| 1,339,709 | - | 16,074,497 | 16,068,377 | 15,860,623 |
| - | - | 14,599,119 | 14,283,910 | 14,093,989 |
| - | - | 154,698 | 168,345 | 168,345 |
| - | - | 1,781,662 | 1,827,565 | 1,827,565 |
| 217,804,484 | - | 221,820,808 | 220,255,763 | 220,260,912 |
| - | - | 6,190,549 | 6,190,549 | 6,391,259 |
| - | - | 9,625,865 | 9,625,865 | 9,625,865 |
| - | 272,637,830 | 272,637,830 | 251,817,219 | 239,849,226 |
| <u>220,024,404</u> | <u>272,637,830</u> | <u>803,360,229</u> | <u>778,357,241</u> | <u>758,248,555</u> |

Capital Assets Used in the Operation of Governmental Funds

Schedule of Changes By Function and Activity

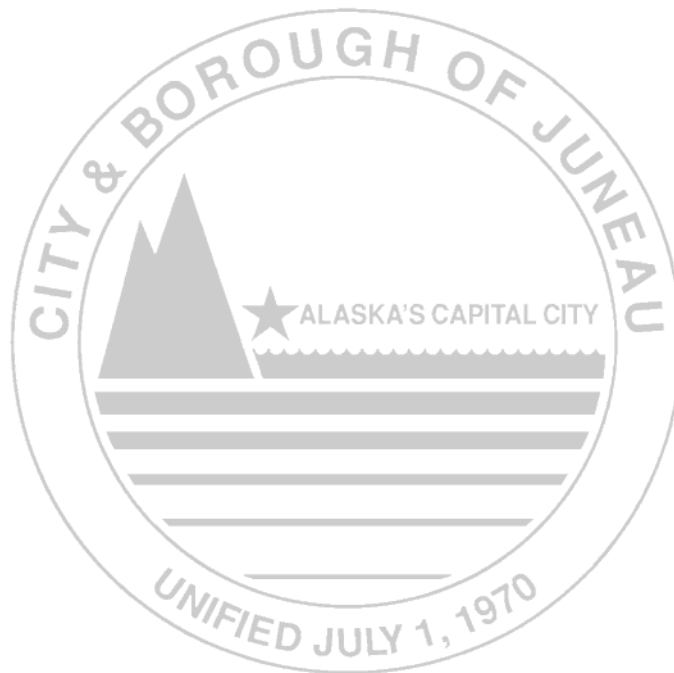
For the fiscal year ended June 30, 2015

| | Beginning Balances | Additions | Deductions | Ending Balances |
|--|-----------------------|-------------------|------------------|--------------------|
| All Asset Types | | | | |
| Legislative | \$ 3,745,780 | 4,804 | - | 3,750,584 |
| Administration: | | | | |
| Human Resources/Clerk | 7,994 | - | - | 7,994 |
| Management Information Systems | 1,929,955 | 125,873 | - | 2,055,828 |
| Lands | 14,876,231 | 98,102 | - | 14,974,333 |
| Education | 302,006,803 | 6,983,665 | 5,176,580 | 303,813,888 |
| Community development | 26,257,523 | 6,541 | 607,766 | 25,656,298 |
| Finance | 5,462,155 | 108,853 | - | 5,571,008 |
| Library | 9,116,466 | 8,751,011 | 26,017 | 17,841,460 |
| Recreation: | | | | |
| Parks and Landscape Maintenance | 29,935,011 | 781,720 | 180,002 | 30,536,729 |
| Eaglecrest | 15,418,518 | 2,909,065 | 244,019 | 18,083,564 |
| Parks and Recreation | 38,837,922 | 682,981 | - | 39,520,903 |
| Public safety: | | | | |
| Police | 16,335,972 | 6,120 | - | 16,342,092 |
| Fire | 14,293,376 | 561,572 | 267,609 | 14,587,339 |
| Public works: | | | | |
| Building Maintenance | 168,345 | - | 13,647 | 154,698 |
| Downtown Parking | 18,790,937 | 100,056 | 45,903 | 18,845,090 |
| Streets | 259,423,167 | 8,149,287 | 1,568,910 | 266,003,544 |
| Public transportation | 5,805,974 | 208,137 | - | 6,014,111 |
| Community projects | 5,468,754 | 785,760 | - | 6,254,514 |
| Tourism and conventions | 10,476,358 | 2,869,894 | - | 13,346,252 |
| Total governmental funds capital assets | \$ 778,357,241 | 33,133,441 | 8,130,453 | 803,360,229 |

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.



Current Capital Projects by Category

Year ended June 30, 2015

| | <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> |
|--------------------------------------|---------------------------|---------------------------|---------------------------------|---------------------------------------|---|--|-----------------------------------|
| GOVERNMENTAL CAPITAL PROJECTS | | | | | | | |
| Schools: | | | | | | | |
| High School/Mendenhall Valley | S02-083 | \$ 76,248,825 | 76,214,519 | 7,331 | 26,975 | - | 100% |
| Glacier Valley Renovation | S02-088 | 17,692,304 | 17,685,402 | - | 6,902 | - | 100% |
| Harborview Renovation | S02-089 | 22,433,116 | 22,424,065 | - | 9,051 | - | 100% |
| Gastineau Elementary Renovation | S02-094 | 13,283,129 | 13,057,145 | 49,331 | 176,653 | - | 99% |
| Auke Bay Site Renovation | S02-095 | 22,288,592 | 22,140,563 | 84,752 | 63,277 | - | 100% |
| DZ Roof Replacement | S02-099 | 9,555 | 6,242 | - | 3,313 | - | 65% |
| Mendenhall River Comm School Reno | S02-100 | 50,000 | 48,772 | - | 1,228 | - | 98% |
| JSD Facilities Reno and Repair | S02-101 | 140,935 | 69,891 | 1,165 | 69,879 | - | 50% |
| Total Schools | | <u>152,146,456</u> | <u>151,646,599</u> | <u>142,579</u> | <u>357,278</u> | <u>-</u> | |
| Roads and sidewalks: | | | | | | | |
| Pavement Management | R72-004 | 9,415,457 | 9,057,544 | 111,795 | 246,118 | - | 97% |
| Pioneer Avenue Repairs | R72-031 | 3,830,000 | 3,652,864 | 10,172 | 166,964 | - | 96% |
| Sidewalk & Stairway Repairs | R72-035 | 580,000 | 479,691 | 61,679 | 38,630 | - | 93% |
| Valley Snow Storage Permitting | R72-038 | 1,791,562 | 1,631,063 | 3,299 | 157,200 | - | 91% |
| West Juneau - Douglas Access Study | R72-041 | 1,575,000 | 142,744 | - | 1,432,256 | - | 9% |
| Lemon Flats 2nd Access ROW | R72-043 | 86,510 | 4,750 | - | 81,760 | - | 5% |
| Montana Creek Closure/PRKG Mdfctn | R72-048 | 100,000 | 85,701 | 75 | 14,224 | - | 86% |
| Berners Ave Reconstruction | R72-051 | 1,207,000 | 1,203,763 | - | 3,237 | - | 100% |
| Eagles Edge Utility LID | R72-053 | 2,500,000 | 1,415,336 | 893,215 | 191,449 | - | 92% |
| Areawide Drainage Improvements | R72-056 | 691,736 | 569,600 | 37,443 | 84,693 | - | 88% |
| 2nd Street - Douglas | R72-058 | 1,850,000 | 1,850,000 | 32,324 | - | (32,324) | 102% |
| Main Street 2nd to 7th | R72-059 | 3,065,273 | 3,012,228 | 1,696 | 51,349 | - | 98% |
| City Shop Demolition/Removal | R72-060 | 300,000 | 191,264 | - | 108,736 | - | 64% |
| Industrial Boulevard Match | R72-061 | 200,000 | 77,385 | - | 122,615 | - | 39% |
| Bayview Subdivision Road Impr | R72-063 | 2,150,000 | 1,727,137 | 57,333 | 365,530 | - | 83% |
| Tanner's Terrace LID | R72-065 | 853,000 | 736,274 | 46,821 | 69,905 | - | 92% |
| Street Main Shop Dsgn - New Location | R72-081 | 12,791,135 | 12,474,546 | 32,791 | 283,798 | - | 98% |
| Northland Reconstruction | R72-100 | 1,000,000 | 864,545 | 5 | 135,450 | - | 86% |
| Glacier Avenue Intersection | R72-101 | 15,000 | - | - | 15,000 | - | - |
| Flood Plain Mapping Tech Assist | R72-103 | 150,000 | 52,649 | - | 97,351 | - | 35% |
| Lakewood Subdivision Recon-Ph II | R72-104 | 2,778,322 | 2,003,820 | 97,804 | 676,698 | - | 76% |
| Riverside Dr (DOT/PF Match STIP | R72-105 | 300,000 | 188,424 | 5,023 | 106,553 | - | 64% |
| Lemon Road Reconstruction | R72-106 | 1,200,000 | 1,027,144 | 1,745 | 171,111 | - | 86% |
| Meadow Lane Improvements | R72-107 | 800,000 | 585,249 | 181,510 | 33,241 | - | 96% |
| Vactor Dump | R72-109 | 150,000 | 79,413 | 3,500 | 67,087 | - | 55% |
| Areawide Snow Storage Facility | R72-110 | 250,000 | - | - | 250,000 | - | - |
| Distin/W 8th St Reconstruction | R72-111 | 150,000 | 56,192 | 24,637 | 69,171 | - | 54% |
| McGinnis Sub LID Ph 1 | R72-112 | 1,200,000 | 9,229 | - | 1,190,771 | - | 1% |
| Scott Drive Improvements | R72-113 | 1,000,000 | 5,790 | 355,720 | 638,490 | - | 36% |
| Blueberry Hills Road | R72-114 | 1,294,954 | 286,957 | 724,040 | 283,957 | - | 78% |
| Dunn Street | R72-115 | 250,000 | 48,543 | 8,318 | 193,139 | - | 23% |
| Downtown Street Improvements | R72-116 | 100,000 | 79,296 | 172,306 | - | (151,602) | 252% |
| Total Roads and sidewalks | | <u>53,624,949</u> | <u>43,599,141</u> | <u>2,863,251</u> | <u>7,346,483</u> | <u>(183,926)</u> | |
| Fire and safety: | | | | | | | |
| Glacier Fire Station | F21-036 | 104,448 | 9,886 | 1,698 | 92,864 | - | 11% |
| Central Fire Station Paving | F21-037 | 350,000 | 245,932 | 22,964 | 81,104 | - | 77% |
| Total Fire and safety | | <u>454,448</u> | <u>255,818</u> | <u>24,662</u> | <u>173,968</u> | <u>-</u> | |

(Continued)

Current Capital Projects by Category

Year ended June 30, 2015

| | <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> |
|--|---------------------------|---------------------------|---------------------------------|---------------------------------------|---|--|-----------------------------------|
| GOVERNMENTAL CAPITAL PROJECTS (continued) | | | | | | | |
| Community development: | | | | | | | |
| Replace Core Financial System | D12-016 | \$ 5,900,000 | 5,370,012 | 526,575 | 3,413 | - | 100% |
| Cultural Gateway | D12-027 | 100,000 | - | - | 100,000 | - | - |
| Manager's Energy Efficiency Projects | D12-045 | 434,340 | 199,834 | 34,000 | 200,506 | - | 54% |
| Open Space Waterfront Land Acq. | D12-070 | 4,009,519 | 2,023,840 | - | 1,985,679 | - | 50% |
| Gastineau Apartments Demo | D12-081 | 1,800,000 | - | - | 1,800,000 | - | - |
| Lemon Crk Comm Cntr 2nd Access | D14-019 | 300,000 | 130,441 | - | 169,559 | - | 43% |
| North Lemon Creek Gravel Source | D14-037 | 787,265 | 337,425 | 7,490 | 442,350 | - | 44% |
| Lemon Creek Subdivision | D14-050 | 50,000 | 5,684 | 1,539 | 42,777 | - | 14% |
| Peterson Hill Land Inventory & Planning | D14-051 | 1,150,000 | 114,202 | 57,604 | 978,194 | - | 15% |
| N. Douglas Hwy Extension | D14-060 | 2,972,785 | 255,818 | 6,600 | 2,710,367 | - | 9% |
| Housing Land Development | D14-095 | 642,300 | - | - | 642,300 | - | - |
| City Hall Generator/UPS | D15-023 | 406,650 | 360,174 | - | 46,476 | - | 89% |
| AJ Mine | D24-001 | 250,000 | 140,154 | - | 109,846 | - | 56% |
| Contaminated Sites Reporting | D24-010 | 176,951 | 74,161 | 11,813 | 90,977 | - | 49% |
| Stormwater Policies | D24-043 | 240,000 | 197,334 | 602 | 42,064 | - | 82% |
| Mountain Operations & Lifts | D28-054 | 1,288,132 | 1,054,473 | - | 233,659 | - | 82% |
| Eaglecrest Learning Center & L | D28-097 | 3,558,964 | 3,362,366 | 108,969 | 87,629 | - | 98% |
| Juneau Arts & Culture Center Impr | D44-049 | 600,000 | 569,991 | 6,563 | 23,446 | - | 96% |
| Capital Transit Bus Shelters | D71-053 | 332,980 | 173,513 | 70,981 | 88,486 | - | 73% |
| Capital Transit - Transit Plan | D71-084 | 175,000 | 169,220 | - | 5,780 | - | 97% |
| Capital Transit Maint Shop | D71-085 | 3,588,301 | 178,017 | 495,927 | 2,914,357 | - | 19% |
| Dimond Park Library Planning | L23-058 | 13,551,999 | 10,313,200 | 3,035,785 | 203,014 | - | 99% |
| Switzer Area Muni Land Development | M14-062 | 1,550,000 | 149,432 | 36,643 | 1,363,925 | - | 12% |
| New Technology Implementation | M15-001 | 100,000 | 64,418 | 35,500 | 82 | - | 100% |
| IT Infrastructure Modernization | M15-002 | 580,300 | 246,865 | 78 | 333,357 | - | 43% |
| Total Community development | | <u>44,545,486</u> | <u>25,490,574</u> | <u>4,436,669</u> | <u>14,618,243</u> | <u>-</u> | |
| Parks and recreation: | | | | | | | |
| Fish Creek Park Improvements | P41-027 | 319,432 | 279,144 | - | 40,288 | - | 87% |
| Parks & playground Improvements | P41-059 | 1,778,716 | 1,505,895 | 120,192 | 152,629 | - | 91% |
| Sportfield Repairs | P41-085 | 1,208,139 | 973,662 | 29,429 | 205,048 | - | 83% |
| Dimond Park Entrance & Paths | P41-087 | 150,000 | 131,239 | - | 18,761 | - | 87% |
| Outer Point Trail | P41-088 | 145,000 | 82,033 | 35,957 | 27,010 | - | 81% |
| Restrooms, Paving, & Concessions | P41-089 | 1,307,789 | 14,032 | 36,680 | 1,257,077 | - | 4% |
| Bridge Park | P41-090 | 675,000 | - | - | 675,000 | - | - |
| Jensen-Olson Arboretum | P42-075 | 91,000 | 88,240 | - | 2,760 | - | 97% |
| Deferred Building Maintenance III | P44-073 | 5,301,403 | 4,563,780 | 559,578 | 178,045 | - | 97% |
| Montana Creek Bike Trail | P46-047 | 65,524 | 56,592 | 3,025 | 5,907 | - | 91% |
| Auke Lake trail ADA Upgrade | P46-058 | 227,640 | 226,916 | - | 724 | - | 100% |
| Auke Bay Interpretive Signs | P46-059 | 71,040 | 70,511 | - | 529 | - | 99% |
| JDCM Remodel/New Exhibit | P46-067 | 1,161,015 | 1,141,841 | 16,462 | 2,712 | - | 100% |
| Auke Lake Wayside DOT/PT Match | P46-069 | 170,000 | 70,882 | 22,821 | 76,297 | - | 55% |
| LCB Mining Museum Ped Bridge | P46-070 | 100,000 | 58,235 | - | 41,765 | - | 58% |
| Treadwell Historic Plan&Constr | P46-078 | 128,001 | 101,289 | 915 | 25,797 | - | 80% |
| Dimond Park Swimming Pool | P46-079 | 21,750,000 | 21,101,272 | 71,996 | 576,732 | - | 97% |
| Bicycle Racks | P46-089 | 50,000 | 40,647 | - | 9,353 | - | 81% |
| OHV Park Site Analysis | P46-090 | 245,000 | 94,670 | - | 150,330 | - | 39% |
| Under Thunder Trail | P46-091 | 100,000 | - | - | 100,000 | - | - |
| Montana Creek Access Improvmt | P46-092 | 28,000 | 20,842 | - | 7,158 | - | 74% |
| Bridget Cove Trail | P46-094 | 80,000 | 30,881 | 28,222 | 20,897 | - | 74% |
| ZGYC Kitchen Remodel | P46-096 | \$ 67,000 | 30,692 | 34,179 | 2,129 | - | 97% |
| Empty Chair Project | P46-097 | 106,000 | 50,151 | - | 55,849 | - | 47% |
| AJ Mine Power Tower Stabilization | P46-098 | 31,736 | - | - | 31,736 | - | - |

(Continued)

Current Capital Projects by Category

Year ended June 30, 2015

| | Project number | Project budget | Project expenditures | Project encum- brances | Remaining project commitment | Required future financing | Percent ex- pended |
|--|-------------------|--------------------|-------------------------|------------------------------|------------------------------------|---------------------------------|--------------------------|
| GOVERNMENTAL CAPITAL PROJECTS (continued) | | | | | | | |
| Parks and recreation: (continued) | | | | | | | |
| Centennial Hall Renovation | P47-072 | 3,820,230 | 3,720,389 | 14,159 | 85,682 | - | 98% |
| DT Cap Parking | P71-055 | 18,004,200 | 17,029,825 | 754,032 | 220,343 | - | 99% |
| P & R Department Review | P46-099 | 90,000 | 61,982 | 19,595 | 8,423 | - | 91% |
| Willoughby District Parking | P48-087 | 1,574,466 | 100,056 | 23,817 | 1,450,593 | - | 8% |
| Downtown Parking Improvement | P48-088 | 75,000 | - | - | 75,000 | - | - |
| Total Parks and recreation | | <u>58,921,331</u> | <u>51,645,698</u> | <u>1,771,059</u> | <u>5,504,574</u> | <u>-</u> | |
| Total Capital Projects Funds | | <u>309,692,670</u> | <u>272,637,830</u> | <u>9,238,220</u> | <u>28,000,546</u> | <u>(183,926)</u> | |
| ENTERPRISE CAPITAL PROJECTS | | | | | | | |
| Airport: | | | | | | | |
| Airport Project Design Fund | A50-001 | 305,331 | 133,334 | 14,665 | 157,332 | - | 48% |
| Airport Constr Contingency Rsrve | A50-031 | 47,151 | - | - | 47,151 | - | - |
| Airport Water/Sewer Extension | A50-061 | 1,107,695 | 1,078,239 | 7,985 | 21,471 | - | 98% |
| Part 121 Ramp Reconstruction Ph. I | A50-068 | 2,300,000 | 1,926,637 | 63,001 | 310,362 | - | 87% |
| Purchase Land/Airport Expansion | A50-071 | 1,000,000 | 20,834 | - | 979,166 | - | 2% |
| Terminal Expansion | A50-073 | 28,993,336 | 21,722,282 | 215,492 | 7,055,562 | - | 76% |
| Runway Safety Area Construction | A50-074 | 59,832,710 | 58,312,202 | 214,135 | 1,306,373 | - | 98% |
| Construct Snow Removal Equip Faciilty | A50-077 | 8,388,786 | 2,336,014 | 277,171 | 5,775,601 | - | 31% |
| Rnwy Safety Area (RSA) Phase 7 | A50-078 | 26,334,252 | 26,204,624 | 49,907 | 79,721 | - | 100% |
| Runway Rehabilitation | A50-079 | 21,845,420 | 20,073,190 | 2,117,962 | - | (345,732) | 102% |
| Master Plan Study | A50-080 | 750,000 | 228,952 | 529,342 | - | (8,294) | 101% |
| Runway 26 MALSR | A50-081 | 93,750 | 192 | - | 93,558 | - | - |
| ARFF Truck | A50-082 | - | - | 9,700 | - | (9,700) | - |
| ARFF Building Modifications | A50-083 | - | 1,690 | 18,925 | - | (20,615) | - |
| Total Airport | | <u>150,998,431</u> | <u>132,038,190</u> | <u>3,518,285</u> | <u>15,826,297</u> | <u>(384,341)</u> | |
| Hospital: | | | | | | | |
| BRH Orthopedic Unit | B55-046 | 559,378 | 347,632 | - | 211,746 | - | 62% |
| Child & Adolescent Mental Heal | B55-059 | 5,000,000 | - | - | 5,000,000 | - | - |
| CT Scanner Room Renovations | B55-061 | 54,064 | 13,729 | - | 40,335 | - | 25% |
| BRH Roof Project | B55-062 | 2,500,000 | 2,424,562 | 16,907 | 58,531 | - | 98% |
| Total Hospital | | <u>8,113,442</u> | <u>2,785,923</u> | <u>16,907</u> | <u>5,310,612</u> | <u>-</u> | |
| Harbors: | | | | | | | |
| Auke Bay load Fac/Statter Elect Upgra | H51-074 | 10,999,741 | 10,996,331 | 3,845 | - | (435) | 100% |
| Juneau Harbors Deferred Maint | H51-085 | 15,712,000 | 12,043,816 | 773,247 | 2,894,937 | - | 82% |
| Statter Harbor Loading Fac/EIS | H51-093 | 25,703,700 | 17,133,801 | 7,802,414 | 767,485 | - | 97% |
| Aurora Harbor Improvements | H51-100 | 11,641,941 | 10,181,273 | 1,111,119 | 349,549 | - | 97% |
| Amalga Fish Clearing Station | H51-105 | 50,000 | 5,469 | - | 44,531 | - | 11% |
| Total Harbors | | <u>64,107,382</u> | <u>50,360,690</u> | <u>9,690,625</u> | <u>4,056,502</u> | <u>(435)</u> | |
| Port: | | | | | | | |
| Auke Bay load fac/Statter Elect Upgra | H51-074 | 325,000 | 325,000 | - | - | - | 100% |
| Marine Park/Steamship Wharf II | H51-083 | 210,000 | 159,337 | - | 50,663 | - | 76% |
| Waterfront Seawalk | H51-091 | 8,514,256 | 7,679,210 | 451,209 | 383,837 | - | 95% |
| Waterfront Seawalk II | H51-092 | 10,600,000 | 4,338,320 | 1,293 | 6,260,387 | - | 41% |
| Downtown Cruise Ship Berth Enhanc | H51-095 | 11,443,082 | 11,247,882 | 39,318 | 155,882 | - | 99% |
| Cruise Berth Improvements | H51-101 | 69,157,482 | 25,990,353 | 40,630,622 | 2,536,507 | - | 96% |
| Weather Monitor & Communications | H51-103 | 75,000 | 25,820 | 35,481 | 13,699 | - | 82% |
| Dock Cathodic Protection | H51-104 | 500,000 | 2,161 | - | 497,839 | - | - |
| Total Port | | <u>100,824,820</u> | <u>49,768,083</u> | <u>41,157,923</u> | <u>9,898,814</u> | <u>-</u> | |

(Continued)

Current Capital Projects by Category

Year ended June 30, 2015

| | <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) | | | | | | | |
| Water: | | | | | | | |
| Replace Core Financial System | D12-016 | \$ 100,000 | 100,000 | - | - | - | 100% |
| Pavement Management | R72-004 | 20,000 | - | - | 20,000 | - | - |
| Pioneer Avenue Repairs | R72-031 | 400,000 | 400,000 | - | - | - | 100% |
| Berners Ave Reconstruction | R72-051 | 20,000 | 20,000 | - | - | - | 100% |
| 2nd Street Douglas | R72-058 | 150,000 | 33,787 | - | 116,213 | - | 23% |
| Main Street 2nd to 7th | R72-059 | 222,332 | 222,332 | - | - | - | 100% |
| Incinerator Repairs/Biosolids | U76-012 | 5,577 | 5,577 | - | - | - | 100% |
| Pump Station Upgrades Ph 1 | W75-034 | 850,000 | 801,645 | 5,000 | 43,355 | - | 95% |
| Areawide Water Main Repairs | W75-036 | 440,433 | 281,732 | 51,600 | 107,101 | - | 76% |
| Lst Chance Basin Hydro-Geo Inv | W75-037 | 6,269,136 | 2,573,300 | 803,430 | 2,892,406 | - | 54% |
| Jordan Creek Sediment Analysis | W75-039 | 961,918 | 744,419 | 20,456 | 197,043 | - | 80% |
| Reservoir Painting & Repair | W75-041 | 850,000 | 718,431 | 1,720 | 129,849 | - | 85% |
| Water Utility Shop & Office EEO Imprv | W75-043 | 457,597 | 441,363 | 913 | 15,321 | - | 97% |
| Salmon Creek Secondary Disinfctn | W75-044 | 7,320,000 | 493,569 | 327,601 | 6,498,830 | - | 11% |
| SCADA Upgrades | W75-046 | 220,000 | 78,741 | 42,076 | 99,183 | - | 55% |
| JD-Bridge Waterline | W75-047 | 530,000 | 222,768 | 14,958 | 292,274 | - | 45% |
| Back Loop Rd Auke Bay Waterline | W75-048 | 740,000 | 275,000 | 38,594 | 426,406 | - | 42% |
| Harbor Way Water Improvements | W75-049 | 100,000 | 97,515 | 2,485 | - | - | 100% |
| Egan Drive Water - Main to Ten | W75-050 | 2,080,939 | 60,539 | 17,108 | 2,003,292 | - | 4% |
| Brotherhood Bridge Waterline | W75-051 | 50,000 | 19,251 | 17,633 | 13,116 | - | 74% |
| Total Water | | <u>21,787,932</u> | <u>7,589,969</u> | <u>1,343,574</u> | <u>12,854,389</u> | <u>-</u> | |
| Sewer: | | | | | | | |
| Lower W Mendenhall Vally Sewer LID | U76-084 | 4,720,004 | 4,275,775 | - | 444,229 | - | 91% |
| New N Douglas Sewer Project | U76-086 | 10,004,726 | 8,793,990 | - | 1,210,736 | - | 88% |
| Pederson Hill Sewer Extension | U76-091 | 3,884,627 | 2,150,833 | - | 1,733,794 | - | 55% |
| Outer Drive & N. Juneau Pump Repairs | U76-094 | 550,000 | 352,179 | - | 197,821 | - | 64% |
| Glacier Hwy Sewer-Anka to Walmart | U76-100 | 1,505,766 | 10,819 | - | 1,494,947 | - | 1% |
| JDWW Plant Facility Plan Update | U76-101 | 100,000 | - | - | 100,000 | - | - |
| MWW Plant Facility Plan Update | U76-102 | 190,000 | - | - | 190,000 | - | - |
| Energy Eff & Sec Improvement | U76-001 | 275,000 | 112,993 | 162,273 | - | (266) | 100% |
| Lawson Creek Life station Design | U76-003 | 1,507,792 | 1,343,225 | 5,706 | 158,861 | - | 89% |
| Wastewater SCADA Improvements | U76-004 | 412,284 | 102,113 | - | 310,171 | - | 25% |
| West Juneau Sewer | U76-005 | 394,016 | 247,249 | - | 146,767 | - | 63% |
| Auke Lake Sewer | U76-006 | 558,400 | 526,596 | 4,122 | 27,682 | - | 95% |
| Incinerator Repairs/Biosolids | U76-012 | 3,388,306 | 1,720,893 | 34,960 | 1,632,453 | - | 52% |
| Auke Bay Sewer Extension | U76-014 | 75,000 | 49,519 | - | 25,481 | - | 66% |
| JD Plant Infrastructure Improv | U76-015 | 204,245 | - | - | 204,245 | - | - |
| Back Loop Rd Auke Bay Waterline | W75-048 | 75,000 | 4,212 | - | 70,788 | - | 6% |
| Replace Core Financial System | D12-016 | 100,000 | 100,000 | - | - | - | 100% |
| Total Sewer | | <u>27,945,166</u> | <u>19,790,396</u> | <u>207,061</u> | <u>7,947,975</u> | <u>(266)</u> | |
| Total Enterprise Funds | | <u>373,777,173</u> | <u>262,333,251</u> | <u>55,934,375</u> | <u>55,894,589</u> | <u>(385,042)</u> | |
| Total All Capital Projects | | <u>\$ 683,469,843</u> | <u>534,971,081</u> | <u>65,172,595</u> | <u>83,895,135</u> | <u>(568,968)</u> | |

Closed Capital Projects by Category

Year ended June 30, 2015

| | <u>Project number</u> | <u>Project budget</u> | <u>Project expenditures</u> | <u>Percent expended</u> |
|-------------------------------------|---------------------------|---------------------------|---------------------------------|-----------------------------|
| CAPITAL PROJECTS FUNDS | | | | |
| Schools: | | | | |
| DZ Covered Play Area | S02-091 | 1,165,821 | 1,165,821 | 100% |
| Adair Kennedy Turf Field RSRF | S02-097 | 1,108,565 | 1,108,565 | 100% |
| Auke Bay Elementary Site Renovation | S02-098 | 116,000 | 116,000 | 100% |
| Total Schools | | <u>2,390,386</u> | <u>2,390,386</u> | |
| Roads and sidewalks: | | | | |
| Gold Creek Flume | R72-044 | 208,810 | 208,810 | 100% |
| Irwin & Reinhardt Street Reconstr | R72-062 | 817,173 | 817,173 | 100% |
| Consolidated PW Shop Security | R72-082 | 3,864 | 3,864 | 100% |
| Hughes Way Improvements | R72-102 | 200,000 | 200,000 | 100% |
| Third Street Construction | R72-108 | 339,063 | 339,063 | 100% |
| Total Roads and sidewalks | | <u>1,568,910</u> | <u>1,568,910</u> | |
| Fire and safety: | | | | |
| 11MMRS GR | F12-040 | 267,609 | 267,609 | 100% |
| Total Fire | | <u>267,609</u> | <u>267,609</u> | |
| Community development: | | | | |
| Lodge Improvements | D28-013 | 244,019 | 244,019 | 100% |
| Total Community development | | <u>244,019</u> | <u>244,019</u> | |
| Parks and recreation: | | | | |
| Trailhead Information Kiosks | P46-093 | 47,827 | 47,827 | 100% |
| Treadwell Ditch Trail | P46-083 | 132,175 | 132,175 | 100% |
| Total Parks and recreation | | <u>180,002</u> | <u>180,002</u> | |
| Total Capital Projects Funds | | <u>4,650,926</u> | <u>4,650,926</u> | |
| ENTERPRISE FUNDS | | | | |
| Airport: | | | | |
| Relocate ASOS | A50-046 | 42,349 | 42,349 | 100% |
| Total Airport | | <u>42,349</u> | <u>42,349</u> | |
| Harbors: | | | | |
| Douglas Harbor III | H51-084 | \$ 4,320,753 | 4,320,753 | 100% |
| Total Harbors | | <u>4,320,753</u> | <u>4,320,753</u> | |
| Port: | | | | |
| Electrical Winches | H51-102 | 60,000 | 60,000 | 100% |
| Total Port | | <u>60,000</u> | <u>60,000</u> | |
| Water: | | | | |
| Irwin & Reinhardt Street Reconstr | R72-062 | 170,000 | 170,000 | 100% |
| Total Water | | <u>170,000</u> | <u>170,000</u> | |
| Sewer: | | | | |
| Collect Sys Fac Plan & I&I A | U76-002 | 8,156 | 8,156 | 100% |
| ABWWTP Headworks Improve | U76-011 | 42,597 | 42,597 | 100% |
| Total Sewer | | <u>50,753</u> | <u>50,753</u> | |
| Total Enterprise Funds | | <u>4,643,855</u> | <u>4,643,855</u> | |
| Total All Closed Capital Projects | | <u>\$ 9,294,781</u> | <u>9,294,781</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> |
|---|--------------|
| Financial Trends - These schedules contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective. | 180-191 |
| Revenue Capacity - 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. | 192-205 |
| Debt Capacity - 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. | 206-211 |
| Economic and Demographic Information - These schedules offer economic and demographic indicators that are commonly used for financial analysis and that can aid an understanding of the City's present and ongoing financial status. | 212-219 |
| Operating Information - These schedules contain service and infrastructure indicators that can aid an understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs. | 220-225 |

Source:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Notes:

Principal Employers table is not included due to Federal and State interpretation of Unemployment Insurance confidentiality laws (20CFR603 and AS23.20.110).

City and Borough of Juneau has no overlapping debt. Therefore, we have omitted this table.

CITY AND BOROUGH OF JUNEAU

Net Position by Component
(Unaudited)*Last Ten Fiscal Years (accrual basis of accounting)*

| | 2015 | 2014 | 2013 | 2012 |
|---|-----------------------|--------------------|--------------------|--------------------|
| Governmental activities | | | | |
| Invested in Capital Assets, | | | | |
| Net of Related Debt | \$ 344,714,712 | 329,906,502 | 316,926,854 | 304,561,099 |
| Restricted | 16,458,178 | 36,448,055 | 32,767,568 | 36,251,627 |
| Unrestricted | 8,938,201 | 33,549,303 | 33,519,463 | 28,367,212 |
| Total governmental activities net position | <u>370,111,092</u> | <u>399,903,860</u> | <u>383,213,885</u> | <u>369,179,938</u> |
| Business-type activities | | | | |
| Invested in Capital Assets, | | | | |
| Net of Related Debt | 415,945,310 | 373,291,515 | 365,183,003 | 336,446,792 |
| Restricted | 73,798,632 | 56,070,500 | 50,737,708 | 47,008,914 |
| Unrestricted | 50,817,348 | 80,380,630 | 70,688,298 | 57,275,768 |
| Total business-type activities net position | <u>540,561,290</u> | <u>509,742,645</u> | <u>486,609,009</u> | <u>440,731,474</u> |
| Primary government | | | | |
| Invested in Capital Assets, | | | | |
| Net of Related Debt | 760,660,022 | 703,198,017 | 682,109,857 | 641,007,891 |
| Restricted | 90,256,810 | 92,518,555 | 83,505,276 | 83,260,541 |
| Unrestricted | 59,755,549 | 113,929,933 | 104,207,761 | 85,642,980 |
| Total primary government net position | <u>\$ 910,672,382</u> | <u>909,646,505</u> | <u>869,822,894</u> | <u>809,911,412</u> |



| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 289,200,623 | 270,216,369 | 243,217,592 | 230,383,141 | 223,405,894 | 216,879,150 |
| 41,614,159 | 48,617,159 | 52,439,207 | 44,343,226 | 46,833,718 | 40,454,572 |
| 31,448,250 | 33,321,579 | 35,521,692 | 35,691,188 | 18,910,901 | 12,454,201 |
| <u>362,263,032</u> | <u>352,155,107</u> | <u>331,178,491</u> | <u>310,417,555</u> | <u>289,150,513</u> | <u>269,787,923</u> |
| 314,162,017 | 284,970,549 | 267,146,690 | 236,117,995 | 232,953,016 | 227,174,517 |
| 39,127,406 | 32,260,795 | 34,415,672 | 48,924,771 | 47,445,788 | 40,716,382 |
| 50,811,496 | 56,422,717 | 51,041,608 | 42,720,858 | 34,773,260 | 36,918,163 |
| <u>404,100,919</u> | <u>373,654,061</u> | <u>352,603,970</u> | <u>327,763,624</u> | <u>315,172,064</u> | <u>304,809,062</u> |
| 603,362,640 | 555,186,918 | 510,364,282 | 466,501,136 | 456,358,910 | 444,053,667 |
| 80,741,565 | 80,877,954 | 86,854,879 | 93,267,997 | 94,279,506 | 81,170,954 |
| 82,259,746 | 89,744,296 | 86,563,300 | 78,412,046 | 53,684,161 | 49,372,364 |
| <u>766,363,951</u> | <u>725,809,168</u> | <u>683,782,461</u> | <u>638,181,179</u> | <u>604,322,577</u> | <u>574,596,985</u> |

CITY AND BOROUGH OF JUNEAU

Change in Net Position
(Unaudited)

Last Ten Fiscal Years (accrual basis of accounting)

| | 2015 | 2014 | 2013 |
|--|-----------------------|--------------------|--------------------|
| Expenses | | | |
| Governmental activities: | | | |
| Legislative | \$ 3,624,289 | 4,270,466 | 2,541,005 |
| Legal | 2,161,916 | 1,598,825 | 1,353,144 |
| Administration | 4,815,736 | 4,097,327 | 4,801,096 |
| Education | 30,644,340 | 30,260,316 | 30,442,561 |
| Finance | 4,702,927 | 3,844,872 | 4,338,585 |
| Engineering | 917,558 | 526,923 | 478,584 |
| Libraries | 3,555,597 | 2,589,049 | 2,705,441 |
| Social services | 1,563,390 | 1,587,101 | 1,562,081 |
| Recreation | 10,863,398 | 10,847,566 | 10,686,284 |
| Community development and lands management | 5,267,279 | 4,393,275 | 3,889,881 |
| Low-income housing | 67,313 | - | 69,000 |
| Public safety | 25,356,157 | 21,457,237 | 23,128,196 |
| Public works | 10,854,785 | 10,614,811 | 10,214,921 |
| Public transportation | 7,923,077 | 7,452,587 | 7,430,461 |
| Community projects | - | 13,376 | 587,236 |
| Tourism and conventions | 2,406,074 | 2,250,268 | 2,270,480 |
| Interest on long-term debt* | 3,995,945 | 4,794,621 | 6,200,610 |
| Total governmental activities expenses | <u>118,719,781</u> | <u>110,598,620</u> | <u>112,699,566</u> |
| Business-type activities: | | | |
| Airport | 9,078,539 | 8,545,303 | 8,479,964 |
| Harbors | 4,844,725 | 4,229,732 | 3,918,657 |
| Docks | 2,417,339 | 2,268,442 | 2,267,977 |
| Hospital | 99,844,666 | 87,199,322 | 85,271,630 |
| Water | 5,697,779 | 5,911,028 | 5,812,331 |
| Sewer | 12,089,697 | 11,381,424 | 11,012,486 |
| Waste management | 1,080,016 | 999,083 | 801,978 |
| Total business-type activities expenses | <u>135,052,761</u> | <u>120,534,334</u> | <u>117,565,023</u> |
| Total primary government expenses | <u>\$ 253,772,542</u> | <u>231,132,954</u> | <u>230,264,589</u> |
| Program Revenues | | | |
| Governmental activities: | | | |
| Charges for services: | | | |
| Legislative | \$ - | - | - |
| Legal | 7,741 | 14,262 | 23,224 |
| Administration | 2,394 | 2,701 | 2,200 |
| Education | 130,000 | - | - |
| Finance | 24,373 | 81,946 | 98,860 |
| Engineering | 24,706 | 18,014 | 19,311 |
| Libraries | 115,015 | 32,677 | 32,783 |
| Social services | - | - | - |
| Recreation | 2,635,827 | 3,618,630 | 3,508,514 |
| Community development and lands management | 2,465,985 | 2,177,430 | 1,680,209 |
| Low-income housing | 3,044 | 13,529 | 1,082 |
| Public safety | 2,872,741 | 3,109,719 | 3,425,858 |
| Public works | 31,397 | 256,233 | 11,543 |
| Public transportation | 1,206,703 | 1,255,756 | 1,326,041 |
| Tourism and conventions | 8,141,539 | 8,367,794 | 8,133,774 |
| Operating grants and contributions | 14,902,689 | 7,117,429 | 7,345,989 |
| Capital grants and contributions | 19,969,146 | 15,863,658 | 13,491,010 |
| Total governmental activities program revenues | <u>52,533,300</u> | <u>41,929,778</u> | <u>39,100,398</u> |



| 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 2,530,714 | 2,181,315 | 2,066,736 | 2,008,718 | 2,680,700 | 1,215,199 | 1,634,232 |
| 1,331,969 | 1,274,298 | 1,502,137 | 1,683,673 | 1,303,572 | 1,471,317 | 1,160,584 |
| 3,761,173 | 3,673,796 | 3,904,254 | 4,112,909 | 2,529,758 | 2,149,171 | 3,050,676 |
| 31,864,363 | 31,685,879 | 30,712,138 | 29,019,688 | 27,099,090 | 26,430,817 | 25,259,564 |
| 4,490,168 | 4,168,499 | 3,675,230 | 3,655,322 | 3,419,090 | 3,404,559 | 2,970,262 |
| 457,803 | 513,671 | 667,254 | 783,169 | 623,073 | 605,298 | 635,832 |
| 2,648,251 | 2,513,186 | 2,529,957 | 2,560,362 | 2,774,363 | 2,374,776 | 2,270,335 |
| 1,479,373 | 1,460,372 | 1,341,772 | 1,348,160 | 1,077,306 | 1,067,243 | 1,018,862 |
| 10,826,328 | 9,490,250 | 7,440,858 | 6,004,939 | 7,094,200 | 3,601,542 | 9,472,826 |
| 3,848,055 | 3,918,891 | 3,913,857 | 4,568,134 | 5,717,475 | 10,231,413 | 3,883,617 |
| 114,140 | 100,000 | 100,000 | - | 43,891 | - | (6,323) |
| 22,523,110 | 21,010,479 | 19,695,190 | 19,513,572 | 19,381,496 | 18,276,873 | 16,756,726 |
| 10,334,511 | 10,288,418 | 12,688,478 | 16,486,907 | 15,301,599 | 14,493,651 | 14,633,583 |
| 6,491,300 | 6,955,150 | 6,587,511 | 6,627,967 | 5,793,934 | 5,425,498 | 4,989,333 |
| 763,644 | - | 3,321,472 | - | 73,865 | 104,873 | 100,000 |
| 2,222,079 | 2,040,696 | 2,420,375 | 2,339,679 | 2,653,670 | 1,857,238 | 1,735,964 |
| 5,198,926 | 6,105,158 | 5,849,632 | 6,289,905 | 4,514,242 | 2,991,447 | 3,229,910 |
| <u>110,885,907</u> | <u>107,380,058</u> | <u>108,416,851</u> | <u>107,003,104</u> | <u>102,081,324</u> | <u>95,700,915</u> | <u>92,795,983</u> |
| 8,392,656 | 8,076,366 | 8,015,640 | 8,077,834 | 7,954,534 | 7,596,620 | 6,585,306 |
| 3,898,009 | 3,818,861 | 3,860,224 | 3,937,677 | 4,068,845 | 3,701,591 | 3,390,280 |
| 2,363,199 | 2,403,231 | 2,461,996 | 2,121,212 | 2,114,394 | 1,987,565 | 1,868,405 |
| 98,251,615 | 90,552,708 | 80,814,672 | 73,494,397 | 66,665,350 | 61,511,329 | 55,552,625 |
| 5,632,900 | 5,477,786 | 5,546,277 | 5,657,531 | 5,399,397 | 5,152,521 | 5,393,741 |
| 10,984,468 | 10,026,752 | 10,030,373 | 10,330,238 | 9,878,709 | 8,969,071 | 9,092,340 |
| 678,612 | 1,024,733 | 950,459 | 950,431 | 1,093,357 | 798,837 | 991,302 |
| <u>130,201,459</u> | <u>121,380,437</u> | <u>111,679,641</u> | <u>104,569,320</u> | <u>97,174,586</u> | <u>89,717,534</u> | <u>82,873,999</u> |
| <u>241,087,366</u> | <u>228,760,495</u> | <u>220,096,492</u> | <u>211,572,424</u> | <u>199,255,910</u> | <u>185,418,449</u> | <u>175,669,982</u> |
| - | 4,471 | - | - | - | 750 | - |
| 61,821 | 103,180 | 91,955 | 39,738 | 32,619 | 24,819 | 25,643 |
| 2,524 | 189,671 | 3,878 | 5,283 | 3,650 | 3,600 | 4,513 |
| - | - | - | - | - | - | - |
| 111,712 | 347,093 | 86,031 | 100,634 | 169,430 | 4,111 | 55,437 |
| 15,508 | 141,940 | 16,076 | 15,739 | 11,425 | 17,508 | 21,120 |
| 36,820 | 233,419 | 42,762 | 39,822 | 45,035 | 46,117 | 50,639 |
| - | - | - | 6,442 | - | 2,318 | 1,851 |
| 3,474,796 | 3,381,747 | 2,944,203 | 2,551,985 | 2,555,558 | 2,609,939 | 2,233,662 |
| 997,892 | 1,310,175 | 1,177,964 | 1,642,980 | 4,075,985 | 6,693,549 | 2,551,521 |
| 602 | 4,852 | 6,935 | 5,951 | 38,978 | 18,979 | (15,514) |
| 3,489,550 | 3,328,128 | 3,417,756 | 3,328,139 | 3,005,777 | 2,663,523 | 2,597,130 |
| 537,560 | 17,682 | - | - | - | 52,000 | - |
| 1,170,663 | 1,254,045 | 943,397 | 990,855 | 974,168 | 926,404 | 890,401 |
| 7,465,227 | 7,291,894 | 8,009,360 | 8,508,847 | 8,482,194 | 7,441,417 | 6,857,609 |
| 5,868,921 | 3,537,883 | 4,127,461 | 2,706,436 | 2,290,600 | 2,642,995 | 1,848,929 |
| 13,708,826 | 14,668,693 | 23,526,055 | 15,640,763 | 10,764,849 | 11,087,910 | 6,546,726 |
| <u>36,942,422</u> | <u>35,814,873</u> | <u>44,393,833</u> | <u>35,583,614</u> | <u>32,450,268</u> | <u>34,235,939</u> | <u>23,669,667</u> |

CITY AND BOROUGH OF JUNEAU

Change in Net Position, continued
(Unaudited)

Last Ten Fiscal Years (accrual basis of accounting)

| | 2015 | 2014 | 2013 |
|--|------------------------|---------------------|---------------------|
| Program Revenues, continued: | | | |
| Business-type activities: | | | |
| Charges for services: | | | |
| Airport | \$ 6,112,527 | 5,734,067 | 4,928,506 |
| Harbors | 4,202,862 | 3,508,430 | 3,173,272 |
| Docks | 1,489,710 | 1,423,890 | 1,618,477 |
| Hospital | 90,281,184 | 80,198,274 | 84,250,207 |
| Water | 4,468,964 | 4,198,434 | 4,269,637 |
| Sewer | 10,043,296 | 9,690,605 | 9,524,807 |
| Waste management | 1,195,689 | 1,173,908 | 1,099,912 |
| Operating grants and contributions | 18,153,542 | 6,317,336 | 6,429,183 |
| Capital grants and contributions | 40,701,665 | 16,502,637 | 38,254,021 |
| Total business-type activities program revenues | <u>176,649,439</u> | <u>128,747,581</u> | <u>153,548,022</u> |
| Total primary government program revenues | \$ <u>229,182,739</u> | <u>170,677,359</u> | <u>192,648,420</u> |
| Net (Expense) Revenue | | | |
| Governmental activities | \$ (66,186,481) | (68,668,843) | (73,599,168) |
| Business-type activities | 41,596,678 | 8,213,247 | 35,982,999 |
| Total primary government net expense | \$ <u>(24,589,803)</u> | <u>(60,455,596)</u> | <u>(37,616,169)</u> |
| General Revenues and Other Changes in Net Position | | | |
| Governmental Activities: | | | |
| Taxes: | | | |
| Property Taxes | \$ 45,839,741 | 45,085,031 | 43,987,183 |
| Sales Taxes | 46,348,749 | 46,431,198 | 45,378,682 |
| Hotel Taxes | 1,378,365 | 1,303,919 | 1,159,296 |
| Grants and contributions not restricted to specific program | 4,081,193 | 3,986,857 | 4,760,209 |
| Unrestricted investment earnings | 1,408,380 | 2,069,816 | 1,538,081 |
| Gains on sale of capital assets | 65,779 | 24,477 | 142,444 |
| Miscellaneous | 107,016 | 215,719 | 187,993 |
| Transfers | (30,498,125) | (13,758,200) | (9,868,929) |
| Special item-NPO/OPEB write off | - | - | - |
| Total governmental activities general revenues and other changes in net position | <u>68,731,098</u> | <u>85,358,817</u> | <u>87,284,959</u> |
| Business-type activities: | | | |
| Unrestricted investment earnings | 550,199 | 1,161,510 | 373,763 |
| Gains on sale of capital assets | 71,760 | 679 | - |
| Miscellaneous | - | - | - |
| Transfers | 30,498,125 | 13,758,200 | 9,868,929 |
| Special item-NPO/OPEB write off | - | - | - |
| Total business-type activities general revenues and other changes in net position | <u>31,120,084</u> | <u>14,920,389</u> | <u>10,242,692</u> |
| Total primary government general revenues and other changes in net position | \$ <u>99,851,182</u> | <u>100,279,206</u> | <u>97,527,651</u> |
| Changes in Net Position | | | |
| Governmental activities | \$ 2,544,617 | 16,689,975 | 13,685,791 |
| Business-type activities | 72,716,762 | 23,133,636 | 46,225,691 |
| Total primary government, change in net position | \$ <u>75,261,379</u> | <u>39,823,611</u> | <u>59,911,482</u> |



| <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 4,467,086 | 4,327,551 | 4,350,667 | 4,196,909 | 4,095,061 | 3,813,040 | 3,747,779 |
| 3,154,885 | 2,854,858 | 3,040,331 | 2,630,220 | 2,686,154 | 2,953,293 | 2,315,212 |
| 1,611,158 | 1,591,464 | 1,732,622 | 1,762,619 | 1,934,872 | 1,483,425 | 1,599,899 |
| 95,026,373 | 90,680,836 | 82,640,681 | 76,333,369 | 68,693,315 | 61,392,691 | 60,033,397 |
| 4,381,884 | 3,891,958 | 3,787,369 | 3,537,751 | 3,445,008 | 3,481,714 | 3,317,529 |
| 9,604,454 | 8,434,711 | 8,253,146 | 7,945,566 | 7,786,145 | 7,847,793 | 7,811,727 |
| 1,092,287 | 1,096,229 | 1,083,175 | 1,069,371 | 947,282 | 828,791 | 811,452 |
| 5,733,520 | 358,084 | 293,358 | 415,906 | 369,471 | 600,123 | 580,536 |
| 26,507,970 | 28,261,719 | 16,833,868 | 13,426,177 | 9,106,125 | 6,192,501 | 10,641,615 |
| 151,579,617 | 141,497,410 | 122,015,217 | 111,317,888 | 99,063,433 | 88,593,371 | 90,859,146 |
| <u>188,522,039</u> | <u>177,312,283</u> | <u>166,409,050</u> | <u>146,901,502</u> | <u>131,513,701</u> | <u>122,829,310</u> | <u>114,528,813</u> |
| (73,943,485) | (71,565,185) | (64,023,018) | (71,419,490) | (69,631,056) | (61,464,976) | (69,126,316) |
| 21,378,158 | 20,116,973 | 10,335,576 | 6,748,568 | 1,888,847 | (1,124,163) | 7,985,147 |
| <u>(52,565,328)</u> | <u>(51,448,212)</u> | <u>(53,687,443)</u> | <u>(64,670,922)</u> | <u>(67,742,209)</u> | <u>(62,589,139)</u> | <u>(61,141,169)</u> |
| 41,926,329 | 40,738,679 | 41,055,219 | 40,431,889 | 39,472,684 | 36,747,337 | 35,647,984 |
| 44,241,561 | 42,135,105 | 40,008,329 | 41,474,829 | 42,042,614 | 39,583,371 | 36,826,234 |
| 1,069,179 | 1,074,891 | 1,029,604 | 1,066,795 | 1,283,970 | 1,184,151 | 1,061,798 |
| 4,609,194 | 3,716,881 | 3,574,533 | 1,969,735 | 860,616 | 864,082 | 864,052 |
| 1,336,219 | 1,959,102 | 4,377,536 | 5,045,777 | 9,551,687 | 8,474,949 | 2,468,200 |
| - | - | 87,897 | 39,139 | 18,415 | 99,206 | 55,796 |
| 2,153,319 | 3,576,322 | 3,854,712 | 6,549,832 | 5,292,963 | 3,368,876 | 1,625,030 |
| (12,607,000) | (8,314,100) | (7,067,523) | (11,409,658) | (7,624,851) | (9,494,406) | (5,725,535) |
| - | - | - | 7,012,088 | - | - | - |
| <u>82,728,801</u> | <u>84,886,880</u> | <u>86,920,307</u> | <u>92,180,426</u> | <u>90,898,098</u> | <u>80,827,566</u> | <u>72,823,559</u> |
| 776,987 | 988,606 | 1,726,319 | 2,803,658 | 2,242,609 | 1,666,745 | 773,187 |
| - | - | - | - | - | - | - |
| - | - | 1,920,673 | 972,503 | 835,253 | 326,014 | 249,099 |
| 12,607,000 | 8,314,100 | 7,067,523 | 11,409,658 | 7,624,851 | 9,494,406 | 5,725,535 |
| - | - | - | 2,905,959 | - | - | - |
| <u>13,383,987</u> | <u>9,302,706</u> | <u>10,714,515</u> | <u>18,091,778</u> | <u>10,702,713</u> | <u>11,487,165</u> | <u>6,747,821</u> |
| <u>96,112,788</u> | <u>94,189,586</u> | <u>97,634,822</u> | <u>110,272,204</u> | <u>101,600,811</u> | <u>92,314,731</u> | <u>79,571,380</u> |
| 8,785,316 | 13,321,695 | 20,976,616 | 20,760,936 | 21,267,042 | 19,362,590 | 3,697,243 |
| 34,762,145 | 29,419,679 | 21,050,091 | 24,840,347 | 12,591,560 | 10,363,002 | 14,732,968 |
| <u>43,547,461</u> | <u>42,741,374</u> | <u>42,026,707</u> | <u>45,601,283</u> | <u>33,858,602</u> | <u>29,725,592</u> | <u>18,430,211</u> |

CITY AND BOROUGH OF JUNEAU

Fund Balances, Governmental Funds
(Unaudited)

Last Ten Fiscal Years (modified accrual basis of accounting)

| | 2015 | 2014 | 2013 | 2012 |
|---|----------------------|-------------------|-------------------|-------------------|
| General Fund: | | | | |
| Nonspendable: | | | | |
| Inventory | \$ 1,328,195 | 1,232,898 | 1,158,978 | 490,930 |
| Prepaid and deposits | 20,252 | 92,714 | 3,606 | 38,224 |
| Restricted for: | | | | |
| Other Purposes | 335,613 | 376,620 | 442,382 | - |
| Assigned to: | | | | |
| Advance to Special Revenue Fund | 141,149 | 138,561 | 314,968 | 534,662 |
| Subsequent year expenditures | 1,632,200 | 2,531,600 | 2,967,600 | 331,400 |
| Compensated absences General Fund | 3,800,277 | 3,722,206 | 3,516,305 | 1,330,190 |
| Emergency operating reserves | 12,410,177 | 11,760,177 | 2,729,385 | 1,729,385 |
| Unassigned | 7,862,135 | 5,525,490 | 4,765,349 | 1,754,776 |
| Total General Fund | <u>27,529,998</u> | <u>25,380,266</u> | <u>15,898,573</u> | <u>6,209,567</u> |
| | | | | |
| All other Governmental funds | | | | |
| Nonspendable: | | | | |
| Inventory | 93,585 | 92,191 | - | 991,230 |
| Jensen-Olson Permanent Fund | 2,097,159 | 2,097,159 | 2,097,159 | 2,097,159 |
| Prepaid and deposits | 2,041,563 | 2,029,363 | 1,591,748 | - |
| Restricted for: | | | | |
| Debt Service | 3,017,595 | 997,306 | 2,582,394 | 4,530,044 |
| Capital Improvements | 29,204,164 | 30,510,692 | 25,639,441 | 33,643,187 |
| Jensen-Olson Permanent Fund | 418,451 | 414,247 | 177,503 | 278,051 |
| Other Purposes | 2,931,134 | 412,485 | 1,428,978 | 4,520,707 |
| Committed to: | | | | |
| Budget reserves | - | - | 8,530,792 | 8,530,792 |
| Notes receivable | 257,398 | 375,256 | 451,727 | 246,835 |
| Sales tax (Rainy Day) reserve | - | - | - | - |
| Other Purposes | 8,647,465 | 7,009,978 | 7,724,602 | 4,515,179 |
| Assigned to: | | | | |
| Subsequent year expenditures | 736,000 | 509,000 | 670,200 | 1,653,900 |
| Compensated absences, Special Revenue Funds | 83,117 | 77,840 | 48,204 | 2,372,005 |
| Emergency operating reserves | - | - | - | 1,000,000 |
| Special Revenue Funds | - | - | - | - |
| Unassigned | - | - | (47,743) | (556,037) |
| Total fund balances | <u>49,527,631</u> | <u>44,525,517</u> | <u>50,895,005</u> | <u>63,823,052</u> |
| Total Governmental Funds | <u>\$ 77,057,629</u> | <u>69,905,783</u> | <u>66,793,578</u> | <u>70,032,619</u> |
| | * | * | * | |

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

* In FY15, General Fund was redefined to include the Roaded and Fire Service Area Special Revenue Funds. FY14 and FY13 are restated for comparison. Prior years present General Fund separately from other funds.



| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|------------|-------------|-------------|-------------|-------------|-------------|
| 513,521 | 539,739 | 516,729 | 518,748 | 519,181 | 497,064 |
| 17,626 | 536,555 | 1,103,389 | 1,563,716 | 537,775 | 1,024,284 |
| - | - | - | - | - | - |
| 803,115 | 770,077 | 933,769 | 980,838 | 1,041,784 | - |
| 3,944,800 | 3,270,300 | 4,425,600 | 1,859,300 | - | 734,000 |
| 1,431,677 | 1,490,513 | 1,434,972 | 1,278,937 | 1,258,121 | 1,224,052 |
| 1,729,385 | 3,000,000 | 2,000,000 | 3,000,000 | 2,500,000 | 2,500,000 |
| - | 2,194,088 | 2,427,396 | 2,426,526 | 1,713,561 | (1,450,376) |
| 8,440,124 | 11,801,272 | 12,841,855 | 11,628,065 | 7,570,422 | 4,529,024 |
| 670,102 | 703,357 | 711,635 | 879,969 | 827,665 | 899,386 |
| 2,097,159 | 2,097,159 | 2,097,159 | 2,097,159 | 2,097,159 | - |
| - | - | - | - | - | - |
| 7,579,073 | 8,413,358 | 7,819,001 | 8,165,649 | 6,040,630 | 6,684,240 |
| 41,687,136 | 52,369,813 | 53,878,190 | 46,203,177 | 90,151,218 | 54,193,220 |
| 317,249 | 45,093 | - | - | - | - |
| 7,157,063 | 8,139,239 | 5,730,520 | 5,309,191 | 2,341,226 | 2,648,614 |
| 8,530,792 | - | - | - | - | - |
| 372,507 | 308,482 | 348,723 | 421,582 | 411,582 | 411,582 |
| - | 8,116,677 | 9,209,902 | 9,786,496 | 1,976,991 | 3,429,025 |
| 3,335,492 | 1,054,716 | 3,144,801 | 7,616,106 | 11,051,396 | 7,474,975 |
| 3,679,900 | 4,445,700 | 3,756,100 | 4,964,200 | 3,319,900 | 390,900 |
| 2,253,620 | 2,275,482 | 2,202,672 | 2,030,450 | 1,911,547 | 1,743,757 |
| 1,000,000 | 1,300,000 | - | - | 500,000 | 500,000 |
| - | 2,226,895 | 2,710,947 | 2,711,861 | 1,570,168 | 182,910 |
| (149,183) | (594,613) | (858,586) | (1,235,913) | (1,125,889) | (1,900,036) |
| 78,530,910 | 90,901,358 | 90,751,064 | 88,949,927 | 121,073,593 | 76,658,573 |
| 86,971,034 | 102,702,630 | 103,592,919 | 100,577,992 | 128,644,015 | 81,187,597 |

CITY AND BOROUGH OF JUNEAU

Changes in Fund Balances, Governmental Funds
(Unaudited)

Last Ten Fiscal Years (modified accrual basis of accounting)

| | 2015 | 2014 | 2013 | 2012 |
|---|---------------------|--------------------|--------------------|---------------------|
| REVENUES | | | | |
| Taxes | \$ 93,847,386 | 92,769,496 | 90,982,977 | 86,884,648 |
| State sources | 36,574,789 | 23,813,661 | 22,249,215 | 20,774,832 |
| Federal sources | 2,697,254 | 1,087,821 | 3,039,953 | 3,058,704 |
| Local sources | - | - | - | - |
| Endowment | - | - | - | - |
| Charges for services | 7,860,053 | 8,480,873 | 8,459,037 | 8,174,941 |
| Contracted services | 159,864 | 130,983 | 126,164 | 121,837 |
| Licenses, permits and fees | 6,067,877 | 6,175,467 | 5,915,231 | 5,642,406 |
| Sales | 1,282,480 | 289,760 | 378,428 | 542,948 |
| Fines and forfeitures | 432,228 | 417,892 | 444,375 | 583,971 |
| Investment and interest income | 1,480,696 | 2,347,270 | 1,772,753 | 2,098,691 |
| Land sales | - | - | - | - |
| Rentals and leases | 1,417,121 | 1,482,144 | 1,431,819 | 1,274,598 |
| Special assessments | 42,190 | 64,778 | 47,280 | 43,660 |
| Donations and contributions | 51,243 | 54,297 | 32,550 | 24,344 |
| Equity in earnings of AJT Mining Properties, Inc. joint ventures | - | - | - | - |
| Other | 377,376 | 1,577,870 | 260,095 | 797,979 |
| Total revenues | <u>152,290,557</u> | <u>138,692,312</u> | <u>135,139,877</u> | <u>130,023,559</u> |
| EXPENDITURES | | | | |
| Legislative | 3,510,598 | 4,179,954 | 2,450,173 | 2,432,801 |
| Legal | 2,167,562 | 1,607,983 | 1,342,657 | 1,319,373 |
| Administration | 4,922,024 | 4,079,996 | 4,015,369 | 3,731,332 |
| Education | 25,344,400 | 24,704,500 | 24,528,500 | 26,199,600 |
| Finance | 4,745,313 | 3,965,803 | 4,350,561 | 4,500,496 |
| Engineering | 952,811 | 569,179 | 476,691 | 418,746 |
| Libraries | 3,344,833 | 2,429,702 | 2,461,322 | 2,362,938 |
| Social Services | 1,563,390 | 1,587,101 | 1,562,081 | 1,479,373 |
| Recreation | 8,953,786 | 9,476,427 | 9,377,788 | 9,457,252 |
| Community development | 3,610,714 | 3,513,203 | 2,959,280 | 2,824,582 |
| Land Management | 757,254 | 638,743 | 618,332 | 714,860 |
| Affordable housing | 67,313 | - | 69,000 | 114,140 |
| Public safety | 24,274,709 | 20,421,022 | 20,847,262 | 20,638,151 |
| Public works | 6,913,938 | 6,493,733 | 6,612,344 | 6,409,423 |
| Public transportation | 7,834,198 | 7,255,393 | 7,240,828 | 6,914,979 |
| Tourism and conventions | 2,184,080 | 2,025,502 | 2,050,789 | 2,013,360 |
| Special assessments | - | - | 133,438 | - |
| Other | 13,030 | 13,012 | 13,027 | 11,764 |
| Debt service: | | | | |
| Principal | 18,225,571 | 17,729,983 | 15,564,254 | 14,808,253 |
| Interest | 5,401,707 | 5,367,236 | 5,444,510 | 6,090,525 |
| Fiscal agent, bond issuance and letter of credit fees | 141,378 | 48,790 | 58,341 | 110,517 |
| Capital projects | 25,471,539 | 20,308,220 | 32,867,049 | 21,958,527 |
| Total expenditures | <u>150,400,148</u> | <u>136,415,482</u> | <u>145,043,596</u> | <u>134,510,992</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,890,409</u> | <u>2,276,830</u> | <u>(9,903,719)</u> | <u>(4,487,433)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | 52,904,084 | 61,924,544 | 49,191,943 | 51,705,089 |
| Transfers to other funds | (83,752,209) | (75,682,744) | (57,428,043) | (64,312,089) |
| Issuance of long-term debt | 32,070,576 | 13,400,000 | 12,455,001 | - |
| Proceeds of refunding bonds | 3,135,000 | - | 7,415,000 | 14,765,000 |
| Payments to refunded bond escrow agent | (3,325,000) | - | (8,410,000) | (15,809,420) |
| Bond premium | 4,228,986 | 1,193,575 | 3,440,778 | 1,204,170 |
| Total other financing sources (uses) | <u>5,261,437</u> | <u>835,375</u> | <u>6,664,679</u> | <u>(12,447,250)</u> |
| Net change in fund balances | <u>\$ 7,151,846</u> | <u>3,112,205</u> | <u>(3,239,040)</u> | <u>(16,934,683)</u> |
| Debt Service as a percentage of noncapital expenditures * | 18.84% | 19.86% | 18.09% | 18.26% |

*Percentages have been adjusted to show only capital outlay as expenditures

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------|
| 83,870,195 | 81,992,933 | 82,764,955 | 82,503,837 | 78,250,811 | 73,632,521 |
| 19,373,417 | 22,724,948 | 21,356,659 | 17,072,948 | 13,526,971 | 8,071,637 |
| 2,616,318 | 6,796,386 | 4,491,179 | 944,771 | 1,111,085 | 1,594,130 |
| - | - | - | 566,928 | 578,473 | 473,922 |
| - | - | - | - | 2,097,159 | - |
| 7,523,622 | 7,567,845 | 7,649,418 | 3,169,614 | 3,197,009 | 2,859,748 |
| 569,341 | 557,578 | 581,826 | 450,000 | 428,300 | 385,900 |
| 5,320,128 | 5,871,608 | 6,261,601 | 10,958,984 | 9,595,180 | 9,156,197 |
| 1,785,367 | 790,031 | 993,557 | - | - | - |
| 507,270 | 605,264 | 571,318 | 738,577 | 756,744 | 780,004 |
| 2,670,883 | 5,521,877 | 5,678,848 | 9,478,143 | 8,618,316 | 2,499,142 |
| - | - | - | 2,109,684 | 4,853,717 | 352,028 |
| 1,475,460 | 1,115,129 | 1,115,562 | 460,687 | 278,887 | 306,431 |
| 53,700 | 107,983 | 50,418 | 93,771 | 171,953 | 439,546 |
| 65,176 | 28,668 | 45,664 | - | - | - |
| - | - | - | - | - | 42 |
| 871,587 | 264,127 | (51,272) | 1,365,608 | 1,182,790 | 1,104,970 |
| <u>126,702,464</u> | <u>133,944,377</u> | <u>131,509,733</u> | <u>129,913,552</u> | <u>124,647,395</u> | <u>101,656,218</u> |
| 2,123,125 | 2,016,664 | 1,964,335 | 3,307,593 | 2,569,918 | 2,499,024 |
| 1,300,132 | 1,266,661 | 1,429,305 | 1,341,040 | 1,438,590 | 1,032,375 |
| 3,808,781 | 3,626,993 | 3,585,833 | 3,254,616 | 3,083,016 | 2,963,779 |
| 26,018,000 | 25,632,800 | 24,737,000 | 22,995,765 | 21,888,900 | 20,287,664 |
| 4,338,371 | 3,834,616 | 3,883,489 | 3,571,017 | 3,191,750 | 2,745,026 |
| 606,545 | 661,098 | 773,943 | 756,916 | 565,750 | 600,696 |
| 2,340,832 | 2,261,970 | 2,310,594 | 2,281,219 | 2,056,755 | 1,955,096 |
| 1,460,372 | 1,388,988 | 1,357,470 | - | - | - |
| 8,487,829 | 7,911,116 | 7,818,349 | 5,893,452 | 5,313,110 | 5,031,855 |
| 2,805,294 | 2,764,281 | 3,186,470 | 3,667,028 | 7,258,689 | 3,426,262 |
| 996,393 | 712,307 | 918,005 | - | - | - |
| 100,000 | 100,000 | - | - | - | - |
| 20,417,024 | 19,150,231 | 19,406,562 | 18,291,567 | 15,844,987 | 14,767,016 |
| 6,272,126 | 5,869,168 | 6,513,229 | 7,322,127 | 6,919,733 | 5,374,581 |
| 6,839,997 | 5,990,918 | 6,054,192 | 5,382,648 | 4,675,108 | 4,259,551 |
| 1,832,870 | 1,879,013 | 1,954,510 | 1,777,256 | 1,604,479 | 1,492,154 |
| 2,251 | 135,068 | - | (17,792) | 258,312 | - |
| 10,293 | 10,803 | 10,170 | 257,961 | 294,970 | 171,735 |
| 13,982,140 | 12,552,564 | 12,106,517 | 9,158,000 | 8,569,249 | 6,504,495 |
| 6,233,420 | 6,038,858 | 6,100,199 | 4,836,220 | 3,103,884 | 3,268,312 |
| 9,766 | 9,785 | 10,687 | 8,456 | 552,788 | 316,251 |
| 31,489,677 | 50,473,977 | 56,717,205 | 56,265,235 | 28,957,435 | 18,836,247 |
| <u>141,475,238</u> | <u>154,287,879</u> | <u>160,838,064</u> | <u>150,350,324</u> | <u>118,147,423</u> | <u>95,532,119</u> |
| <u>(14,772,774)</u> | <u>(20,343,502)</u> | <u>(29,328,331)</u> | <u>(20,436,772)</u> | <u>6,499,972</u> | <u>6,124,099</u> |
| 62,194,255 | 67,958,108 | 76,540,991 | 79,207,978 | 53,164,605 | 58,850,291 |
| (70,503,506) | (75,025,631) | (87,950,649) | (86,837,229) | (62,659,011) | (65,434,826) |
| 7,073,000 | 25,995,000 | 43,112,000 | - | 50,055,000 | 1,940,000 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 194,514 | 525,736 | 640,917 | - | 395,852 | - |
| <u>(1,041,737)</u> | <u>19,453,213</u> | <u>32,343,259</u> | <u>(7,629,251)</u> | <u>40,956,446</u> | <u>(4,644,535)</u> |
| <u>(15,814,511)</u> | <u>(890,289)</u> | <u>3,014,928</u> | <u>(28,066,024)</u> | <u>47,456,418</u> | <u>1,479,564</u> |
| 18.72% | 15.39% | 15.31% | 14.17% | 13.07% | 11.74% |

CITY AND BOROUGH OF JUNEAU

Tax Revenues by Source and Function
(Unaudited)

Last Ten Fiscal Years

| Fiscal Year | Property Tax | | Sales Tax | | | Hotel Tax |
|-------------|--------------------|--------------|--------------------|---|------------------|-----------------|
| | General Operations | Debt Service | General Operations | Discretionary Operating Capital Reserve | Capital Projects | Vistor Services |
| 2006 | 31,757,067 | 3,897,717 | 14,304,408 | 7,152,205 | 14,304,599 | 1,061,798 |
| 2007 | 33,458,017 | 3,329,100 | 15,473,614 | 7,736,808 | 15,473,614 | 1,184,151 |
| 2008 | 35,205,627 | 4,241,800 | 16,172,681 | 8,094,035 | 16,177,811 | 1,283,970 |
| 2009 | 35,141,287 | 5,182,400 | 15,934,889 | 7,967,450 | 15,934,898 | 1,066,795 |
| 2010 | 35,064,520 | 5,796,600 | 15,248,519 | 7,624,260 | 15,248,522 | 1,029,604 |
| 2011 | 35,117,077 | 5,418,000 | 15,824,811 | 7,889,495 | 15,847,725 | 1,074,891 |
| 2012 | 36,542,977 | 5,208,696 | 16,691,774 | 8,345,887 | 16,597,985 | 1,069,179 |
| 2013 | 38,699,578 | 5,552,441 | 17,235,281 | 8,617,640 | 17,164,019 | 1,159,296 |
| 2014 | 39,035,653 | 6,073,339 | 17,611,035 | 8,760,000 | 17,614,388 | 1,303,919 |
| 2015 | 39,273,336 | 6,578,956 | 17,783,772 | 8,775,000 | 17,286,173 | 1,378,365 |



| <u>Liquor Sales Tax</u> | <u>Tobacco Excise Tax</u> | |
|-------------------------------|-------------------------------|------------------------|
| <u>General Operations</u> | <u>General Operations</u> | <u>Total Taxes</u> |
| 726,034 | 473,922 | 73,677,750 |
| 826,570 | 578,473 | 78,060,347 |
| 854,318 | 566,928 | 82,597,170 |
| 849,306 | 515,491 | 82,592,516 |
| 856,927 | 1,000,878 | 81,869,830 |
| 851,177 | 1,503,729 | 83,526,905 |
| 896,234 | 1,435,107 | 86,787,839 |
| 1,017,028 | 1,446,456 | 90,891,739 |
| 954,002 | 1,330,488 | 92,682,824 |
| 943,897 | 1,845,856 | 93,865,355 |

Assessed Value and Actual Value of Taxable Property
(Unaudited)*Last Ten Fiscal Years*

| Fiscal Year | Residential | | |
|----------------|---------------|-------------|---------------|
| | Total | Exempt | Taxable |
| 2006 | 2,052,877,933 | 2,584,100 | 2,050,293,833 |
| 2007 | 2,610,285,420 | 234,969,600 | 2,375,315,820 |
| 2008 | 2,528,852,800 | 29,749,800 | 2,499,103,000 |
| 2009 | 2,580,207,700 | 2,679,200 | 2,577,528,500 |
| 2010 | 2,371,483,380 | 1,528,200 | 2,369,955,180 |
| 2011 | 2,386,962,800 | 1,398,100 | 2,385,564,700 |
| 2012 * | 2,405,715,500 | - | 2,405,715,500 |
| 2013 | 2,461,358,300 | - | 2,461,358,300 |
| 2014 ! | 2,629,035,100 | - | 2,629,035,100 |
| 2015 | 2,696,876,804 | - | 2,696,876,804 |

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

* Due to a State Assessor's audit in October 2011, we are only to value taxable properties. Therefore, we have removed the past exempt residential properties from the taxable value.

! CBJ Assessor's Office converted to new database system March 2014 as a result, some property categorizations have changed resulting in an increase in residential and decrease in commercial categories.



| Commercial | | | Total Taxable Assessed Value | Mill Rate | Percentage Taxable | |
|---------------|------------|---------------|------------------------------|-----------|--------------------|------------|
| Total | Exempt | Taxable | | | Residential | Commercial |
| 1,230,161,167 | 36,001,000 | 1,194,160,167 | 3,244,454,000 | 11.17 | 63.19% | 36.81% |
| 1,300,529,275 | 17,512,800 | 1,283,016,475 | 3,658,332,295 | 10.17 | 64.93% | 35.07% |
| 1,365,451,173 | 19,297,900 | 1,346,153,273 | 3,845,256,273 | 10.37 | 64.99% | 35.01% |
| 1,409,576,437 | 22,798,700 | 1,386,777,737 | 3,964,306,237 | 10.37 | 65.02% | 34.98% |
| 1,587,692,262 | 24,283,000 | 1,563,409,262 | 3,933,364,442 | 10.60 | 60.25% | 39.75% |
| 1,623,373,044 | 19,592,800 | 1,603,780,244 | 3,989,344,944 | 10.51 | 59.80% | 40.20% |
| 1,685,792,732 | 19,794,500 | 1,665,998,232 | 4,071,713,732 | 10.55 | 59.08% | 40.92% |
| 1,832,518,317 | 18,809,400 | 1,813,708,917 | 4,275,067,217 | 10.55 | 57.57% | 42.43% |
| 1,768,687,433 | 18,007,600 | 1,750,679,833 | 4,379,714,933 | 10.66 | 60.03% | 39.97% |
| 1,806,005,428 | 18,554,900 | 1,787,450,528 | 4,484,327,332 | 10.76 | 60.14% | 39.86% |

CITY AND BOROUGH OF JUNEAU

Property Tax Mill Levy
(Unaudited)

Last Ten Fiscal Years

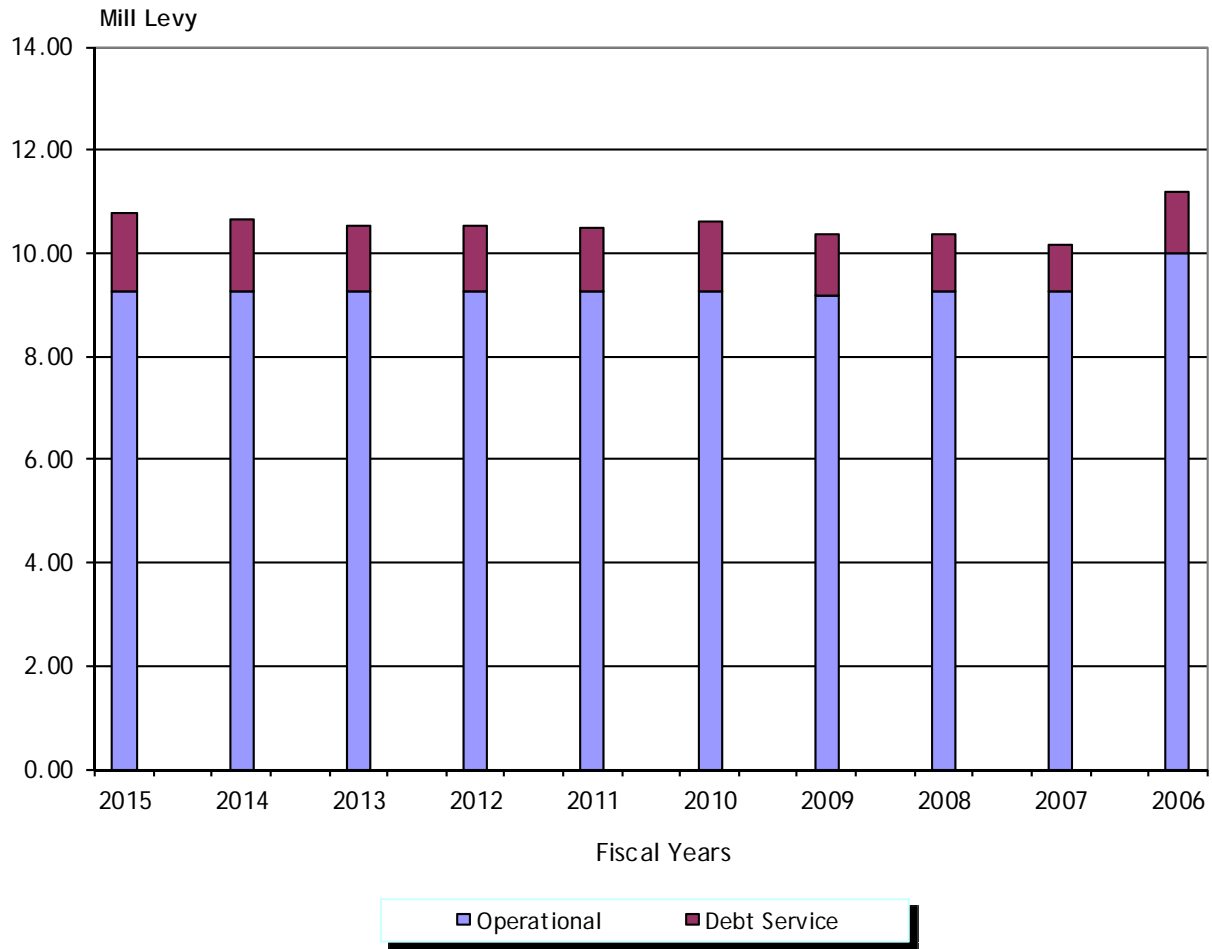
| Mill Levy | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Operational | | | | | | |
| Areawide | 6.64 | 6.64 | 6.66 | 6.56 | 6.98 | 7.11 |
| Roaded Service Area | 2.20 | 2.23 | 2.17 | 2.24 | 1.93 | 1.95 |
| Capital City/Fire Rescue | 0.42 | 0.39 | 0.43 | 0.46 | 0.35 | 0.20 |
| Total Operational | 9.26 | 9.26 | 9.26 | 9.26 | 9.26 | 9.26 |
| Debt Service | 1.50 | 1.40 | 1.29 | 1.29 | 1.25 | 1.34 |
| Total Mill Levy | 10.76 | 10.66 | 10.55 | 10.55 | 10.51 | 10.60 |
| Mill Levy Change | 0.10 | 0.11 | 0.00 | 0.04 | (0.09) | 0.23 |
| Percentage of Change | 0.94% | 1.04% | 0.00% | 0.38% | -0.85% | 2.22% |



| <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-------------|-------------|-------------|-------------|
| 6.22 | 6.97 | 6.71 | 6.32 |
| 2.60 | 2.07 | 2.26 | 3.30 |
| 0.34 | 0.22 | 0.29 | 0.36 |
| 9.16 | 9.26 | 9.26 | 9.98 |
| 1.21 | 1.11 | 0.91 | 1.19 |
| 10.37 | 10.37 | 10.17 | 11.17 |
| 0.00 | 0.20 | (1.00) | (0.83) |
| 0.00% | 1.97% | -8.95% | -6.92% |

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.

Principal Property Tax Payers
(Unaudited)

Current Year and Nine Years Ago

| Taxpayer | 2015 | | | 2006 | | |
|---------------------------------|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| HECLA Greens Creek Mining | \$ 203,274,978 | 1 | 4.53 % | \$ - | - | - % |
| Coeur Alaska | 175,994,947 | 2 | 3.92 | - | - | - |
| Alaska Electric Light & Power | 93,428,960 | 3 | 2.08 | 50,928,577 | 2 | 1.57 |
| Fred Meyer of Alaska Inc | 19,472,576 | 4 | 0.43 | 18,783,687 | 6 | 0.58 |
| Glacier Village Supermarket Inc | 18,394,362 | 5 | 0.41 | 19,793,819 | 5 | 0.61 |
| O Jacobsen Drive Juneau LLC | 17,254,700 | 6 | 0.38 | - | - | - |
| Juneau I LLC | 16,065,200 | 7 | 0.36 | - | - | - |
| Carr Gottstein Foods Co | 15,659,259 | 8 | 0.35 | 14,733,200 | 9 | 0.45 |
| Wal-mart Property | 15,198,252 | 9 | 0.34 | - | - | - |
| D & M Rentals LLC | 14,343,320 | 10 | - | - | - | - |
| Kennecott Greens Creek Mining | - | - | - | 112,902,574 | 1 | 3.48 |
| Don Madsen | - | - | - | 24,944,839 | 3 | 0.77 |
| Hugh Grant | - | - | - | 22,398,154 | 4 | 0.69 |
| Loveless/Tollefson | - | - | - | 16,989,700 | 7 | 0.52 |
| Foodland Inc. | - | - | - | 15,735,446 | 8 | 0.48 |
| Swan Bay Holdings | - | - | - | 9,837,200 | 10 | 0.30 |
| | <u>\$ 589,086,554</u> | | <u>12.80 %</u> | <u>\$ 307,047,196</u> | | <u>9.45 %</u> |

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

Taxable Assessed value includes both Real and Business Personal Property Values

CITY AND BOROUGH OF JUNEAU

Property Tax Levies and Collections
(Unaudited)

Last Ten Fiscal Years

| Fiscal Year Ended Jun 30 | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date |
|--------------------------|----------------------------------|--|--------------------|---------------------------------|---------------------------|
| | | Amount | Percentage of levy | | |
| 2006 | \$ 35,825,357 | \$ 35,357,906 | 98.70% | \$ 289,357 | \$ 35,647,263 |
| 2007 | 36,910,604 | 36,560,812 | 99.05% | 225,464 | 36,786,276 |
| 2008 | 39,585,556 | 39,220,681 | 99.08% | 224,366 | 39,445,047 |
| 2009 | 40,446,577 | 40,159,018 | 99.29% | 220,454 | 40,379,472 |
| 2010 | 41,048,853 | 40,691,450 | 99.13% | 362,533 | 41,053,983 |
| 2011 | 40,739,944 | 40,329,083 | 98.99% | 399,483 | 40,728,566 |
| 2012 | 41,751,673 | 41,431,682 | 99.23% | 290,113 | 41,721,795 |
| 2013 | 44,252,019 | 43,987,108 | 99.40% | 213,003 | 44,200,111 |
| 2014 | 45,108,992 | 44,818,184 | 99.36% | 199,562 | 45,017,746 |
| 2015 | 45,852,292 | 45,548,172 | 99.34% | - | 45,548,172 |

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

| | Calendar year | | | | | | |
|---|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
| <u>Gross business sales by category (in thousands):</u> | | | | | | | |
| Real estate | \$ 88,270 | 101,138 | 78,859 | 72,024 | 68,573 | 78,132 | 61,486 |
| Contractors | 311,743 | 256,751 | 289,115 | 228,524 | 255,660 | 257,902 | 285,409 |
| Liquor and restaurant | 137,882 | 131,415 | 126,191 | 118,108 | 51,633 | 105,138 | 106,427 |
| Retail sales - general | 224,680 | 216,937 | 206,097 | 210,342 | 204,253 | 202,648 | 217,030 |
| Foods | 194,160 | 196,421 | 189,653 | 198,636 | 178,523 | 159,724 | 168,246 |
| Transportation and freight | 161,307 | 150,329 | 158,013 | 143,891 | 155,988 | 157,385 | 159,228 |
| Professional services | 300,824 | 308,822 | 300,065 | 274,544 | 244,901 | 235,090 | 234,783 |
| Retail sales - specialized | 179,849 | 196,765 | 156,438 | 148,684 | 140,842 | 143,081 | 151,687 |
| Automotive | 87,398 | 83,696 | 69,694 | 78,350 | 68,577 | 73,467 | 86,602 |
| Other | 731,650 | 765,388 | 818,751 | 870,047 | 657,689 | 473,238 | 533,202 |
| Total gross business sales by category | \$ 2,417,763 | 2,407,662 | 2,392,876 | 2,343,150 | 2,026,639 | 1,885,805 | 2,004,100 |
| <u>Gross business sales by tourist-related business (in thousands):</u> | | | | | | | |
| Hotels and motels | \$ 32,071 | 30,327 | 29,749 | 27,296 | 27,706 | 25,073 | 28,750 |
| Bars | 9,290 | 7,417 | 6,708 | 6,233 | 4,741 | 4,416 | 5,315 |
| Restaurants | 59,126 | 58,742 | 57,302 | 53,921 | 51,959 | 47,597 | 51,050 |
| Air transportation and freight | 25,758 | 26,095 | 25,454 | 23,457 | 28,119 | 36,850 | 39,847 |
| Taxicab and bus | 6,896 | 6,616 | 6,964 | 5,781 | 5,303 | 5,354 | 5,650 |
| Car rentals | 4,904 | 4,404 | 3,985 | 3,969 | 3,734 | 3,592 | 4,199 |
| Tour providers and Travel agencies | 67,160 | 65,752 | 61,908 | 58,122 | 52,379 | 54,311 | 54,979 |
| Jewelry stores and Art galleries | 37,918 | 37,777 | 34,835 | 29,005 | 30,200 | 30,888 | 33,421 |
| Curio and gift shops | 16,586 | 17,563 | 17,564 | 18,499 | 19,541 | 21,645 | 27,951 |
| Photography stores | 179 | 299 | 183 | 388 | 108 | 64 | 52 |
| Total gross business sales by tourist-related business | \$ 259,888 | 254,992 | 244,652 | 226,671 | 223,790 | 229,790 | 251,214 |

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.

Source: Detailed analysis derived from the Merchant Tax Filings maintained by the City and Borough of Juneau, Sales Tax Office and are reported in '000's.



| <u>2007</u> | <u>2006</u> | <u>2005</u> |
|------------------|------------------|------------------|
| 87,797 | 64,328 | 67,388 |
| 301,921 | 306,398 | 220,926 |
| 103,024 | 96,297 | 89,513 |
| 200,044 | 179,665 | 175,371 |
| 168,814 | 171,525 | 159,574 |
| 156,311 | 142,312 | 131,562 |
| 221,639 | 205,599 | 192,044 |
| 153,017 | 142,494 | 137,490 |
| 83,088 | 76,107 | 80,974 |
| <u>519,365</u> | <u>482,616</u> | <u>355,662</u> |
| | | |
| <u>1,995,020</u> | <u>1,867,341</u> | <u>1,610,504</u> |

| | | |
|----------------|----------------|----------------|
| 29,719 | 27,111 | 24,878 |
| 6,374 | 6,151 | 5,219 |
| 49,753 | 45,599 | 43,172 |
| | | |
| 42,589 | 38,267 | 34,341 |
| 5,387 | 5,332 | 7,234 |
| 4,866 | 4,609 | 3,917 |
| | | |
| 52,583 | 48,735 | 46,345 |
| | | |
| 34,477 | 29,464 | 30,723 |
| 26,772 | 24,137 | 21,897 |
| 65 | 73 | 478 |
| <u>252,585</u> | <u>229,478</u> | <u>218,204</u> |

CITY AND BOROUGH OF JUNEAU

Sales Tax Levy
(Unaudited)

Last Ten Fiscal Years

| | General Operations | | | Capital Projects | | Total Sales Tax |
|------|--------------------|-----------|-------------------------|--------------------|----------------------------|-----------------|
| | Permanent | Temporary | Discretionary Temporary | Roads & Sidewalks | Various Temporary Projects | |
| 2006 | 1.00% | 1.00% | 1.00% ¹ | 1.00% | 1.00% ² | 5.00% |
| 2007 | 1.00% | 1.00% | 1.00% ¹ | 1.00% | 1.00% ² | 5.00% |
| 2008 | 1.00% | 1.00% | 1.00% ³ | 1.00% | 1.00% ² | 5.00% |
| 2009 | 1.00% | 1.00% | 1.00% ³ | 1.00% | 1.00% ³ | 5.00% |
| 2010 | 1.00% | 1.00% | 1.00% ³ | 1.00% | 1.00% ³ | 5.00% |
| 2011 | 1.00% | 1.00% | 1.00% ³ | 1.00% | 1.00% ³ | 5.00% |
| 2012 | 1.00% | 1.00% | 1.00% ⁴ | 1.00% ⁴ | 1.00% ⁴ | 5.00% |
| 2013 | 1.00% | 1.00% | 1.00% ⁴ | 1.00% ⁴ | 1.00% ⁴ | 5.00% |
| 2014 | 1.00% | 1.00% | 1.00% ⁴ | 1.00% ⁴ | 1.00% ⁴ | 5.00% |
| 2015 | 1.00% | 1.00% | 1.00% ⁴ | 1.00% ⁴ | 1.00% ⁴ | 5.00% |

1 General Capital Project, Emergency Budget and \$450,000 for Youth Activities ending June 30, 2007.

2 Downtown Parking, Transit Center, Statter Harbor Improvements, areawide sewer expansion, and Eaglecrest Ski area mid-mountain chair lift ending September 30, 2008.

3 Maintenance, improvements and upgrades to CBJ existing Airport facilities, Harbor facilities, CBJ owned buildings and facilities, CBJ School District buildings and facilities and improvements to critical sewer and water infrastructure ending September 30, 2013.

4 Approved extension of the 3% temporary sales tax, this is used for fire, police, streets, parks and recreation and general services, repairs and construction of streets, sidewalks, retaining walls, as well as other capital projects and various temporary projects used for General Capital Projects, Emergency Budget and for Youth Activities ending June 30, 2017.



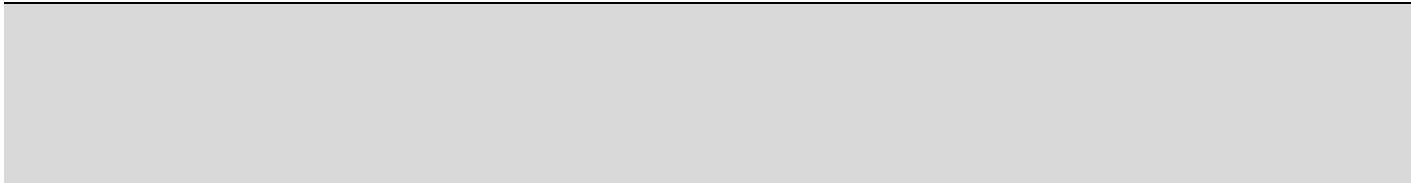
CITY AND BOROUGH OF JUNEAU

Bartlett Regional Hospital Revenues
(Unaudited)

Last Ten Fiscal Years

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-------------------------------|---------------|-------------|-------------|-------------|
| Gross revenues by Department: | | | | |
| Radiology | \$ 23,252,542 | 21,611,017 | 22,543,271 | 22,943,618 |
| Surgical Services | 18,361,975 | 17,631,152 | 18,085,225 | 18,839,639 |
| Pharmacy | 11,953,445 | 11,227,006 | 12,517,450 | 13,349,297 |
| Inpatient Services | 19,998,953 | 17,495,364 | 16,159,731 | 12,133,353 |
| Mental Health | 15,666,608 | 14,071,916 | 14,795,872 | 13,534,334 |
| Special Care Services | 17,339,414 | 15,301,189 | 11,836,616 | 10,918,085 |
| Laboratory | 10,735,534 | 9,779,977 | 10,401,023 | 10,489,058 |
| E/R Physicians | 9,425,775 | 8,879,848 | 8,847,413 | 8,458,685 |
| Physical Therapist | 3,106,819 | 3,139,885 | 3,201,379 | 2,753,789 |
| Respiratory Therapy | 2,318,066 | 1,887,262 | 1,985,838 | 2,136,864 |
| Sleep | 831,128 | 766,152 | 946,974 | 936,055 |
| EKG | 817,197 | 902,330 | 1,143,742 | 1,042,689 |
| Clinics | 4,376,048 | 3,925,063 | 3,781,827 | 3,770,103 |

Source: Bartlett Regional Hospital records



| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 23,303,883 | 21,138,467 | 19,442,932 | 15,820,394 | 14,723,395 | 13,950,916 |
| 18,048,578 | 18,198,420 | 17,753,289 | 15,336,921 | 12,141,086 | 12,358,664 |
| 13,610,046 | 12,016,715 | 10,611,083 | 12,056,000 | 9,849,385 | 10,246,922 |
| 11,817,535 | 9,747,011 | 8,892,066 | 8,996,801 | 7,515,293 | 7,469,305 |
| 10,428,852 | 10,728,638 | 8,551,024 | 7,860,597 | 6,504,109 | 6,821,950 |
| 9,932,883 | 8,856,548 | 8,034,764 | 7,018,618 | 5,780,685 | 5,235,958 |
| 11,120,618 | 8,693,800 | 7,640,108 | 6,635,253 | 5,577,683 | 5,485,789 |
| 8,118,997 | 6,930,258 | 5,902,999 | 5,058,647 | 4,578,276 | 4,362,493 |
| 2,250,877 | 1,963,205 | 1,484,828 | 1,381,065 | 1,312,340 | 1,258,264 |
| 2,004,242 | 1,586,909 | 1,485,198 | 1,292,869 | 1,119,988 | 1,074,046 |
| 867,148 | 887,269 | 791,820 | 734,852 | 645,446 | 646,575 |
| 981,637 | 873,359 | 772,298 | 666,616 | 558,731 | 593,464 |
| 3,358,984 | 3,227,459 | 2,473,637 | 419,797 | 192,510 | 279,978 |

**Ratios of Outstanding Debt by Activity Type
(Unaudited)**

Last Ten Fiscal Years

| <u>Fiscal year</u> | Government Activities | | | General Obligation Bonds ⁽¹⁾ |
|--------------------|---|---------------------------------|------------------------|---|
| | General Obligation Bonds ⁽¹⁾ | Revenue Bonds ⁽¹⁾ | Purchase Agreements | |
| 2006 | \$ 80,244,603 | 1,490,000 | 278,480 | 135,000 |
| 2007 | 124,288,588 | - | 226,700 | 90,000 |
| 2008 | 114,929,323 | - | 173,032 | 45,000 |
| 2009 | 143,490,867 | - | 2,888,891 | - |
| 2010 | 157,534,449 | - | 2,718,662 | - |
| 2011 | 149,349,452 | - | 3,599,575 | - |
| 2012 | 135,332,413 | - | 2,861,747 | - |
| 2013 | 136,420,235 | - | 2,091,457 | - |
| 2014 | 127,182,159 | 6,055,000 | 752,086 | - |
| 2015 | 123,483,100 | 26,515,000 | 457,320 | - |

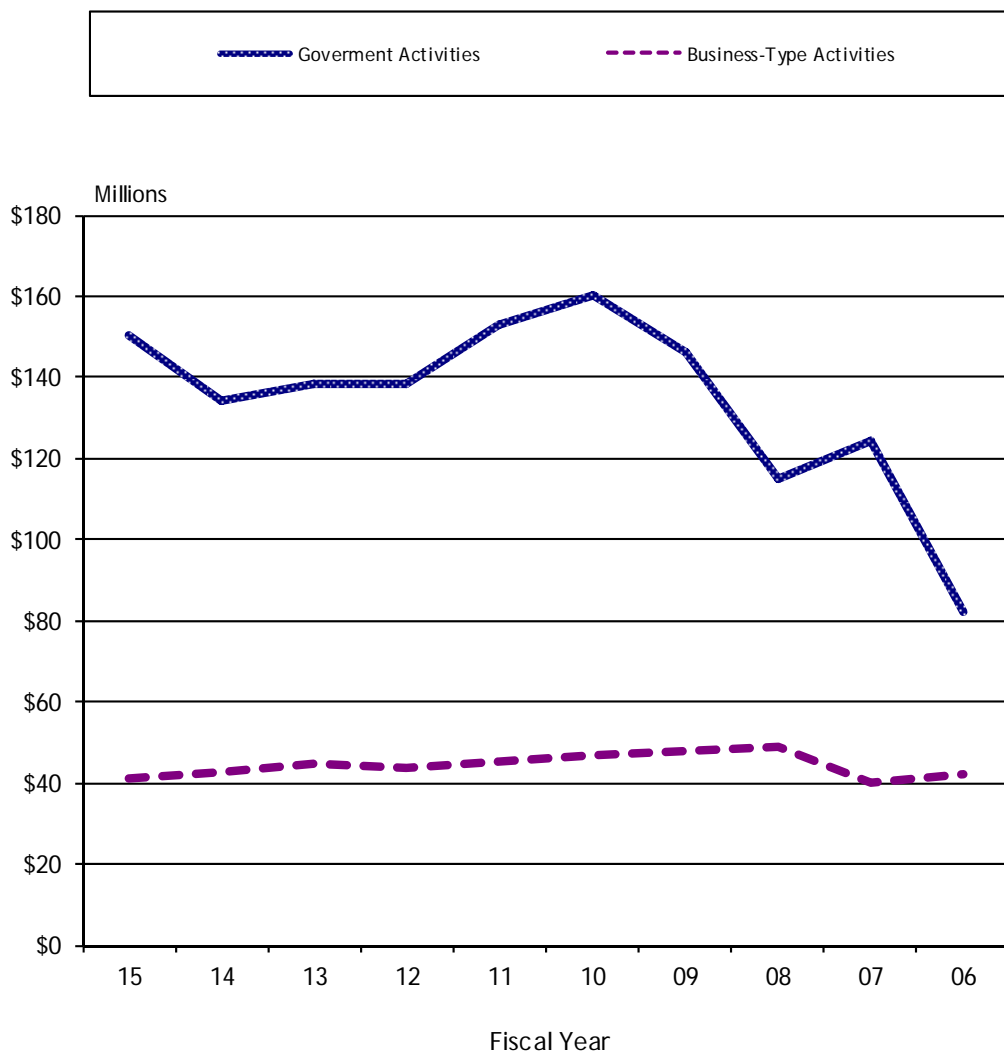
Sources: The City and Borough of Juneau Comprehensive Annual Financial Reports,
Assessor's Office, Treasurer's Office and the Community Development Department.

⁽¹⁾ Presented net of original issuance discounts and premiums



| <u>Business-Type Activities</u> | | | | | | |
|-------------------------------------|--|----------------------------|---------------------------------|----------------------------------|-------------------|------------------------|
| <u>Revenue Bonds ⁽¹⁾</u> | <u>State of Alaska Extension Loans</u> | <u>Purchase Agreements</u> | <u>Total Primary Government</u> | <u>Percent of Assessed Value</u> | <u>Per Capita</u> | <u>Personal Income</u> |
| 30,876,640 | 8,146,529 | 2,803,696 | 123,974,948 | 3.82% | 3,956 | 9.28% |
| 30,156,331 | 7,647,016 | 2,284,074 | 164,692,709 | 4.50% | 5,358 | 15.78% |
| 40,397,085 | 7,846,421 | 504,561 | 163,895,422 | 4.26% | 5,289 | 15.41% |
| 39,436,410 | 8,334,525 | 153,444 | 194,304,137 | 4.90% | 6,327 | 18.96% |
| 38,381,777 | 8,315,845 | - | 206,950,733 | 5.26% | 6,617 | 15.01% |
| 37,292,773 | 8,198,341 | - | 198,440,141 | 4.97% | 6,345 | 14.03% |
| 36,169,688 | 7,749,682 | - | 182,113,530 | 4.47% | 5,614 | 11.64% |
| 36,599,870 | 8,276,067 | - | 183,387,629 | 4.29% | 5,615 | 10.18% |
| 35,075,393 | 7,710,908 | - | 176,775,546 | 4.04% | 5,352 | 9.56% |
| 34,390,585 | 7,146,443 | - | 191,992,448 | 4.28% | 5,813 | N/A |

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



Based on information in Ratio to Outstanding Debt by Type presented on the previous page.

Ratios of General Bonded Debt Outstanding
(Unaudited)

Last Ten Fiscal Years

| Fiscal year | Government and Business-Type Activities Without State Reimbursable Qualifying Amount | | | | |
|-------------|--|--|--|------------------------------|------------|
| | General Obligation Bonds Government ⁽¹⁾ | General Obligation Bonds Business | General Obligation Bonds Totals | Percent of Assessed Value | Per Capita |
| | 2006 | 82,013,083 | 135,000 | 82,148,083 | 2.53% |
| 2007 | 124,515,288 | 90,000 | 124,605,288 | 3.41% | 4,054 |
| 2008 | 115,102,355 | 45,000 | 115,147,355 | 2.99% | 3,716 |
| 2009 | 146,379,758 | - | 146,379,758 | 3.69% | 4,766 |
| 2010 | 160,253,111 | - | 160,253,111 | 4.07% | 5,124 |
| 2011 | 152,949,027 | - | 152,949,027 | 3.83% | 4,890 |
| 2012 | 138,194,160 | - | 138,194,160 | 3.39% | 4,260 |
| 2013 | 138,511,692 | - | 138,511,692 | 3.24% | 4,241 |
| 2014 | 127,934,245 | - | 127,934,245 | 2.92% | 3,873 |
| 2015 | 123,940,420 | - | 123,940,420 | 2.76% | 3,753 |

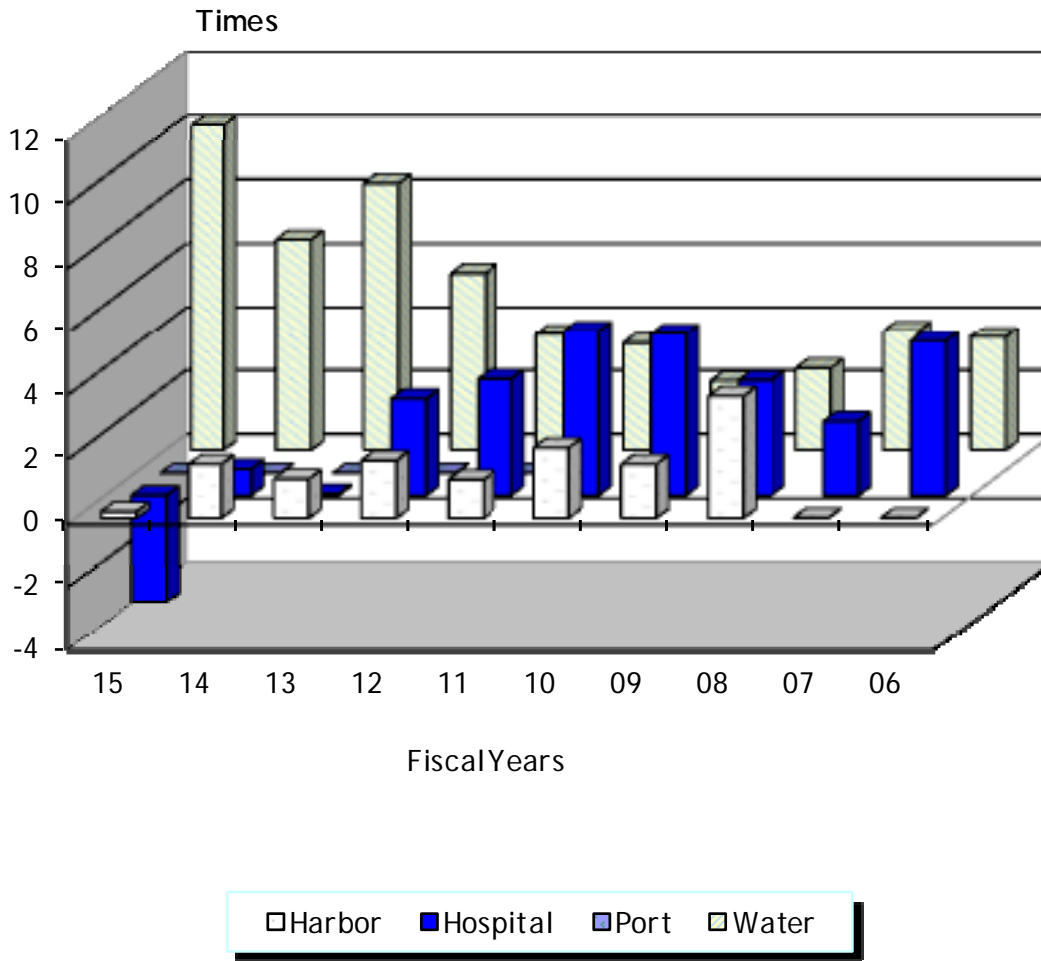
Source: The City and Borough of Juneau Comprehensive Annual Financial Reports and the City Assessor's Office.

| Fiscal year | Government and Business-Type Activities with State Reimbursable Qualifying Amount | | | | | | |
|-------------|---|--|--|---|--|---------------------------------|---------------|
| | General Obligation Bonds Government ⁽¹⁾ | General Obligation Bonds Business | General Obligation Bonds Totals | State Reimbursable Qualifying Amount | General Obligation Net Amount | Percent of Assessed Value | Per Capita |
| | 2006 | 82,013,083 | 135,000 | 82,148,083 | 44,760,560 | 37,387,523 | 0.95% |
| 2007 | 124,515,288 | 90,000 | 124,605,288 | 76,130,150 | 48,475,138 | 1.22% | 1,577 |
| 2008 | 115,102,355 | 45,000 | 115,147,355 | 70,594,295 | 44,553,060 | 1.13% | 1,438 |
| 2009 | 146,379,758 | - | 146,379,758 | 90,870,467 | 55,509,291 | 1.40% | 1,807 |
| 2010 | 160,253,111 | - | 160,253,111 | 92,741,451 | 67,511,660 | 1.72% | 2,159 |
| 2011 | 152,949,027 | - | 152,949,027 | 91,499,537 | 61,449,490 | 1.54% | 1,965 |
| 2012 | 138,194,160 | - | 138,194,160 | 78,623,095 | 59,571,065 | 1.46% | 1,836 |
| 2013 | 138,511,692 | - | 138,511,692 | 79,081,278 | 59,430,414 | 1.39% | 1,820 |
| 2014 | 127,934,245 | - | 127,934,245 | 71,504,731 | 56,298,650 | 1.29% | 1,704 |
| 2015 | 123,940,420 | - | 123,940,420 | 60,057,587 | 63,882,833 | 1.42% | 1,934 |

Source: The City and Borough of Juneau Comprehensive Annual Financial Reports and the City Assessor's Office.

⁽¹⁾ Presented net of original issuance discounts and premiums

City and Borough of Juneau Revenue Bond Times Coverage



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

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

Last Ten Fiscal Years

| <u>Fiscal year</u> | <u>Operating revenues</u> | <u>Operating expenses</u> | <u>Net revenue available for debt service</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Times coverage</u> | <u>Amount of bonded debt outstanding at June 30</u> |
|---------------------------------|---------------------------|---------------------------|---|------------------|-----------------|--------------|-----------------------|---|
| Areawide Water Utility : | | | | | | | | |
| 2006 | \$ 3,317,529 | 2,312,000 | 1,005,529 | 195,000 | 88,663 | 283,663 | 3.54 | \$ 1,930,000 |
| 2007 | 3,481,714 | 2,448,917 | 1,032,797 | 195,000 | 80,861 | 275,861 | 3.74 | 1,735,000 |
| 2008 | 3,445,008 | 2,734,679 | 710,329 | 205,000 | 73,062 | 278,062 | 2.55 | 1,530,000 |
| 2009 | 3,537,751 | 2,944,665 | 593,086 | 210,000 | 64,863 | 274,863 | 2.16 | 1,320,000 |
| 2010 | 3,787,369 | 2,880,795 | 906,574 | 215,000 | 56,463 | 271,463 | 3.34 | 1,105,000 |
| 2011 | 3,891,958 | 2,916,240 | 975,718 | 220,000 | 47,863 | 267,863 | 3.64 | 885,000 |
| 2012 | 4,381,884 | 2,912,798 | 1,469,086 | 225,000 | 39,063 | 264,063 | 5.56 | 660,000 |
| 2013 | 4,269,637 | 3,017,987 | 1,251,650 | 120,000 | 29,781 | 149,781 | 8.36 | 540,000 |
| 2014 | 4,198,434 | 3,208,791 | 989,643 | 125,000 | 24,681 | 149,681 | 6.61 | 415,000 |
| 2015 | 4,468,964 | 3,022,346 | 1,446,618 | 130,000 | 19,213 | 149,213 | 9.69 | 285,000 |
| Port: | | | | | | | | |
| 2006 | \$ 1,912,587 | - | 1,912,587 | 1,445,000 | 69,988 | 1,514,988 | 1.26 | \$ 1,490,000 |
| 2007 | 2,307,986 | 4,000 | 2,303,986 | 1,490,000 | 22,350 | 1,512,350 | 1.52 | - |
| Hospital ¹: | | | | | | | | |
| 2006 | \$ 60,033,397 | 53,379,989 | 6,653,408 | - | 1,381,524 | 1,381,524 | 4.82 | \$ 28,845,000 |
| 2007 | 61,392,691 | 57,092,179 | 4,300,512 | 500,000 | 1,373,399 | 1,873,399 | 2.30 | 28,345,000 |
| 2008 | 68,693,315 | 61,982,608 | 6,710,707 | 515,000 | 1,356,905 | 1,871,905 | 3.58 | 27,830,000 |
| 2009 | 76,333,369 | 66,831,133 | 9,502,236 | 535,000 | 1,339,174 | 1,874,174 | 5.07 | 27,295,000 |
| 2010 | 82,640,681 | 72,975,632 | 9,665,049 | 555,000 | 1,320,099 | 1,875,099 | 5.15 | 26,740,000 |
| 2011 | 90,680,836 | 83,883,389 | 6,797,447 | 575,000 | 1,299,605 | 1,874,605 | 3.63 | 26,165,000 |
| 2012 | 95,026,373 | 89,411,913 | 5,614,460 | 595,000 | 1,276,924 | 1,871,924 | 3.00 | 25,570,000 |
| 2013 | 84,250,207 | 76,967,444 | 7,282,763 | 25,570,000 | 632,512 | 26,202,512 | 0.28 | - |
| Hospital ²: | | | | | | | | |
| 2013 | \$ 84,250,207 | 76,967,444 | 7,282,763 | - | - | - | - | \$ 23,660,000 |
| 2014 | 80,198,274 | 78,820,476 | 1,377,798 | 840,000 | 840,044 | 1,680,044 | 0.82 | 22,820,000 |
| 2015 ⁵ | 90,281,184 | 92,676,249 | (2,395,065) | 725,000 | 931,213 | 1,656,213 | -1.45 | 22,095,000 |
| Harbor ³: | | | | | | | | |
| 2008 | \$ 3,645,849 | 2,368,561 | 1,277,288 | - | 336,855 | 336,855 | 3.79 | \$ 10,620,000 |
| 2009 | 3,553,573 | 2,396,921 | 1,156,652 | 170,000 | 521,356 | 691,356 | 1.67 | 10,450,000 |
| 2010 | 3,774,405 | 2,133,877 | 1,640,528 | 240,000 | 512,644 | 752,644 | 2.18 | 10,210,000 |
| 2011 | 3,385,186 | 2,492,110 | 893,076 | 250,000 | 502,231 | 752,231 | 1.19 | 9,960,000 |
| 2012 | 3,782,718 | 2,434,329 | 1,348,389 | 260,000 | 491,394 | 751,394 | 1.79 | 9,700,000 |
| 2013 | 3,408,570 | 2,498,178 | 910,392 | 270,000 | 480,131 | 750,131 | 1.21 | 9,430,000 |
| 2014 | 4,075,009 | 2,814,717 | 1,260,292 | 285,000 | 468,159 | 753,159 | 1.67 | 9,145,000 |
| 2015 | 5,065,873 | 3,347,050 | 1,718,823 | 8,160,000 | 453,813 | 8,613,813 | 0.20 | 985,000 |
| Harbor ⁴: | | | | | | | | |
| 2015 | \$ 5,065,873 | 3,362,148 | 1,703,725 | - | - | - | - | \$ 7,925,000 |

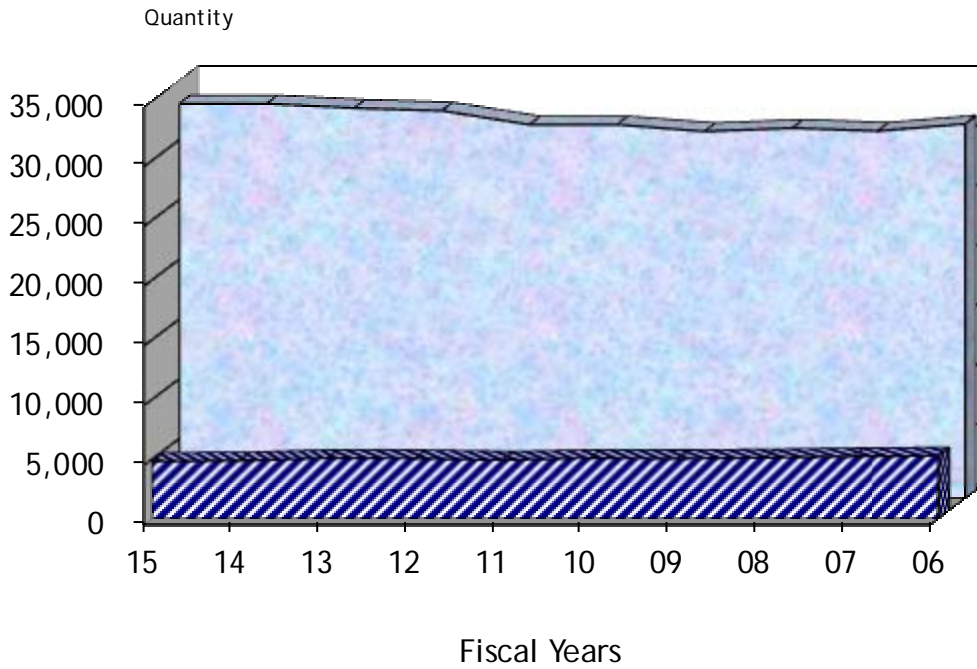
Footnote:

¹ 2005 was the first fiscal year for the Hospital revenue bond.² 2013 was the first fiscal year for the Refund Hospital revenue bond.³ 2008 was the first fiscal year for the Harbor revenue bond; 2015 Partial Refund⁴ 2015 was the first fiscal year for the Refund Harbor revenue bond.⁵ Due to larger than usual State of Alaska PERS contribution (presented as Payroll expenditure) Hospital expenditures are larger than revenue presentation, resulting in apparent negative bond coverage ratio for FY15.

All Revenue Bonds above are paid for with user fees from the designated enterprise department.

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

Public School Enrollment Correlation to Population (Unaudited)



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> |
|--------------------|-------------------|------------------------|-----------------------------------|-------------------|---------------------------------|------------------------------|--------------------------|
| 2006 | 31,341 | \$ 1,336,380,240 | 42,640 | 38.8 | 5,273 | 2,789 | 4.9% |
| 2007 | 30,737 | 1,043,951,468 | 33,964 | 35.3 | 5,215 | 2,955 | 4.4% |
| 2008 | 30,988 | 1,063,570,136 | 34,322 | 35.3 | 5,109 | 2,046 | 5.4% |
| 2009 | 30,711 | 1,024,550,170 | 33,361 | 38.0 | 5,036 | 2,117 | 5.6% |
| 2010 | 31,275 | 1,378,414,350 | 44,074 | 38.1 | 5,065 | 2,560 | 5.8% |
| 2011 | 31,275 | 1,414,130,400 | 45,216 | 38.0 | 4,922 | 2,893 | 5.3% |
| 2012 | 32,441 | 1,565,018,722 | 48,242 | 38.1 | 5,043 | 2,910 | 5.0% |
| 2013 | 32,660 | 1,801,754,220 | 55,167 | 37.9 | 5,078 | 2,724 | 4.8% |
| 2014 | 33,030 | 1,848,211,898 | 57,033 | 34.4 | 4,863 | 2,684 | 4.4% |
| 2015 | 33,026 | N/A | N/A | N/A | 4,813 | 2,237 | 4.9% |

* This column has been adjusted to agree with the Alaska Department of Education and Early Development counts as of October 1st of the School Year.

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

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 |
| 2005 | 298,212,900 | 1.6% | 663,661 | 1.3% | 30,966 | (1.0%) |
| 2006 | 301,000,000 | 0.9% | 670,053 | 1.0% | 31,341 | 1.2% |
| 2007 | 301,621,157 | 0.2% | 676,987 | 1.0% | 30,737 | (1.9%) |
| 2008 | 304,059,724 | 0.8% | 686,293 | 1.4% | 30,988 | 0.8% |
| 2009 | 310,511,000 | 2.1% | 698,473 | 1.8% | 30,711 | (0.9%) |
| 2010 | 308,745,538 | -0.6% | 710,231 | 1.7% | 31,275 | 1.8% |
| 2011 | 311,591,917 | 0.9% | 722,190 | 1.7% | 31,275 | 0.0% |
| 2012 | 312,780,968 | 0.4% | 731,449 | 1.3% | 32,441 | 3.7% |
| 2013 | 316,128,839 | 1.1% | 735,132 | 0.5% | 32,660 | 0.7% |
| 2014 | 318,857,056 | 0.9% | 736,732 | 0.2% | 33,030 | 1.1% |

Sources: U.S. Census Bureau for the U.S. population 2010

U.S. Dept. of Commerce, Bureau of Economic Analysis

State of Alaska Department of Labor Research and Analysis Division

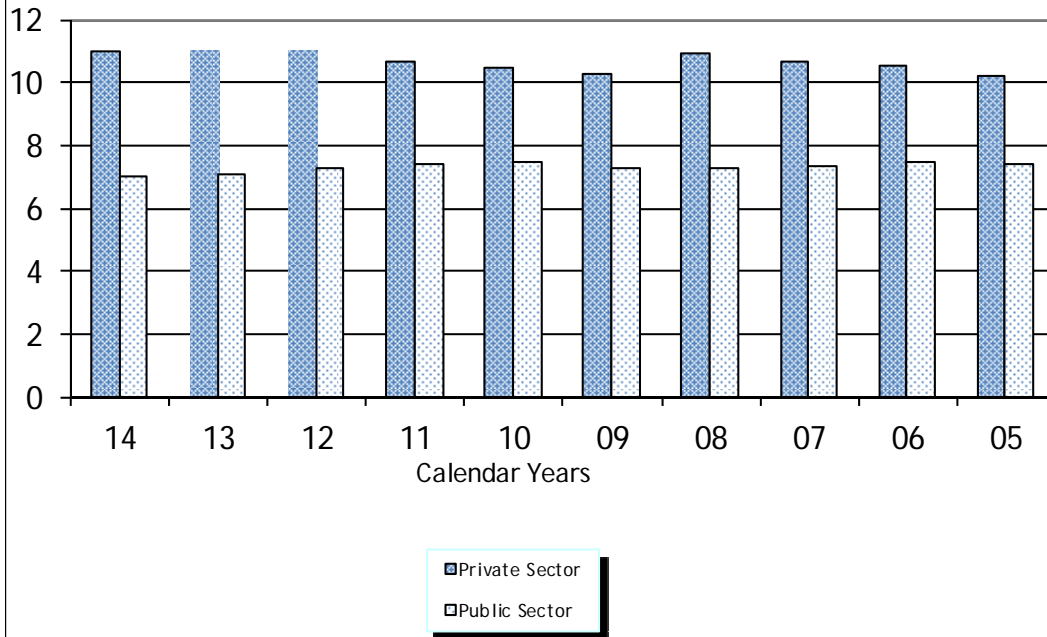


Per Capita Personal Income

| U.S. | State of Alaska | City and Borough of Juneau | State as a Percentage of U.S. | City as a Percentage State |
|-----------|-----------------|----------------------------|-------------------------------|----------------------------|
| \$ 34,586 | \$ 35,433 | \$ 38,702 | 102.4% | 109.2% |
| 36,276 | 37,271 | 42,640 | 102.7% | 114.4% |
| 38,611 | 40,352 | 33,964 | 104.5% | 84.2% |
| 39,751 | 43,321 | 34,322 | 109.0% | 79.2% |
| 39,138 | 42,603 | 33,361 | 108.9% | 78.3% |
| 39,945 | 44,205 | 44,074 | 110.7% | 99.7% |
| 41,560 | 45,665 | 45,216 | 109.9% | 99.0% |
| 42,693 | 46,778 | 48,242 | 109.6% | 103.1% |
| 43,735 | 49,436 | 55,167 | 113.0% | 111.6% |
| 46,049 | 54,012 | 57,033 | 117.3% | 105.6% |

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

Number of Persons employed (Thousands)



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

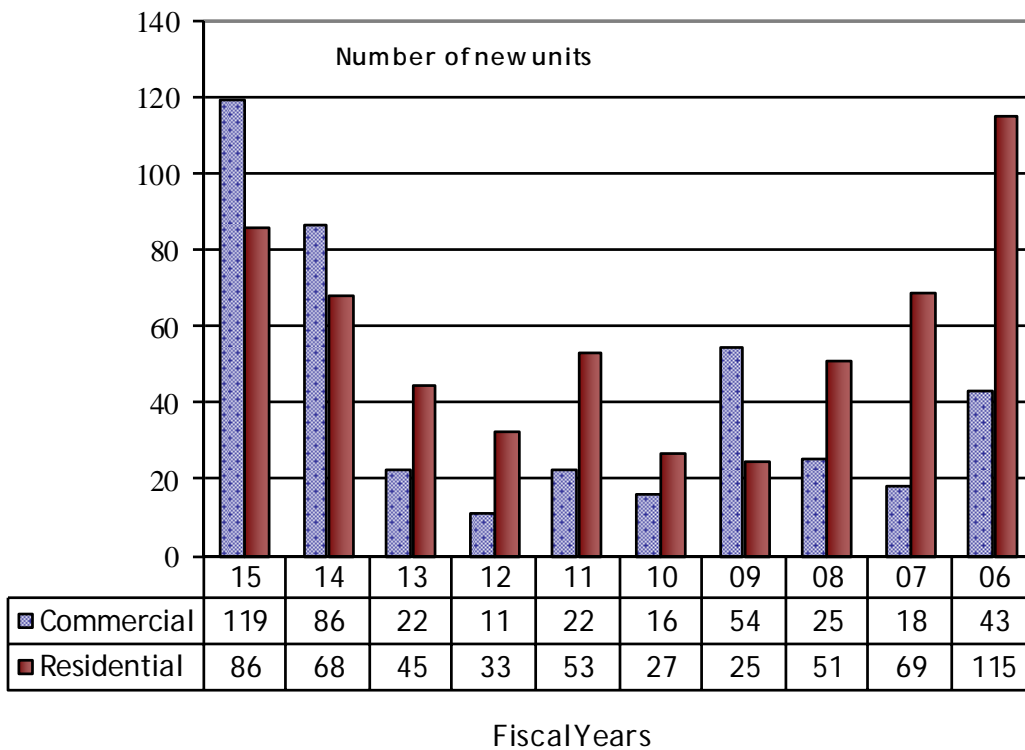
Employment Statistics
(Unaudited)

Last Ten Calendar Years

| <u>Summary of all employment</u> | <u>Calendar year</u> | | | | | | | | | |
|----------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
| Private and public: | | | | | | | | | | |
| Private sector | 10,999 | 10,991 | 11,032 | 10,676 | 10,496 | 10,244 | 10,902 | 10,656 | 10,559 | 10,234 |
| Public sector | 6,981 | 7,095 | 7,295 | 7,382 | 7,436 | 7,284 | 7,253 | 7,324 | 7,470 | 7,408 |
| Total private and public | <u>17,980</u> | <u>18,086</u> | <u>18,327</u> | <u>18,058</u> | <u>17,932</u> | <u>17,528</u> | <u>18,155</u> | <u>17,980</u> | <u>18,029</u> | <u>17,642</u> |
| Detail of private sector: | | | | | | | | | | |
| Mining | 812 | 810 | 841 | 670 | 556 | 450 | 476 | 486 | 457 | 348 |
| Construction | 688 | 692 | 681 | 655 | 729 | 742 | 882 | 877 | 900 | 858 |
| Manufacturing | 332 | 325 | 323 | 294 | 279 | 275 | 280 | 284 | 292 | 276 |
| Trade, Trans. & Utilities | 3,203 | 3,310 | 3,425 | 3,288 | 3,274 | 3,314 | 3,618 | 3,372 | 3,266 | 3,153 |
| Information | 269 | 267 | 230 | 234 | 245 | 275 | 280 | 285 | 301 | 302 |
| Finance Activities | 524 | 540 | 614 | 622 | 608 | 604 | 635 | 643 | 627 | 577 |
| Professional & Business Svcs. | 1,025 | 978 | 1,047 | 1,003 | 918 | 848 | 872 | 854 | 900 | 923 |
| Educational & Health Svcs. | 1,754 | 1,773 | 1,832 | 1,826 | 1,796 | 1,696 | 1,660 | 1,644 | 1,727 | 1,653 |
| Leisure & Hospitality | 1,726 | 1,618 | 1,561 | 1,459 | 1,464 | 1,438 | 1,610 | 1,637 | 1,504 | 1,545 |
| Other Services | 654 | 671 | 629 | 614 | 610 | 597 | 584 | 561 | 573 | 596 |
| Miscellaneous | 12 | 7 | 14 | 11 | 17 | 5 | 5 | 13 | 12 | 3 |
| Total detail of private sector | <u>10,999</u> | <u>10,991</u> | <u>11,197</u> | <u>10,676</u> | <u>10,496</u> | <u>10,244</u> | <u>10,902</u> | <u>10,656</u> | <u>10,559</u> | <u>10,234</u> |
| Detail of public sector: | | | | | | | | | | |
| Federal | 708 | 761 | 829 | 838 | 840 | 832 | 837 | 869 | 897 | 938 |
| State | 4,269 | 4,273 | 4,304 | 4,272 | 4,276 | 4,221 | 4,210 | 4,249 | 4,356 | 4,314 |
| Local | 2,004 | 2,061 | 2,162 | 2,272 | 2,320 | 2,231 | 2,206 | 2,206 | 2,217 | 2,156 |
| Total detail of public sector | <u>6,981</u> | <u>7,095</u> | <u>7,295</u> | <u>7,382</u> | <u>7,436</u> | <u>7,284</u> | <u>7,253</u> | <u>7,324</u> | <u>7,470</u> | <u>7,408</u> |

Source: Alaska Department of Labor - Research and Analysis

City and Borough of Juneau New Construction Residential & Commercial Units (Unaudited)



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

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

| Fiscal year | Commercial construction | | Residential construction | | Certified assessed valuation | |
|-------------|-------------------------|--------------------|--------------------------|--------------------|------------------------------|---------------|
| | New units | Value ¹ | New units ² | Value ¹ | Total taxable | Exemptions |
| 2006 | 43 | \$ 25,551,349 | 115 | \$ 29,828,630 | \$ 3,244,454,000 | \$ 38,585,100 |
| 2007 | 18 | 48,745,747 | 69 | 17,573,880 | 3,658,332,295 | 252,482,400 |
| 2008 | 25 | 44,703,881 | 51 | 11,306,370 | 3,845,256,273 | 49,047,700 |
| 2009 | 54 | 41,877,317 | 25 | 14,156,982 | 3,964,306,237 | 25,477,900 |
| 2010 | 16 | 13,435,204 | 27 | 7,641,698 | 3,933,364,442 | 25,811,200 |
| 2011 | 22 | 37,965,613 | 53 | 13,672,117 | 3,989,344,944 | 20,990,900 |
| 2012 | 11 | 32,451,710 | 33 | 9,018,804 | 4,071,713,732 | 19,794,500 |
| 2013 | 22 | 21,458,326 | 45 | 11,990,819 | 4,275,067,217 | 18,809,400 |
| 2014 | 86 | 8,248,745 | 68 | 11,953,364 | 4,379,714,933 | 18,007,600 |
| 2015 | 119 | 16,276,428 | 86 | 15,532,082 | 4,484,327,332 | 18,554,900 |

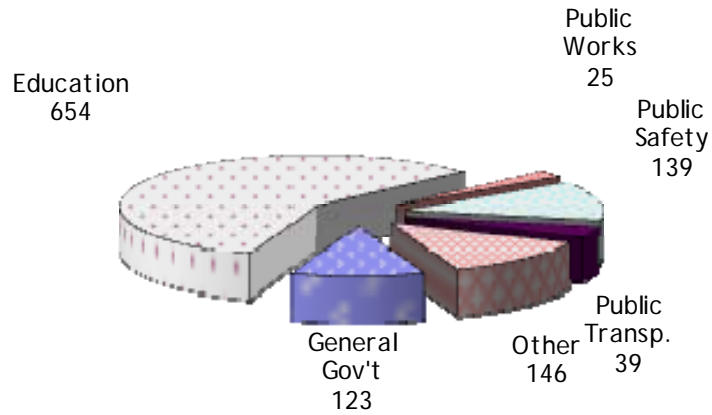
Footnote:

¹ These are only estimated values.² Dwelling units only - mobile homes not included.

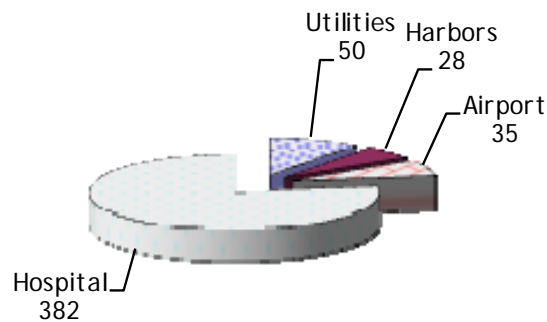
Sources: City and Borough of Juneau, Community Development Department, Buildings Division, and Assessor's Office.

City and Borough of Juneau

Governmental Operations Employees For Fiscal Year 2015 (Unaudited)



Enterprise Operations Employees For Fiscal Year 2015 (Unaudited)



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

As of June 30, 2015

| Governmental operations | Full-time Equivalent Employees | | | | | | | | | |
|-------------------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
| Governmental operations: | | | | | | | | | | |
| General government: | | | | | | | | | | |
| Mayor and Assembly | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Attorney | 11 | 11 | 10 | 10 | 9 | 9 | 9 | 9 | 9 | 9 |
| City manager's office | 9 | 8 | 8 | 8 | 8 | 8 | 8 | 9 | 8 | 8 |
| City clerk | 4 | 4 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 |
| Human Resources | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 5 |
| Lands and resource management | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 |
| Data processing | 14 | 14 | 13 | 13 | 13 | 13 | 12 | 12 | 12 | 12 |
| Insurance | 6 | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 3 |
| Finance | 45 | 46 | 45 | 47 | 47 | 46 | 46 | 47 | 47 | 46 |
| Engineering | 18 | 22 | 23 | 26 | 26 | 35 | 37 | 37 | 37 | 35 |
| Total general government | <u>123</u> | <u>127</u> | <u>123</u> | <u>128</u> | <u>127</u> | <u>135</u> | <u>134</u> | <u>136</u> | <u>135</u> | <u>131</u> |
| Eaglecrest | 6 | 9 | 7 | 7 | 7 | 7 | 7 | 7 | 6 | 6 |
| Libraries | 27 | 22 | 22 | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| Parks and Recreation | ! 90 + | 97 + | 99 + | 90 + | 98 + | 78 | 77 | 77 | 76 | 73 |
| Community development | 23 | 25 | 26 | 26 | 26 | 26 | 28 | 27 | 25 | 25 |
| Public Safety: | | | | | | | | | | |
| Police | 94 | 95 | 95 | 94 | 94 | 94 | 93 | 93 | 92 | 88 |
| Fire | 45 | 45 | 44 | 44 | 44 | 44 | 44 | 43 | 42 | 41 |
| Total public safety | <u>139</u> | <u>140</u> | <u>139</u> | <u>138</u> | <u>138</u> | <u>138</u> | <u>137</u> | <u>136</u> | <u>134</u> | <u>129</u> |
| Public works | 25 | 26 | 27 | 27 | 27 | 27 | 27 | 26 | 26 | 26 |
| Public transportation | 39 | 39 | 38 | 38 | 38 | 38 | 35 | 35 | 35 | 35 |
| Total government operations | <u>472</u> | <u>485</u> | <u>481</u> | <u>475</u> | <u>482</u> | <u>470</u> | <u>466</u> | <u>465</u> | <u>458</u> | <u>446</u> |
| Enterprise operations: | | | | | | | | | | |
| Utilities | 50 | 51 | 51 | 51 | 50 | 50 | 50 | 50 | 50 | 50 |
| Harbors | 28 | 27 | 26 | 25 | 22 | 22 | 22 | 22 | 21 | 23 |
| Airport | 35 | 29 | 29 | 29 | 28 | 25 | 24 | 24 | 22 | 22 |
| Hospital | 382 | 400 | 410 | 408 | 405 | 388 | 382 | 368 | 380 | 378 |
| Total enterprise operations | <u>495</u> | <u>507</u> | <u>516</u> | <u>513</u> | <u>505</u> | <u>485</u> | <u>478</u> | <u>464</u> | <u>473</u> | <u>473</u> |
| Component Unit: | <u>654</u> | <u>624</u> | <u>640</u> | <u>689</u> | <u>712</u> | <u>689</u> | <u>687</u> | <u>669</u> * | <u>612</u> | <u>602</u> |
| Total all operations | <u>1,621</u> | <u>1,616</u> | <u>1,637</u> | <u>1,677</u> | <u>1,699</u> | <u>1,644</u> | <u>1,631</u> | <u>1,598</u> | <u>1,543</u> | <u>1,521</u> |

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

! These numbers have been updated with all Parks and Recreation employees, not just Recreation

+ A new pool opened in 2011.

* A new high school opened in September 2008.

CITY AND BOROUGH OF JUNEAU

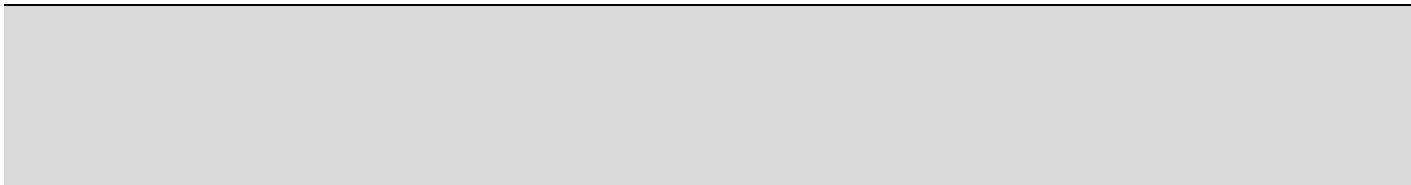
Capital Asset Statistics and Operating Indicators by Function/Program
(Unaudited)

Last Ten Fiscal Years

| Function/program | 2015 | 2014 | 2013 |
|--|---------|---------|----------|
| Streets | | | |
| Miles of streets | 129 | 129 | 129 |
| Miles of sidewalks | 30 | 30 | 30 |
| Airport | | | |
| Major airline landings | 4,799 | 4,654 | 4591* |
| Major airline passengers enplaning | 293,682 | 280,149 | 275,018* |
| Water Services | | | |
| Number of flat charged water units and meter accounts billed | 9,512 | 9,470 | 9,408 |
| Miles of water mains | 179 | 179 | 179 |
| Number of fire hydrants | 1,300 | 1,300 | 1,300 |
| Number of wells | 7 | 5 | 5 |
| Number of reservoirs | 9 | 9 | 9 |
| Number of pump stations | 9 | 9 | 9 |
| Sewer Services | | | |
| Number of flat charged sewer units and meter accounts billed | 8,615 | 8,579 | 8,540 |
| Miles of sanitary sewer | 150 | 148 | 148 |
| Number of lift stations | 45 | 45 | 45 |
| Number of wastewater treatment plants | 3 | 3 | 3 |
| Yearly gallonage treated (million) | 1,173 | 1,149 | 1,418 |
| Fire Protection | | | |
| Number of fire alarms | 997 | 1,080 | 899 |
| Number of stations | 5 | 5 | 5 |
| Number of volunteer firefighters | 63 | 70 | 72 |
| Square footage occupied | 57,322 | 57,322 | 57,322 |
| Police Protection | | | |
| Reported violent crimes | 1,928 | 1,585 | 1,638 |
| Number of stations | 1 | 1 | 1 |
| Square footage occupied | 32,000 | 32,000 | 32,000 |
| Parks, Recreation and Culture | | | |
| Number of Recreation Service Parks | 35 | 35 | 35 |
| Total acres | 481 | 481 | 481 |
| Number of Natural Area Parks | 81 | 81 | 81 |
| Total acres | 4,139 | 4,139 | 4,139 |
| Number of convention centers | 1 | 1 | 1 |
| Hospital | | | |
| Hospital admissions | 2,380 | 1,920 | 2,159 |
| Number of beds | 73 | 73 | 73 |
| Square footage occupied | 194,828 | 194,828 | 194,828 |

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

* Corrected information



| 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|----------|---------|----------|---------|---------|---------|-----------|
| 129 | 129 | 129 | 95 | 95 | 95 | 93 |
| 29 | 28 | 27 | 38 | 37 | 37 | 34 |
| 4675* | 5,140 | 5,308* | 5,417 | 5,624 | 4,968 | 4,945 |
| 275,324* | 273,355 | 265,441* | 257,710 | 284,555 | 296,834 | * 288,682 |
| 9,355 | 9,337 | 9,600 | 9,491 | 9,437 | 9,392 | 9,328 |
| 179 | 179 | 179 | 179 | 179 | 179 | 176 |
| 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,298 | 1,269 |
| 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| 8,375 | 8,367 | 8,495 | 8,378 | 8,338 | 8,299 | 8,283 |
| 143 | 140 | 139 | 129 | 129 | 129 | 129 |
| 45 | 45 | 45 | 41 | 41 | 41 | 39 |
| 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| 1,238 | 1,295 | 1,267 | 1,267 | 1,308 | 1,437 | 1,366 |
| 936 | 1,083 | 982 | 906 | 982 | 1,025 | 1,001 |
| 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| 81 | 81 | 95 | 90* | 95 | 90 | 153 |
| 57,322 | 57,322 | 57,322 | 57,322 | 57,322 | 57,322 | 57,322 |
| 1,883 | 1,663 | 2,550 | 709 | 694 | 652 | 611 |
| 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 |
| 35 | 35 | 35 | 36 | 36 | 36 | 27 |
| 481 | 481 | 481 | 481 | 481 | 481 | 479 |
| 81 | 81 | 81 | 71 | 71 | 71 | 76 |
| 4,139 | 4,139 | 4,139 | 4,139 | 4,139 | 4,139 | 3,085 |
| 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 2,136 | 2,376 | 2,285 | 2,240 | 2,311 | 2,163 | 2,167 |
| 73 | 73 | 71 | 71 | 71 | 71 | 71 |
| 194,828 | 194,828 | 194,828 | 194,828 | 194,828 | 194,828 | 143,833 |

CITY AND BOROUGH OF JUNEAU

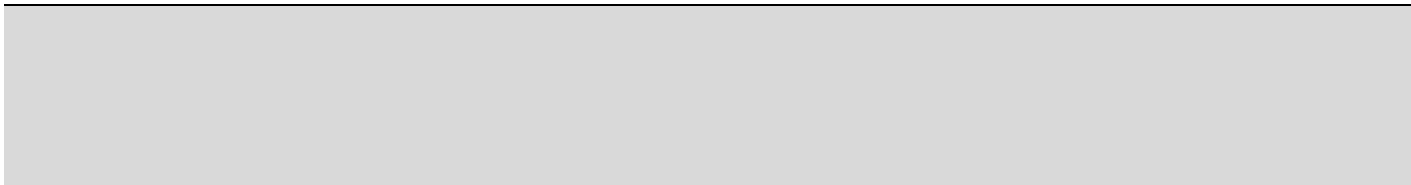
Parks, Recreation and Culture Operating Indicators by Function/Program
(Unaudited)

Last Ten Fiscal Years

| Function/program | 2015 | 2014 | 2013 |
|--|----------|---------------------|--------|
| Zach Gordon Youth Center | | | |
| Yearly attendance - youth | 40,148 | 77,512 | 77,916 |
| Yearly attendance - adult | 1,438 | 4,284 | 3,984 |
| Augustus Brown Swimming Pool | | | |
| Total attendance per year | 50,935 | 49,926 | 51,728 |
| Dimond Park Aquatic Center | | | |
| Total attendance per year | 51,288 | 49,481 ¹ | 57,247 |
| Treadwell Ice Arena | | | |
| Attendance - ice | 44,189 | 37,444 | 41,708 |
| Attendance - summer | - | 92 | 542 |
| Attendance - August ice | 2,119 | 1,297 | 1,607 |
| Juneau Douglas City Museum | | | |
| Yearly attendance | 14,240 | 11,865 | 11,799 |
| Areawide Recreation | | | |
| Number of participants - youth | 1,269 | 1,112 | 1,101 |
| Number of participants - adult | 900 | 1,300 | 1,365 |
| Mt. Jumbo: attendance - youth | 2,268 | 1,797 | 2,631 |
| attendance - adult | 3,431 | 2,690 | 3,296 |
| Scholarships | | | |
| Number of participants served | 132 | 199 | 264 |
| Dollar amount expended | \$ 9,644 | 13,233 | 15,123 |
| Centennial Hall Convention Center | | | |
| Yearly attendance | 65,600 | 77,629 | 74,313 |
| Number of dark days | 131 | 134 | 101 |
| Landscape Maintenance | | | |
| Number of annuals planted | 15,808 | 15,924 | 17,775 |
| Square feet of perennials | 50,197 | 50,197 | 43,762 |
| Acres of turf | 25 | 25 | 24 |
| Park Maintenance | | | |
| Number of parks/recreation areas | 35 | 35 | 35 |
| Number of sports fields | 24 | 24 | 24 |
| Number of picnic areas | 11 | 11 | 11 |
| Number of playgrounds | 15 | 15 | 15 |

Sources: Parks and Recreation

¹ Due to staffing restrictions, pool hours were shortened in FY14 negatively affecting attendance
² Dimond Park Aquatic Center opened February 2011



| 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--------|--------------------|--------|--------|--------|--------|---------|
| 82,648 | 57,985 | 36,102 | 21,547 | 22,554 | 24,450 | 21,275 |
| 4,412 | 4,359 | 3,296 | 3,106 | 4,681 | 4,086 | 4,675 |
| 45,004 | 63,838 | 91,696 | 97,295 | 90,671 | 97,000 | 101,645 |
| 72,788 | 7,500 ² | - | - | - | - | - |
| 42,324 | 44,768 | 44,991 | 44,537 | 50,226 | 51,129 | 52,149 |
| 145 | 293 | 46 | 81 | 88 | 305 | 323 |
| 1,833 | 1,503 | 1,987 | 1,978 | 1,809 | - | - |
| 12,912 | 16,129 | 20,071 | 20,620 | 22,746 | 20,888 | 19,429 |
| 1,183 | 1,293 | 1,458 | 1,094 | 1,903 | 2,002 | 2,091 |
| 1,423 | 1,479 | 1,482 | 1,363 | 1,371 | 1,347 | 1,377 |
| 3,806 | 4,638 | 3,321 | 3,780 | 3,407 | 3,045 | 3,315 |
| 3,694 | 4,156 | 3,802 | 4,691 | 5,404 | 5,253 | 5,136 |
| 235 | 158 | 241 | 230 | 244 | 234 | 230 |
| 15,793 | 11,033 | 13,577 | 12,839 | 14,572 | 9,428 | 11,238 |
| 88,858 | 84,947 | 68,000 | 91,240 | 61,000 | 63,000 | 71,443 |
| 60 | 55 | 49 | 44 | 38 | 36 | 50 |
| 16,335 | 16,335 | 17,872 | 17,872 | 17,872 | 16,466 | 16,059 |
| 43,762 | 40,762 | 17,370 | 17,370 | 17,370 | 17,370 | 17,370 |
| 24 | 26 | 23 | 23 | 23 | 23 | 23 |
| 35 | 35 | 35 | 36 | 36 | 36 | 27 |
| 24 | 24 | 24 | 24 | 24 | 25 | 25 |
| 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| 15 | 15 | 15 | 15 | 15 | 15 | 14 |



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