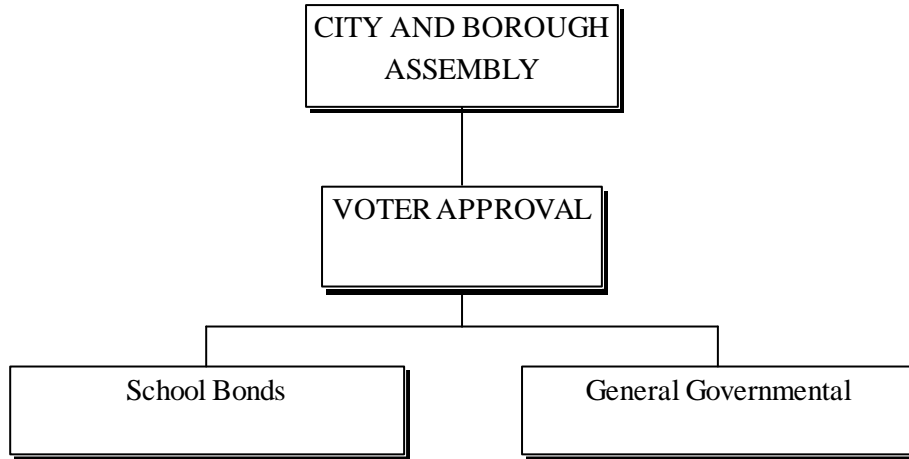


DEBT SERVICE FUND

GENERAL OBLIGATION BONDS



'98 School Technology (\$3.383M)
 '00A Reno/New High School (OTC) (\$657K)
 '00B Reno/New High School (\$10.06M)
 '02 Reno JDHS (\$12.995M)
 '03A New High School (\$20M)
 '04A & B School, JDHS Reno (\$12.5M)
 '04C School (\$6.945M)
 '05A New High School (\$8M)
 '06 New High School (OTC) (\$1.94M)
 '06B New High School (\$44.06M)
 '06C Glacier Valley Renovation (\$5.995M)
 '08A & B Glacier Valley/Harborview Reno (\$22.4M) / New High School (\$17.1M)
 '09 DZ Covered Play Area (\$1.17M)

'03 CIP (OTC) (\$1.0M)
 '03B CIP (\$13.25M)
 '08C Pool (OTC) (\$662K)
 '09 Pool (\$11.245M)

NOTES

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DEBT SERVICE FUND

AUTHORITY

State Statute and CBJ's Home Rule Charter provides the CBJ with the authority to borrow funds for capital improvement projects (CIPs) through the issuance of debt. This authorization includes the authority to issue both revenue and general obligation (G.O.) bond debt. Revenue bonds can be issued under the authority of the CBJ Assembly. G.O. bonds must be approved by the Assembly and ratified by a majority of the CBJ's voters. No legal debt limits have been imposed by the State or by Juneau's Charter. The Assembly has adopted a policy that places a self-imposed maximum limit on outstanding debt. This policy reads as follows.

Bond indebtedness will be maintained at less than 5% of the assessed borough property value. The FY12 (calendar year 2011) projected area wide assessment is \$4.088 billion. Therefore, bond indebtedness should not exceed \$204.4 million.

Bond propositions approved by the voters will result in a mill levy being adjusted to the amount necessary to retire the debt.

Juneau voters have approved a 12 mill property tax levy cap on general governmental operations. However, this cap does not apply to G.O. bond indebtedness.

Payment of Debt Service

CBJ has historically issued debt only when the cost of general governmental capital project construction exceeds the municipality's ability to fund the project from current operations or surpluses. The practice of bonding for capital projects is considered equitable, as the burden of repayment becomes the responsibility of the taxpayers (voters) who approved the bonding and received the benefit from the facility.

A significant portion of the debt authorized by CBJ's voters has qualified for partial reimbursement under the State of Alaska's School Construction Bond Debt Reimbursement Program. This program reimburses the CBJ between 60% and 70% (based on year of issuance) of the debt service (principal and interest) paid on qualifying school construction bonds. To qualify for the program the underlying school debt must have been authorized by the voters between 1970 and November 30, 2010. We are projecting to receive \$12.3M in FY11 and \$12.6M in FY12 in State School Construction Debt Reimbursement Program payments. This includes reimbursement for authorized, yet unissued, debt in the amount of \$7.58M for the new Dimond Park Aquatic Center and \$11.8M for Gastineau School renovations.

Budgeting and Accounting for Debt Service

All general obligation bond debt service is budgeted for and reported in the Debt Service Fund. In some cases, general obligation debt is issued for and is considered, for budgeting purposes, a liability of an enterprise fund. In these cases, the debt obligation is not reported as an obligation of the Debt Service Fund. This debt is recorded as liabilities of the enterprise fund and repaid from enterprise fund revenues.

DEBT SERVICE FUND

TOTAL DEBT SERVICE (INCLUDES PRINCIPAL AND INTEREST)

	FY10 Actuals	FY11		FY12
		Amended Budget	Projected Actuals	Adopted Budget
Debt Service Fund:				
School Improvement Bonds	\$ 16,846,700	17,633,600	17,021,200	17,462,400
Building Bonds	1,252,800	2,780,700	2,623,600	2,671,700
Leases	501,700	653,900	580,800	817,800
Total Debt Service Fund:	18,601,200	21,068,200	20,225,600	20,951,900
Enterprise Funds:				
Harbors	752,700	752,200	752,200	751,400
Wastewater	463,300	558,800	512,000	582,700
Water	282,000	310,200	310,300	304,500
Hospital	1,884,800	1,874,600	1,874,600	1,889,200
Total Enterprise Funds Debt	3,382,800	3,495,800	3,449,100	3,527,800
Total Debt Service Obligation	\$ 21,984,000	24,564,000	23,674,700	24,479,700

The total debt service amounts shown above include the total debt service for both general obligation (under “Debt Service Fund”) and revenue bond issues (under “Enterprise Fund”). The breakdown of general obligation debt service between principal and interest can be found on the “Principal and Interest Split” page. The enterprise fund’s debt service can be found in the Enterprise Fund section of this budget document.

Changes in Outstanding General Obligation Debt Service

General obligation debt service under “Debt Service Fund” above is expected to increase by \$726,300 (3.6%) in FY12, compared to FY11 Projected Actuals. This increase can be attributed to the net of the issuance of \$13.58M of new debt in June 2010 (\$6M for Gastineau School and \$7.58M for Dimond Park Aquatic Center), debt projected to be issued in the Spring of 2011 in the amount of \$8.253M (\$5.753M for Gastineau School and \$2.5M for Auke Bay School) and the maturity of \$7.717M in debt for Various School projects in FY11.

DEBT SERVICE FUND

COMPARATIVES

	FY10 Actuals	FY11		FY12	
		Amended Budget	Projected Actuals	Approved Budget	Adopted Budget
EXPENDITURES:					
GO School Bonds:					
'00A School (OTC) (\$657K)	\$ 29,200	7,900	7,900	35,900	35,900
'00B School (\$10.06M)	1,238,200	1,183,200	1,183,200	275,200	275,200
'02 School (\$12.995M)	1,216,400	1,213,400	1,213,400	1,208,800	1,208,800
'03A School (\$20M)	1,942,600	1,952,000	1,952,000	1,961,100	1,961,100
'04A School (\$8.155M)	962,300	962,100	962,100	959,000	959,000
'04B School (\$4.345M)	539,000	535,400	535,400	536,100	536,100
'04C School (\$6.945M)	818,500	817,100	817,100	818,200	818,200
'05A School (\$8M)	738,900	737,600	737,600	735,900	735,900
'06 School (OTC) (\$1.94M)	177,900	312,300	312,300	94,100	94,100
'06B School (\$44.06M)	3,842,700	3,722,700	3,722,700	3,951,800	3,951,800
'06C School (\$5.995M)	721,700	725,000	725,000	727,300	727,300
'08A School (\$27.4M of \$36.695M)	3,223,500	3,223,600	3,223,600	3,227,800	3,227,800
'08A School (\$9.295M of \$36.395M)	1,093,300	1,093,900	1,093,900	1,095,300	1,095,300
'08B School (\$2.805M)	288,900	286,200	286,200	288,300	288,300
'09 School (\$1.17M)	13,600	139,700	139,700	141,600	141,600
'10 School (\$6M)	-	721,500	109,100	721,500	669,100
'11 School (\$5.8M)	-	-	-	715,100	690,000
'11 School (OTC) (\$2.5M)	-	-	-	-	46,900
Total School Debt	16,846,700	17,633,600	17,021,200	17,493,000	17,462,400
GO Building Bonds:					
'03 CIP (OTC) (\$1M)	89,400	79,900	79,900	55,600	55,600
'03B CIP (\$13.25M)	1,004,600	1,003,700	1,003,700	1,006,200	1,006,200
'08C Pool (OTC) (\$662K)	28,300	32,200	32,200	33,100	33,100
'09 Pool (\$11.245M)	130,500	1,361,700	1,361,700	1,356,800	1,356,800
'10 Pool (\$7.58M)	-	303,200	146,100	303,200	220,000
Total Building Debt	1,252,800	2,780,700	2,623,600	2,754,900	2,671,700
Lease: '09 PRISM Lease	501,700	653,900	580,800	704,500	817,800
Support to the General Fund	-	-	-	-	1,569,700
Total Areawide Debt	18,601,200	21,068,200	20,225,600	20,952,400	22,521,600
FUNDING SOURCES:					
Interest Income	231,400	191,200	156,900	168,400	124,400
'09 III Bond Premium	2,900	-	-	-	-
'10 II Bond Premium	95,300	-	-	-	-
School Construction Reimbursement	-	-	-	-	12,594,600
Property Tax	-	-	-	-	5,273,800
Support From:					
Sales Tax	1,284,500	1,552,900	1,552,900	1,400,000	1,552,900
General Fund	17,581,400	17,694,300	17,694,300	17,364,300	-
Fund Balance (To) From	(594,300)	1,629,800	821,500	2,019,700	2,975,900
Total Funding Sources	\$ 18,601,200	21,068,200	20,225,600	20,952,400	22,521,600
FUND BALANCE RESERVE	\$ 6,016,900	5,134,200	5,099,900	4,444,200	4,400,200
AVAILABLE FUND BALANCE	\$ 2,396,500	1,649,400	2,492,000	1,128,000	215,800

DEBT SERVICE FUND

PRINCIPAL AND INTEREST SPLIT

	FY12 Approved		FY12 Adopted	
	Principal	Interest	Principal	Interest
EXPENDITURES:				
GO School Bonds:				
'00A School (OTC) (\$657K)	\$ 28,000	7,900	28,000	7,900
'00B School (\$10.06M)	225,000	50,200	225,000	50,200
'02 School (\$12.995M)	915,000	293,800	915,000	293,800
'03A School (\$20M)	1,435,000	526,100	1,435,000	526,100
'04A School (\$8.155M)	845,000	114,000	845,000	114,000
'04B School (\$4.345M)	460,000	76,100	460,000	76,100
'04C School (\$6.945M)	720,000	98,200	720,000	98,200
'05A School (\$8M)	530,000	205,900	530,000	205,900
'06 School (OTC) (\$1.94M)	48,000	46,100	48,000	46,100
'06B School (\$44.06M)	2,560,000	1,391,800	2,560,000	1,391,800
'06C School (\$5.995M)	580,000	147,300	580,000	147,300
'08A School (\$27.4M piece of \$36.695M)	2,322,200	905,600	2,322,200	905,600
'08A School (\$9.295M piece of \$36.395M)	787,800	307,500	787,800	307,500
'08B School (\$2.805M)	145,000	143,300	145,000	143,300
'09 School (\$1.17M)	105,000	36,600	105,000	36,600
'10 School (\$6M)	529,400	192,100	510,000	159,100
'11 School (\$5.8M)	502,400	212,700	491,500	198,500
'11 School OTC (\$2.5M)	-	-	-	46,900
Total School Debt	12,737,800	4,755,200	12,707,500	4,754,900
GO Building Bonds:				
'03 CIP (OTC) (\$1M)	31,000	24,600	31,000	24,600
'03B CIP (\$13.25M)	575,000	431,200	575,000	431,200
'08C Pool (OTC) (\$662K)	5,000	28,100	5,000	28,100
'09 Pool (\$11.245M)	1,005,000	351,800	1,005,000	351,800
'10 Pool (\$7.58M)	-	303,200	-	220,000
Total Building Debt	1,616,000	1,138,900	1,616,000	1,055,700
Lease:				
'09 PRISM Lease	554,000	150,500	682,400	135,400
Total Areawide Debt	\$ 14,907,800	6,044,600	15,005,900	5,946,000