

CITY AND BOROUGH OF JUNEAU

<u>Fund Title</u>	<u>Beginning Balance</u>	+	<u>Projected Revenues</u>	+	<u>Support From</u>	-	<u>Support To</u>
General Fund	\$ 24,400,200		65,821,000		32,483,000		27,399,900
Special Revenue Funds:							
Visitor Services	309,000		389,800		648,500		-
Capital Transit	-						
Marine Passenger Fee	383,300		4,965,000		-		5,000,000
Eaglecrest	(200,900)		2,059,000		700,000		-
Education - Operating	4,134,300		42,367,100		24,994,100		-
Education - Special Revenue/Other	1,643,200		13,319,600		925,700		-
Lands and Resource Management	3,922,700		845,900		-		1,680,000
* Roaded Service Area	-		-		-		-
Fire Service Area	-		-		-		-
Downtown Parking	300,400		423,300		100,000		-
Affordable Housing	493,100		-		-		-
Sales Tax	1,890,000		45,321,500		-		44,821,500
Hotel Tax	640,800		1,450,000		-		1,432,500
Port Development	3,398,300		7,530,000		-		6,693,200
Community Development Block Grant	-		-		-		-
Tobacco Excise Tax	113,600		2,750,000		-		2,591,600
Library Minor Contributions	155,900		3,500		-		-
Total Special Revenue Funds	17,183,700		121,424,700		27,368,300		62,218,800
Enterprise Funds:							
** Harbors	3,202,600		4,047,900		-		2,333,000
** Docks	3,011,700		1,561,900		287,600		-
Water	4,686,700		5,029,700		-		890,000
Wastewater (Sewer)	4,792,600		11,605,900		-		550,000
** Airport	3,828,100		6,822,100		-		-
Waste Management	1,020,300		1,113,800		-		-
Hospital	56,767,500		91,503,500		1,594,600		4,550,000
Total Enterprise Funds	77,309,500		121,684,800		1,882,200		8,323,000
Internal Service Funds:							
** Public Works Fleet	4,652,100		4,444,400		-		-
Self-Insurance	8,401,300		20,677,100		-		-
Total Internal Service Funds	13,053,400		25,121,500		-		-
LIDS/Debt Service/Work Force:							
LIDS	981,700		228,400		-		4,000
Debt Service	5,565,200		19,100,400		4,179,500		-
Port Debt Service	-		-		-		-
Work Force	-		2,102,600		-		-
Capital Project Funds	-		-		32,122,000		-
Jensen-Olson Arboretum	2,520,700		109,800		-		89,300
Interdepartmental Charges	-		(33,726,200)		-		-
Total City Funds	\$ 141,014,400		321,867,000		98,035,000		98,035,000

* Includes Secured Rural Schools/Roads Reserves of \$121,200

** Includes Replacement Reserves

CHANGES IN FUND BALANCES – FY17

<u>Adopted Budget</u>	=	<u>Subtotal</u>	-	<u>Reserves</u>	=	<u>Ending Balance</u>	<u>Fund Title</u>
70,943,800		24,360,500		14,857,800		9,502,700	General Fund
							Special Revenue Funds:
1,190,000		157,300		-		157,300	Visitor Services
				-		-	Capital Transit
5,500		342,800		-		342,800	Marine Passenger Fee
2,757,900		(199,800)		-		(199,800)	Eaglecrest
69,217,600		2,277,900		-		2,277,900	Education - Operating
14,440,000		1,448,500		-		1,448,500	Education - Special Revenue/Other
1,381,000		1,707,600		-		1,707,600	Lands and Resource Management
-		-		-		-	* Roaded Service Area
-		-		-		-	Fire Service Area
510,800		312,900		-		312,900	Downtown Parking
-		493,100		-		493,100	Affordable Housing
816,700		1,573,300		-		1,573,300	Sales Tax
25,300		633,000		-		633,000	Hotel Tax
5,500		4,229,600		-		4,229,600	Port Development
-		-		-		-	Community Development Block Gra
30,900		241,100		-		241,100	Tobacco Excise Tax
25,000		134,400		-		134,400	Library Minor Contributions
90,406,200		13,351,700		-		13,351,700	Total Special Revenue Funds
							Enterprise Funds:
3,685,700		1,231,800		743,200		488,600	** Harbors
1,492,000		3,369,200		-		3,369,200	** Docks
3,667,400		5,159,000		-		5,159,000	Water
11,271,000		4,577,500		-		4,577,500	Wastewater (Sewer)
6,822,100		3,828,100		-		3,828,100	** Airport
1,330,000		804,100		-		804,100	Waste Management
90,482,100		54,833,500		1,687,000		53,146,500	Hospital
118,750,300		73,803,200		2,430,200		71,373,000	Total Enterprise Funds
							Internal Service Funds:
4,249,300		4,847,200		-		4,847,200	** Public Works Fleet
22,424,300		6,654,100		-		6,654,100	Self-Insurance
26,673,600		11,501,300		-		11,501,300	Total Internal Service Funds
							LIDS/Debt Service/Work Force:
407,900		798,200		-		798,200	LIDS
23,267,600		5,577,500		5,251,800		325,700	Debt Service
		-		-		-	Port Debt Service
2,102,600		-		-		-	Work Force
32,422,000		-		-		-	Capital Project Funds
-		2,541,200		2,097,200		444,000	Jensen-Olson Arboretum
(33,726,200)		-		-		-	Interdepartmental Charges
331,247,800		131,933,600		24,637,000		107,296,600	Total City Funds

CITY AND BOROUGH OF JUNEAU

<u>Fund Title</u>	<u>Beginning Balance</u>	+	<u>Projected Revenues</u>	+	<u>Support From</u>	-	<u>Support To</u>
General Fund	\$ 24,360,500		64,017,300		32,515,700		27,254,100
Special Revenue Funds:							
Visitor Services	157,300		389,800		661,300		-
Capital Transit	-						
Marine Passenger Fee	342,800		5,060,000		-		3,697,800
Eaglecrest	(199,800)		2,068,000		750,000		-
Education - Operating	2,277,900		42,167,200		25,381,300		-
Education - Special Revenue/Other	1,448,500		13,319,600		839,500		-
Lands and Resource Management	1,707,600		749,200		-		-
* Roaded Service Area	-		-		-		-
Fire Service Area	-		-		-		-
Downtown Parking	312,900		423,300		100,000		-
Affordable Housing	493,100		-		-		-
Sales Tax	1,573,300		43,846,500		-		43,611,500
Hotel Tax	633,000		1,480,000		-		1,479,300
Port Development	4,229,600		7,680,000		-		2,095,300
Community Development Block Grant	-		-		-		-
Tobacco Excise Tax	241,100		2,600,000		-		2,591,600
Library Minor Contributions	134,400		3,500		-		-
Total Special Revenue Funds	13,351,700		119,787,100		27,732,100		53,475,500
Enterprise Funds:							
** Harbors	1,231,800		4,134,900		-		-
** Docks	3,369,200		1,561,900		287,600		-
Water	5,159,000		5,364,700		-		-
Wastewater (Sewer)	4,577,500		12,206,200		-		-
** Airport	3,828,100		6,706,700		-		-
Waste Management	804,100		1,113,800		-		-
Hospital	54,833,500		91,503,500		1,594,600		13,500,000
Total Enterprise Funds	73,803,200		122,591,700		1,882,200		13,500,000
Internal Service Funds:							
** Public Works Fleet	4,847,200		4,478,600		-		-
Self-Insurance	6,654,100		20,684,900		-		-
Total Internal Service Funds	11,501,300		25,163,500		-		-
LIDS/Debt Service/Work Force:							
LIDS	798,200		225,900		-		2,700
Debt Service	5,577,500		17,849,200		4,906,600		-
Port Debt Service	-		-		-		-
Work Force	-		2,143,000		-		-
Capital Project Funds	-		-		27,285,000		-
Jensen-Olson Arboretum	2,541,200		113,800		-		89,300
Interdepartmental Charges	-		(33,783,200)		-		-
Total City Funds	\$ 131,933,600		318,108,300		94,321,600		94,321,600

* Includes Secured Rural Schools/Roads Reserves of \$121,200

** Includes Replacement Reserves

CHANGES IN FUND BALANCES – FY18

<u>Approved Budget</u>	=	<u>Subtotal</u>	-	<u>Reserves</u>	=	<u>Ending Balance</u>	<u>Fund Title</u>
70,248,600		23,390,800		15,907,800		7,483,000	General Fund
1,195,600		12,800		-		12,800	Special Revenue Funds:
		-		-		-	Visitor Services
5,500		1,699,500		-		1,699,500	Capital Transit
2,816,800		(198,600)		-		(198,600)	Marine Passenger Fee
67,554,600		2,271,800		-		2,271,800	Eaglecrest
14,153,800		1,453,800		-		1,453,800	Education - Operating
1,213,500		1,243,300		-		1,243,300	Education - Special Revenue/Other
-		-		-		-	Lands and Resource Management
-		-		-		-	* Roaded Service Area
515,100		321,100		-		321,100	Fire Service Area
-		493,100		-		493,100	Downtown Parking
830,100		978,200		-		978,200	Affordable Housing
25,700		608,000		-		608,000	Sales Tax
5,500		9,808,800		-		9,808,800	Hotel Tax
-		-		-		-	Port Development
31,400		218,100		-		218,100	Community Development Block Grant
25,000		112,900		-		112,900	Tobacco Excise Tax
88,372,600		19,022,800		-		19,022,800	Library Minor Contributions
							Total Special Revenue Funds
3,707,100		1,659,600		743,200		916,400	Enterprise Funds:
1,505,800		3,712,900		-		3,712,900	** Harbors
4,039,500		6,484,200		-		6,484,200	** Docks
11,210,900		5,572,800		-		5,572,800	Water
6,864,300		3,670,500		-		3,670,500	Wastewater (Sewer)
1,342,600		575,300		-		575,300	** Airport
90,482,100		43,949,500		1,687,000		42,262,500	Waste Management
119,152,300		65,624,800		2,430,200		63,194,600	Hospital
							Total Enterprise Funds
5,307,600		4,018,200		-		4,018,200	Internal Service Funds:
22,719,400		4,619,600		-		4,619,600	** Public Works Fleet
28,027,000		8,637,800		-		8,637,800	Self-Insurance
							Total Internal Service Funds
410,400		611,000		-		611,000	LIDS/Debt Service/Work Force:
22,048,100		6,285,200		6,142,300		142,900	LIDS
-		-		-		-	Debt Service
2,143,000		-		-		-	Port Debt Service
27,285,000		-		-		-	Work Force
-		2,565,700		2,097,200		468,500	Capital Project Funds
(33,783,200)		-		-		-	Jensen-Olson Arboretum
323,903,800		126,138,100		26,577,500		99,560,600	Interdepartmental Charges
							Total City Funds

CHANGES IN FUND BALANCES

Summary

The City and Borough's budget practice is to carry over the minimum amounts of fund balance necessary to help meet future operating needs, to buffer unanticipated operating revenue changes or to avoid significant year-to-year variations in the operating mill levies.

The Assembly adopted an updated policy in October 2012 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 Roaded Service Area, Fire Service Area and Sales Tax Special Revenue Funds. 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 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 projected balance in the Budget Reserve is \$14.86 million for FY17 and \$15.9 million for FY18. For FY19, an additional \$400,000 in Sales Tax proceeds will be deposited into the Budget Reserve.

Individual Funds

The following is a summary and explanation of the FY17 and FY18 projected ending fund balances. The fund balance review is targeted specifically at the General, Major Special Revenue, and Fleet Funds. The majority of the special revenue funds' fund balances are use restricted and not considered available for general governmental functions.

General Fund – The two-year budget as presented projects \$7.48 million carry forward of available fund balance for years after FY18, excluding the \$15.91 million set aside as the general governmental budget reserves. In order to balance the FY17 and FY18 operating budgets we are projecting to use \$1.44 million of fund balance to support our operating needs in FY17 and \$2.02 million to support our operating needs for FY18.

Marine Passenger Fee – In October 1999, voters approved a \$5.00 per person cruise ship passenger fee. The CBJ began collecting revenues in April 2000. Marine passenger fees can be used for mitigating the impacts of cruise ship passengers on local services and for port related capital projects. The projected ending fund balance is \$342,800 for FY17 and \$1,699,500 for FY18.

Eaglecrest – Due to an extremely bad snow years in FY15 and FY16, the ending FY17 fund deficit is projected to be \$(199,800) and the FY18 fund deficit is projected to be \$(198,600). The policy is to keep fund balance at a sufficient level to offset one bad season every three years. The ski area has looked for ways to increase revenues in both the ski and non-ski season. They are working with the Assembly on a year-round plan to better utilize the facilities and reduce the fund balance deficit.

Education Operating and Special Revenue/Other – These fund balances are managed by the Juneau School District Board of Education. The FY17 projected fund balance carryforward is \$2.28 million and the FY18 projected fund balance carryforward is \$2.27 million. The District tries to carry an additional \$500,000 forward in their Operating Fund in case of revenue shortfalls the subsequent year. The Special Revenue/Other fund balances of \$1.45 million for FY17 and \$1.45 million for FY18 are revenue specific and may only be used for very specific program activities according to federal, state, or donor designations.

Lands and Resource Management – The projected carryover for FY17 is \$1.71 million and for FY18 is \$1.24 million. These funds are restricted and not considered available for other general governmental functions.

CHANGES IN FUND BALANCES

Downtown Parking – The total projected carryover is \$312,900 for FY17 and \$321,100 for FY18. This balance is restricted and not considered available for other general governmental functions.

Sales Tax – Sales tax funds are used for a variety of functions including general operations, capital projects and general governmental Budget Reserve. The total projected carryover for FY17 is \$1.57 million and for FY18 is \$978,200.

The FY18 ending balance is as follow -

• 1% 5-year temp. levy for various capital improvements, ending September 30, 2018	\$ (236)
• 1% 5-year temp. levy for various capital improvements, ending September 30, 2013	0
• 1% 5-year temp. levy for areawide roads, ending June 30, 2017	27,447
• 2% (1% permanent & 1% temp.) general govt. operations levy	742,049
• 1% 5-year temp. levy, the Sales Tax Budget Reserve	187,694
• 3% permanent liquor sales tax levy	<u>21,252</u>
Total Projected Fund Balance	<u>\$ 978,200</u>

Port Development– The Port Development Fund includes revenues from the \$3 per passenger CBJ Port Development Fee and the \$5 per passenger State Marine Passenger Fee. FY12 is the first year that the CBJ received State Marine Passenger fees. The projected carryover for the Port Development Fund is \$4.23 million for FY17 and \$9.81 million for FY18. By Federal law these funds (both the CBJ and State funds) are use restricted to the safety and efficiency of the cruise ships and their passengers. The State Marine Passenger Fee funds for FY17 and FY18 are being used to support the Docks and Harbors cruise ship berth enhancement capital project. The Port Development fee is being used for debt service on the revenue bonds issued for the Seawalk and cruise ship berth enhancement capital projects.

Visitor Services, Affordable Housing, Hotel Tax, Tobacco Excise Tax, and Library Minor Contributions – The projected carryover for these funds is obligated for specific uses and not considered available for general governmental functions.

Enterprise Funds (for all funds) – The total projected carryover of \$73.8 million for FY17 and \$65.62 million for FY18 represents expendable resources for each fund and is not available for general governmental functions.

The Water and Wastewater Utility Enterprise Funds are projecting significant changes in their fund balances for the next fiscal years. These changes are the result of a rate study recently completed, which indicated both utilities needed to substantially increase revenues and expenditures in order to maintain and expand their infrastructure.

Fleet Services – Fleet services include both Equipment Acquisition and Fleet Maintenance. The projected carryover is \$4.85 million for FY17 and \$4.02 million for FY18. Approximately \$247,100 of this fund balance is attributable to Fleet Maintenance with the remainder belonging to the Equipment Acquisition Fund. The Equipment Acquisition fund is be used to acquire various equipment needed for City operations (Police, Fire, Streets, etc.) and the fund balance is supported by a multi-year replacement/funding plan. The Equipment Acquisition replacement plan identifies the specific equipment, the estimated cost for each, and the year of planned replacement.

Risk Management – The total projected carryover for FY17 is \$6.66 million and in FY18 is \$4.62 million. The individual ending components of this balance are made up of \$2.77 million for Health & Wellness, \$1.21 Safety & Workers Compensation, \$1,049,300 General/Auto Liability, \$138,100 Employee Practice/Property, \$(186,200) Special Coverage, and \$236,700 for Unemployment Compensation. These reserve funds support all CBJ functions including hospital and the School District. No specific balances are required beyond the actuarial determination amounts. However, the State of Alaska does have the authority to regulate CBJ's third party coverage if they feel our self-insurance reserves are too low.

CHANGES IN FUND BALANCES

LID's – The fund balance carryover of \$798,200 for FY17 and \$611,000 for FY18 is comprised of the water and wastewater extension and consolidated LID fund balances. The water and wastewater extension fund balances represent amounts available for future expansion of the water and wastewater lines and comprise \$1.05 million for FY17 and \$854,400 for FY18. Consolidated LID's carryover deficit balance is projected to be \$(253,900) for FY17 and \$(242,400) for FY18. The principal balances in these funds have been levied for specific purposes, it is inappropriate to use these principal balances for anything other than the identified projects.

Debt Service – The total projected carryover is \$5.58 million for FY17, of which \$5.25 million is reserved and \$6.29 million for FY18, of which \$6.14 million is reserved. The reservation of fund balance is for the sales tax sinking fund that was established to repay the debt on the \$12.1 million and \$7.72 million School bond issues and the \$24.95M voters authorized in 2012 for the Centennial Hall renovation, airport terminal renovation, Aurora Harbor reconstruction, Eaglecrest learning center, Capital Transit maintenance shop, and various parks and recreation bathrooms, concessions and paving projects (\$10 million of these projects will be repaid with sales tax). The unreserved fund balance is targeted as a reasonable minimum to be maintained. However, there are no specific rules for maintaining a set balance since all bonds now carry fixed interest rates.

Jensen-Olson Arboretum – The projected carryover for FY17 is \$2.54 million, of which \$2.1 million is reserved and 2.57 million for FY18, of which \$2.1 million is reserved. This fund was established in FY07 to account for the Jensen-Olson property donated to the city. The donated property and other assets were to provide initial and ongoing support for an arboretum. We have reserved the principal amount, which the CBJ is precluded from spending as terms of the trust agreement. The term “arboretum” means a collection of living plants; including trees, shrubs, herbaceous and specimens permanently maintained for the purpose of recreation, research and education.

The remaining items contained in these schedules have been included for number comparisons only. The amounts shown do not represent available resources.