# DOCKS & HARBORS
# FINANCE SUB-COMMITTEE
# MEETING

Thursday, November 7th, 2019
3 pm in CBJ Room 224

I. **Call to Order** – November 7th at 3:00 pm in CBJ Room 224.

II. **Roll Call** (James Becker, Chris Dimond, Mark Ridgway, and Bob Wostmann)

III. **Approval of Agenda**

IV. **Approval of October 16th, 2019 Finance Sub-Committee Minutes**

V. **Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total time)

VI. **Items for Information/Discussion**

1. **Identifiable Docks & Harbors Financial Trends**

2. **Preparation for FY2021 & FY2022 Budget and milestones**
   a. Fleet Replacement Schedule
   b. Harbor Bond Amortization

3. **Next Meeting**

VII. **Adjournment**

**DOCKS & HARBORS**
**FINANCE SUB-COMMITTEE**
**MEETING MINUTES**

Wednesday October 16th, 2019

**I. Call to Order** – October 16th at 3:00 pm in CBJ Room 224.

Mr. Wostmann called the Finance Sub-Committee meeting to order October 16th at 3:00 pm.

**II. Roll Call**

The following members were present: James Becker, Chris Dimond, Mark Ridgway, and Bob Wostmann.

Also present were the following: Carl Uchytil – Port Director, Dave Borg – Harbormaster, Tiara Ward – CBJ Finance Accountant, Angelica Lopez-Campos – CBJ CIP Accountant, and Don Etheridge Docks & Harbors Board Chair.

**III. Approval of Agenda**

**MOTION By MR. RIDGWAY: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.**

Motion passed with no objection.

**IV. Public Participation on Non-Agenda Items -** None

**V. Items for Information/Discussion**

**1. Review 2019 budget**

Mr. Wostmann said he wants the committee to review the numbers in the documents provided in the packet and get an understanding from Mr. Uchytil of how the numbers are structured and where the department is standing. He wanted the Committee to keep in mind in this review that with the lack of certainties the future brings and the changes taking place, the Committee needs to be thinking where we can identify cost savings as well as areas to create additional revenues. He said he does not anticipate any conclusions today but to look for those things. He also wants to support staff with the upcoming budget cycle. He asked staff to let the Committee know where they can help with the budget process and financial aspects of Docks & Harbors.

Mr. Uchytil said one of the challenges in our budget cycle is staff brings figures to the Board starting January with the expectation the Board approves everything for the next biennial budget within a month or two. Our approved Board budget is then presented to the Assembly for their approval and it gets all truncated in January and February. He is in favor of starting presenting budget numbers in October and November so it is not as foreign as just seeing the numbers in January and asking for approval. Mr. Uchytil said Docks and Harbors are two separate enterprises.

Mr. Uchytil went over the Harbors revenue and expense projections through FY23 on page two of the packet. He said FY19 will not be complete until sometime in December. He pointed out Harbors revenue is not keeping pace with Harbors expense.

Mr. Wostmann asked if the Capital Outlay's line item is a purchase of a capital item and support to Capital Projects is a transfer from our fund balance to a project?

Mr. Uchytil said yes. He said page three of the packet is the most updated numbers and went over those numbers. At the end of the year, revenue that exceeds expenditures goes into our fund balance. However, due to our obligation for the bond covenant, we are required to keep a reserve of $749,500 in our fund balance but it is non-expendable funds. This is in case we do not make any money the following year it will cover the bond payment.

Mr. Wostmann asked what happens when we do not have enough in the Harbors reserve?

Ms. Lopez-Campos said you should budget so you do not go over.

Mr. Ridgway said the information on page 3 shows we went over by $65,000. What are the consequences for that?

Ms. Ward said she will look into what happens if you do not have enough money in your reserve.

Mr. Uchytil said the first year he was Port Director, Harbors did not have sufficient revenue and received a letter from the bond bank letting us know we need to do better. The bottom line here is Harbors does not have money to spend on things we want to do.

Mr. Uchytil went over the GL298 revenue report for Harbors starting on page 5 in the packet.

Mr. Wostmann asked what Lawson is?

Ms. Ward said it is CBJ's accounting system.

Discussion followed on the interest income received on bond revenue.

Mr. Etheridge asked how we know how much is left on the bond?

Ms. Lopez-Campos said the bond has an amortization schedule and staff can request a copy from treasury.

Mr. Uchytil said the bad debt is from impounded vessels and is over what was budgeted because it included 2017, 2018 and 2019 bad debt.

Mr. Becker asked if the number will start decreasing now that there has been so many boats impounded.

Mr. Borg said he is not seeing that it is decreasing yet.

Ms. Lopez-Campos said the bad debt also includes people that do not pay their stall fees.

Mr. Uchytil went over the line items in the GL298 expense report for Harbors starting on page 7 in the packet.

Mr. Uchytil said on page 11 shows the Dock fund operation from FY13 to FY19 and on page 12 are the most current numbers.

Mr. Uchytil went over the GL298 for Docks revenue on page 14 in the packet and he said the docks fund balance has a healthy amount.

Mr. Uchytil went over the line items on the GL298 for Docks expense on page 16 in the packet.

Mr. Ridgway asked how the interdepartmental fees are figured out?

Mr. Uchytil said the interdepartmental fees are fees paid to other CBJ departments for support to Docks & Harbors. They are split in half between Docks and Harbors expense. He is not sure if they should be split 50/50. Staff could look at changing the split amount if there is more interdepartmental work on Docks or Harbors.

Mr. Uchytil said on page 20 shows the Port Development Fees revenue and page 21 is the Marine Passenger fees. Every December the City Manager asks Departments and other businesses that are impacted by cruise passengers to submit an ask for the marine passenger fees for projects. Docks typically receives $287,000 for Docks operations.

Mr. Becker said it looks like Harbors does not have any money for any projects.

Mr. Uchytil said that is correct. Staff submits grant application when there are opportunities.

Mr. Ridgway asked what is the balance required from the Finance Department for the Docks funds to have?

Mr. Uchytil said the Docks is $1M and the Harbors is $750,000.

Mr. Ridgway asked what the current fund balance is for Docks?

Mr. Uchytil said Docks has $2.388M.

Ms. Lopez-Campos and Ms. Ward left the meeting at 4:28pm.

**2. Preparation for 2020/21 budget and milestones**
Mr. Wostmann suggested to decide if this Committee needed to meet again to be prepared for the strategic retreat and the upcoming budget cycle.

Mr. Uchytil said the Finance Department is still auditing the FY19 books and should be finished around December 1st. The first part of January is when they give us the spreadsheet on personnel.

Ms. Larson said she already updated the organization chart from H.R. that shows how many FTE's Docks & Harbors has. Next she said she will get the Fleet replacement schedule. The Fleet replacement is where staff lists all our vehicles and we schedule out when to replace a vehicle. Money is added in our budget every year to go into our replacement schedule so we have enough money set aside when a vehicle replacement is due. When staff replaces a vehicle, we sell the old one in surplus and the money from the sale is put into the replacement funds. Ms. Larson said she will receive the budget paperwork next with all the line items in the GL298 to update with the projected numbers. She said she meets with the Harbormaster, Deputy Harbormaster, Harbors Operations Supervisor, and the Administrative Assistant III to get their recommendations or known changes on revenue and expense projections. Ms. Larson said some of the numbers are a guessing game because there are a lot of things that can change without any notice.

Mr. Wostmann said that is also where the Sub-Committee can help with insight on what they know might be happening. He asked Ms. Larson when it would be a good time for the Sub-Committee to help with the budget numbers.

Ms. Larson said just after the New Year.

Mr. Borg said staff will be finished with the staffing study at that time as well.

Mr. Uchytil said with the turn over with the Docks staff this year, staff wanted to look at if there is a better way to schedule staff for the Docks operations. Harbors staff turns over very slowly.

Mr. Ridgway said he believes the Committee is looking at ways to help in the bigger broader terms and not minuscular things.

Mr. Wostmann said he recommended to include percentage differences on the right side of the budget documents to better see the changes.

3. **Next Meeting –** Next meeting was scheduled for Thursday November 7th at 3:00 pm.

Mr. Wostmann said with the final budget numbers not going to be out until mid December, he is not sure how much preparation can be accomplished before the strategic retreat on November 12th to help with the decision making.

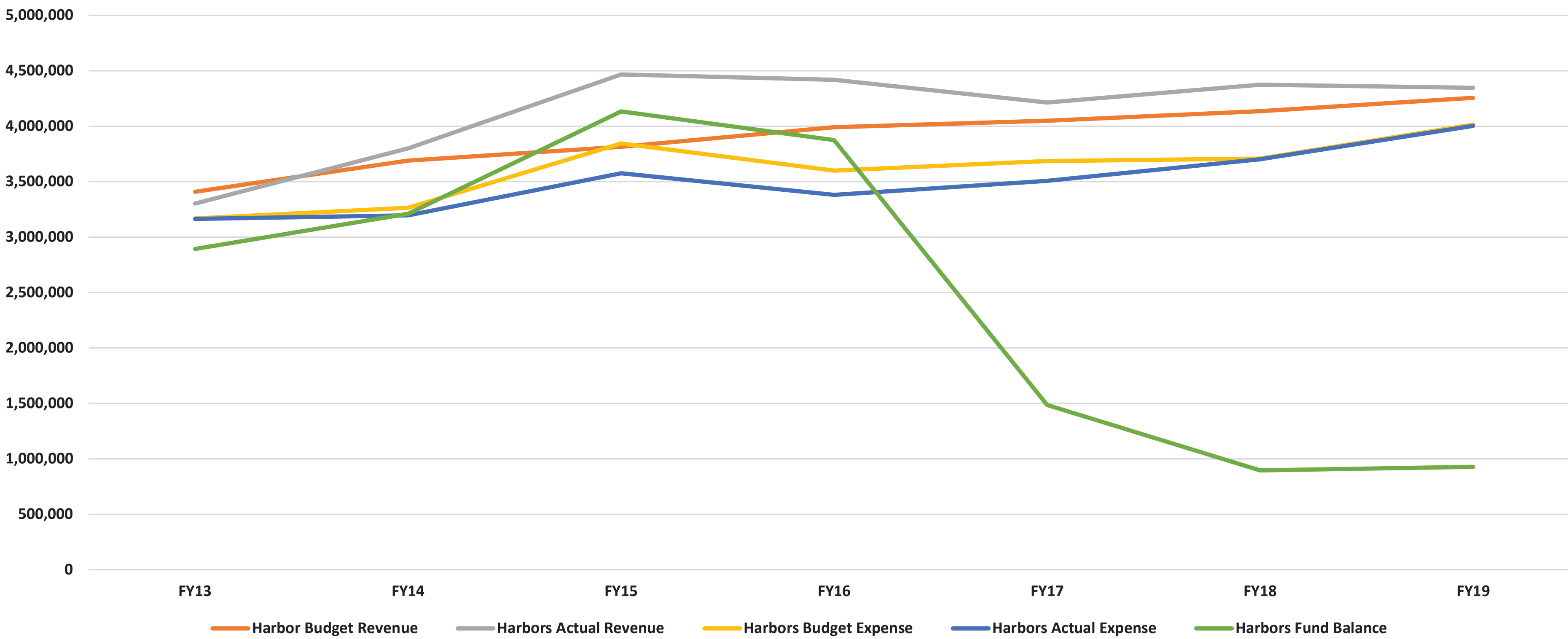
Mr. Uchytil said looking at pages 2 and 11 in the packet it shows Harbors and Docks funds are stable. However, Harbors revenue is not keeping pace with our expenditures and at some point this will need to change. The rates have not really increased in the last 10 years.

Mr. Wostmann asked to have a report showing the fees over the last 10 years.

Mr. Uchytil said he would like to look at trends on different items and will have staff work on those reports for the next meeting.

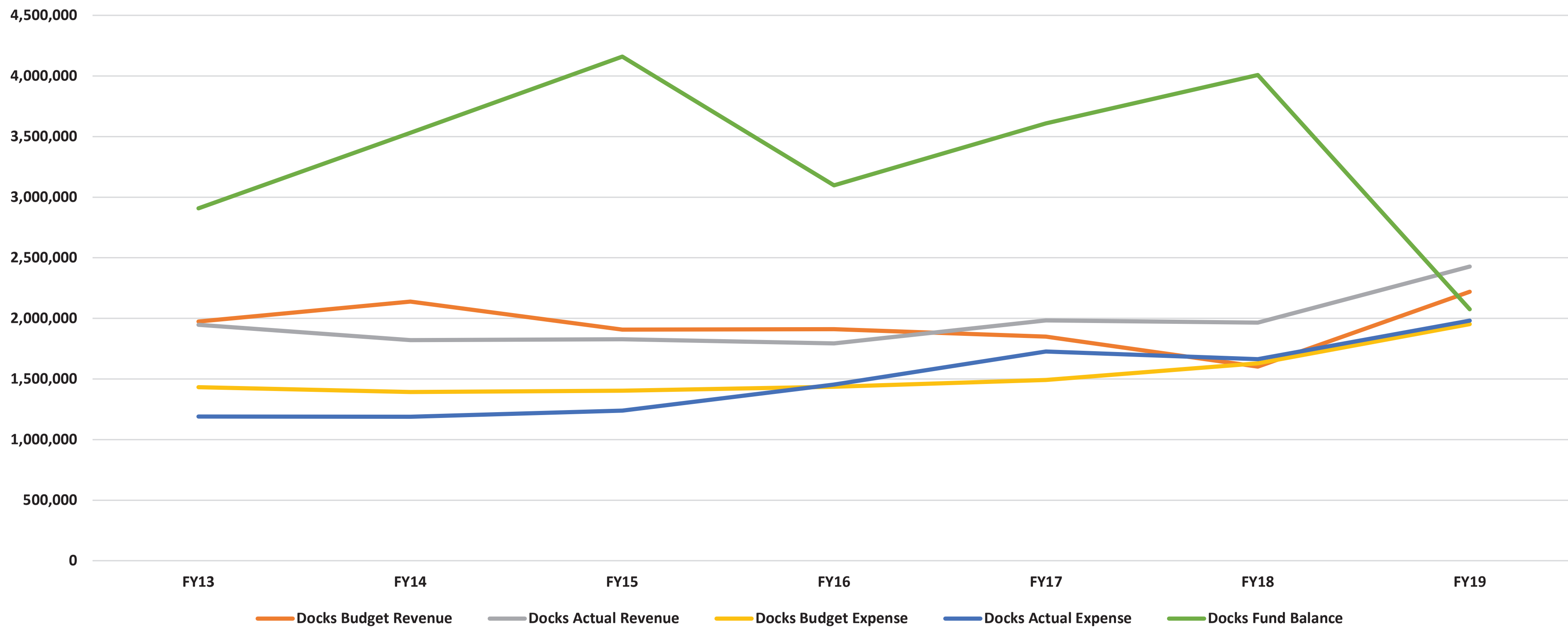
**VI. Adjournment –** The Finance Sub-Committee Meeting adjourned at 4:44 pm

## Harbors Funds Overview

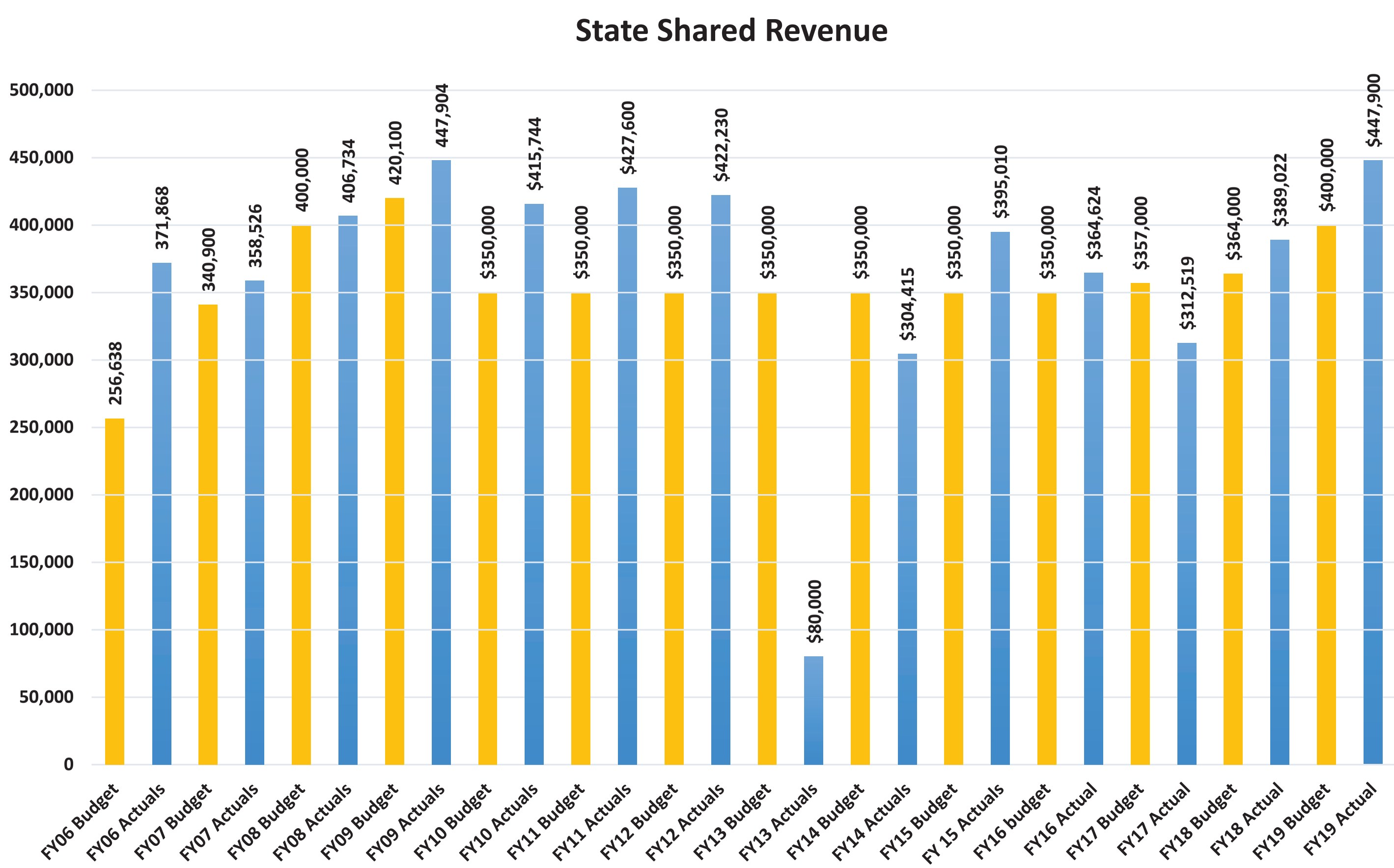



| | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| Harbor Budget Revenue | 3,408,942 | 3,689,400 | 3,813,300 | 3,990,400 | 4,047,900 | 4,134,900 | 4,254,900 |
| Harbors Actual Revenue | 3,301,200 | 3,800,400 | 4,466,300 | 4,418,400 | 4,213,000 | 4,374,735 | 4,345,600 |
| Harbors Budget Expense | 3,168,590 | 3,264,000 | 3,843,800 | 3,598,600 | 3,685,700 | 3,707,100 | 4,015,500 |
| Harbors Actual Expense | 3,163,500 | 3,195,000 | 3,574,700 | 3,380,634 | 3,507,112 | 3,702,155 | 4,002,700 |
| Harbors Fund Balance | 2,893,416 | 3,210,757 | 4,133,190 | 3,874,843 | 1,485,483 | 895,149 | 926,900 |

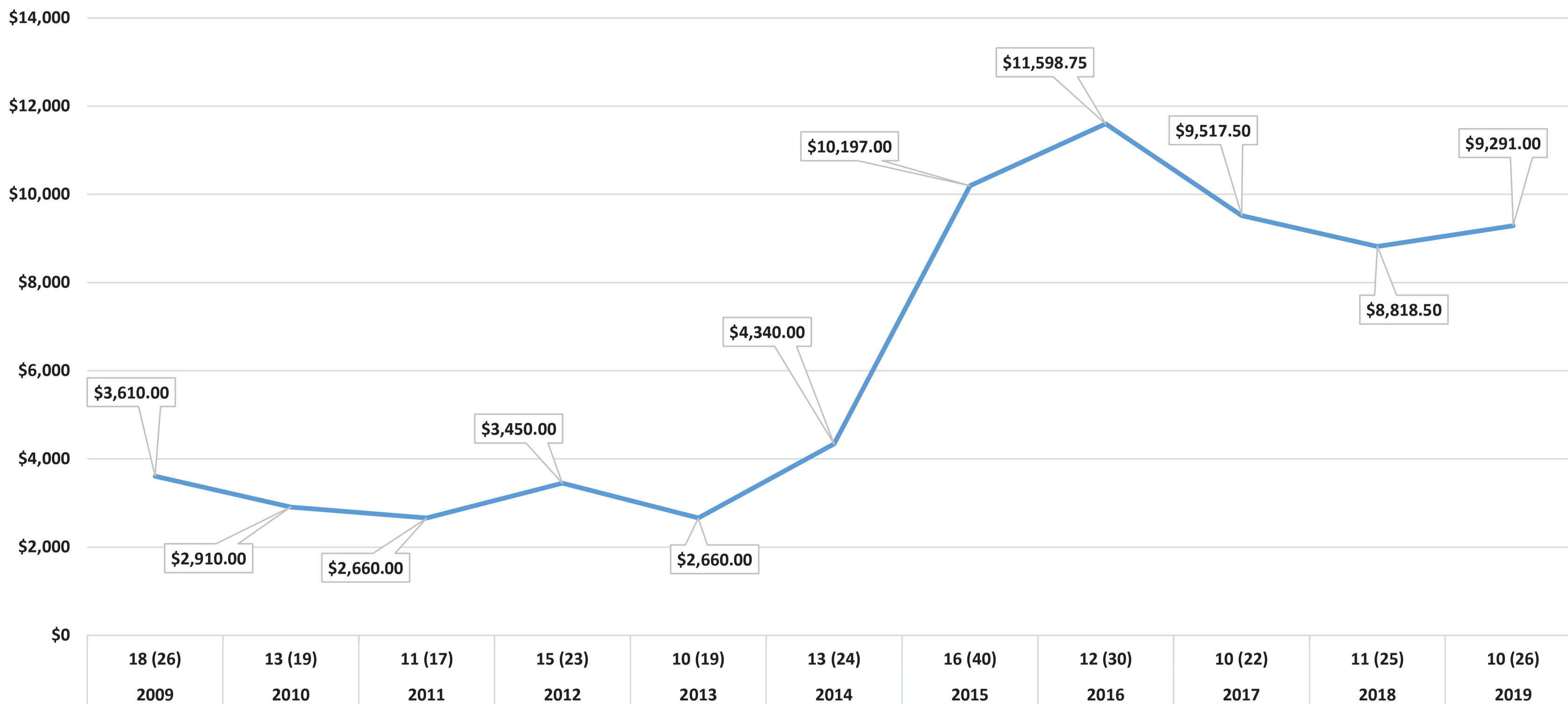
## Docks Funds Overview




| | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 |
|---|---|---|---|---|---|---|---|
| Docks Budget Revenue | 1,974,600 | 2,139,400 | 1,906,600 | 1,911,500 | 1,849,500 | 1,601,900 | 2,220,200 |
| Docks Actual Revenue | 1,946,900 | 1,820,000 | 1,828,400 | 1,792,800 | 1,983,100 | 1,964,484 | 2,428,400 |
| Docks Budget Expense | 1,431,592 | 1,392,300 | 1,403,500 | 1,436,800 | 1,492,000 | 1,629,300 | 1,952,000 |
| Docks Actual Expense | 1,189,800 | 1,188,500 | 1,238,600 | 1,454,100 | 1,727,600 | 1,663,167 | 1,982,400 |
| Docks Fund Balance | 2,907,240 | 3,531,061 | 4,159,525 | 3,098,254 | 3,609,037 | 4,009,076 | 2,075,400 |


State Shared Revenue
500,000
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
FY06 Budget
256,638
FY06 Actuals
371,868
FY07 Budget
340,900
FY07 Actuals
358,526
FY08 Budget
400,000
FY08 Actuals
406,734
FY09 Budget
420,100
FY09 Actuals
447,904
FY10 Budget
$350,000
FY10 Actuals
$415,744
FY11 Budget
$350,000
FY11 Actuals
$427,600
FY12 Budget
$350,000
FY12 Actuals
$422,230
FY13 Budget
$350,000
FY13 Actuals
$80,000
FY14 Budget
$350,000
FY14 Actuals
$304,415
FY15 Budget
$350,000
FY 15 Actuals
$395,010
FY16 budget
$350,000
FY16 Actual
$364,624
FY17 Budget
$357,000
FY17 Actual
$312,519
FY18 Budget
$364,000
FY18 Actual
$389,022
FY19 Budget
$400,000
FY19 Actual
$447,900

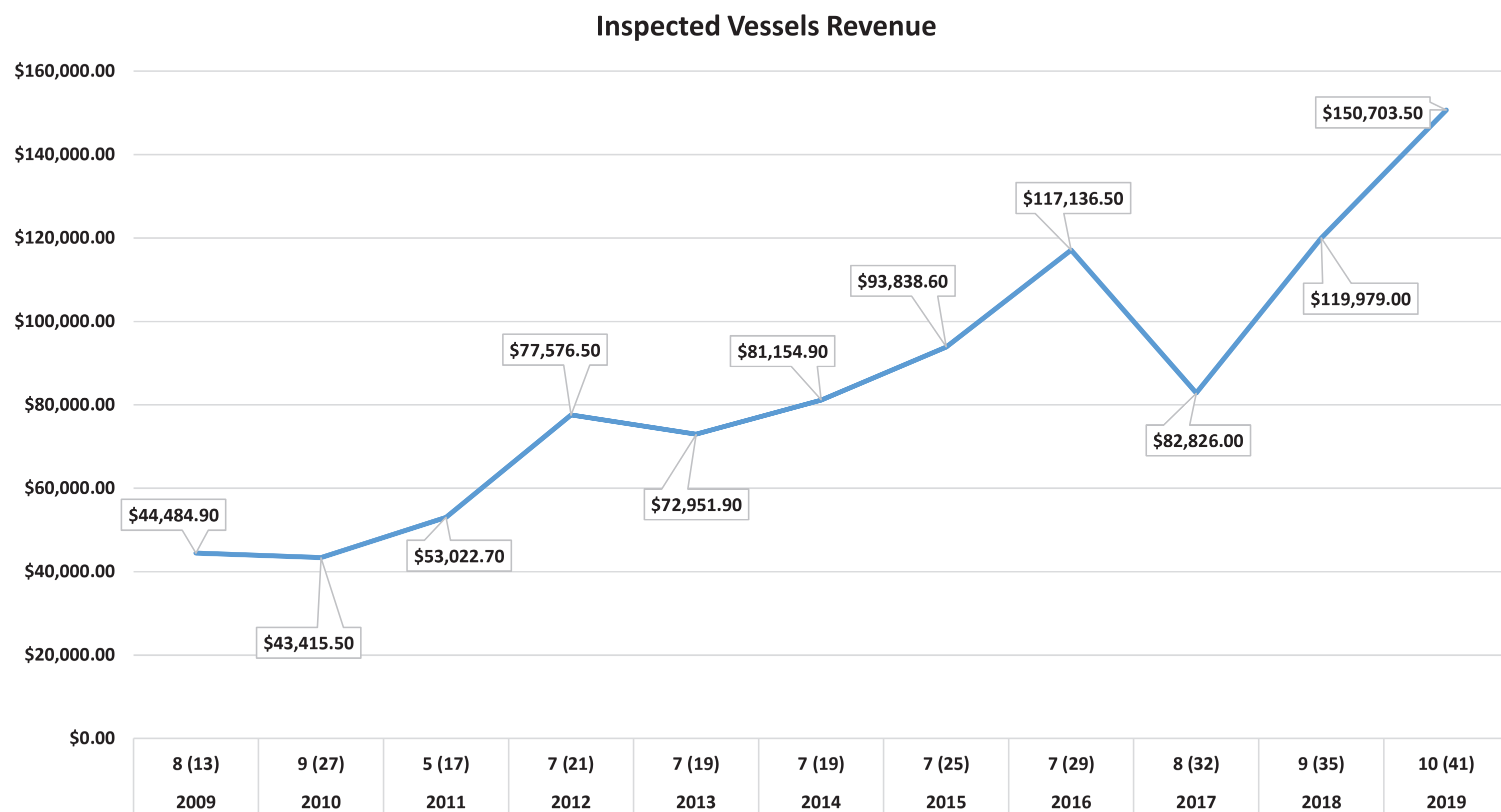
## Uninspected Vessels Revenue




| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Boat Fee | $50 | $50 | $50 | $50 | $50 | $50 | $50 | $100 | $150 | $151 | $156 |
| *Passenger Fee | $15 | $15 | $15 | $15 | $15 | $15 | $1.00 | $1.25 | $1.50 | $1.50 | $1.50 |

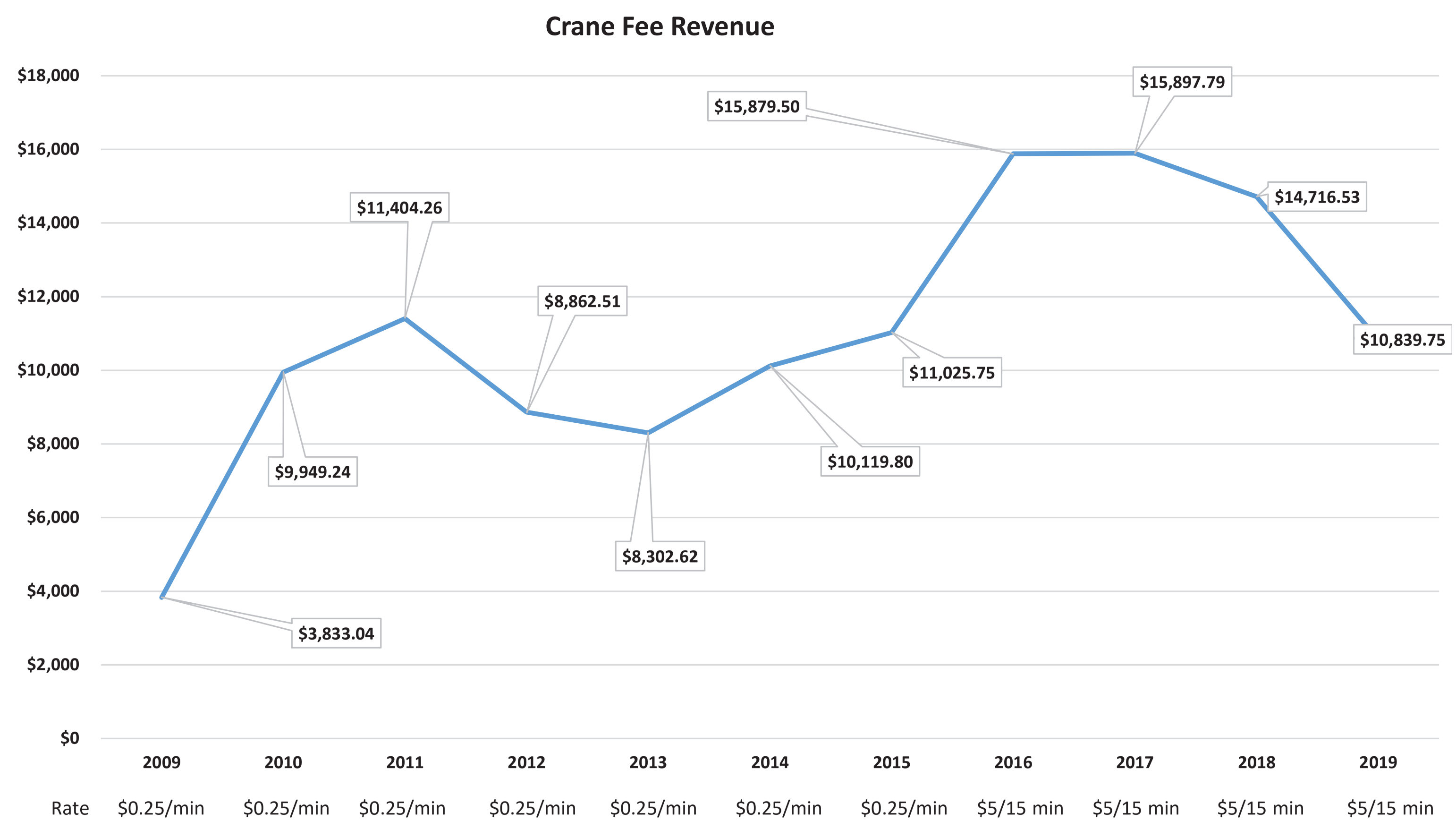
The amounts in () is total boats.

- Prior to 2015, uninspected vessels were charged an annual fee of $15 per seat in lieu of the daily passenger fee.
- 2015 - 2019 is a fee per passenger.

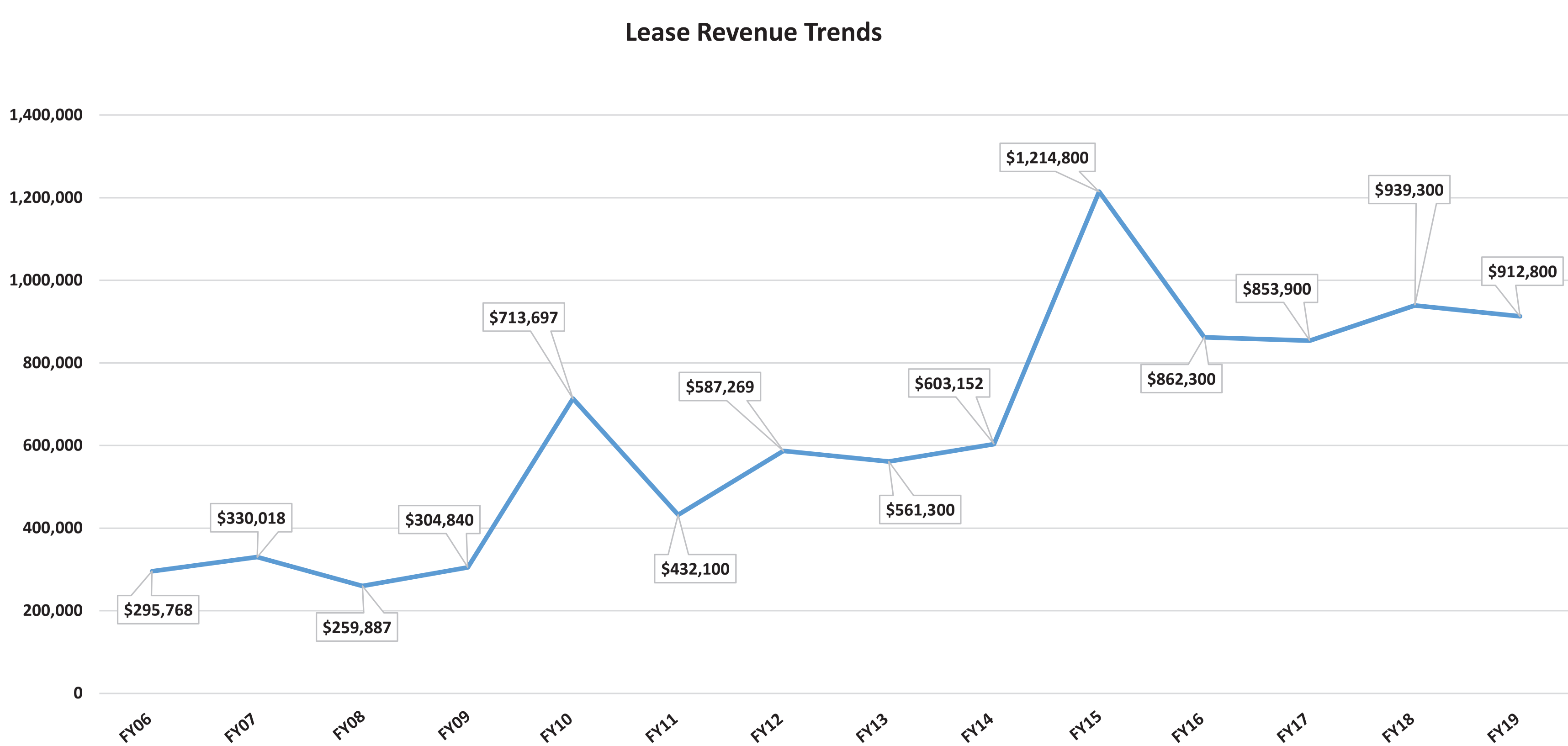


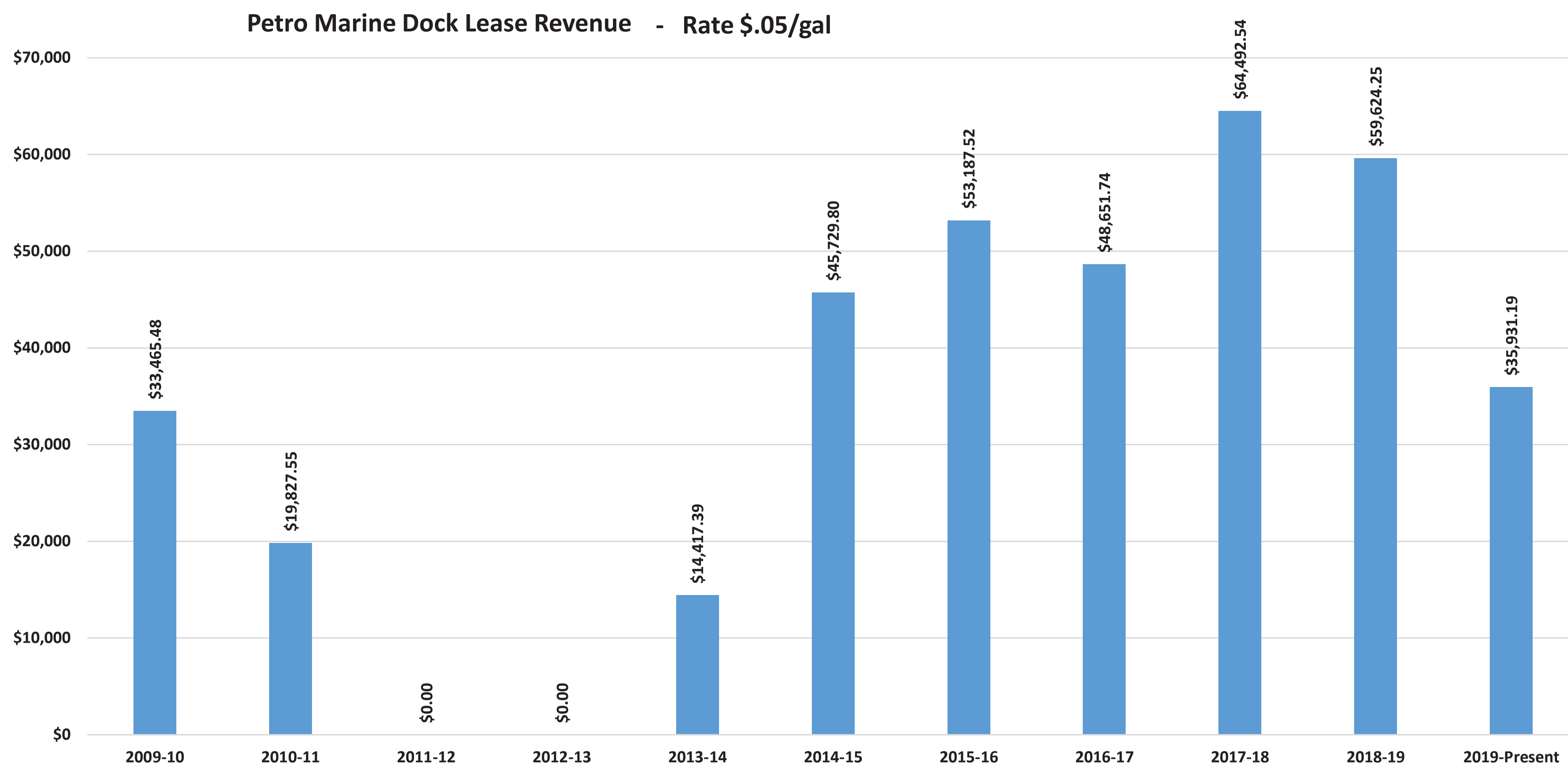

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Boat Fee | $300 | $300 | $300 | $300 | $300 | $300 | $300 | $400 | $500 | $518 | $518 |
| Passenger Fee | $1.00 | $1.10 | $1.10 | $1.10 | $1.10 | $1.10 | $1.25 | $1.50 | $1.50 | $1.50 | $1.50 |

The amounts in () is total boats.

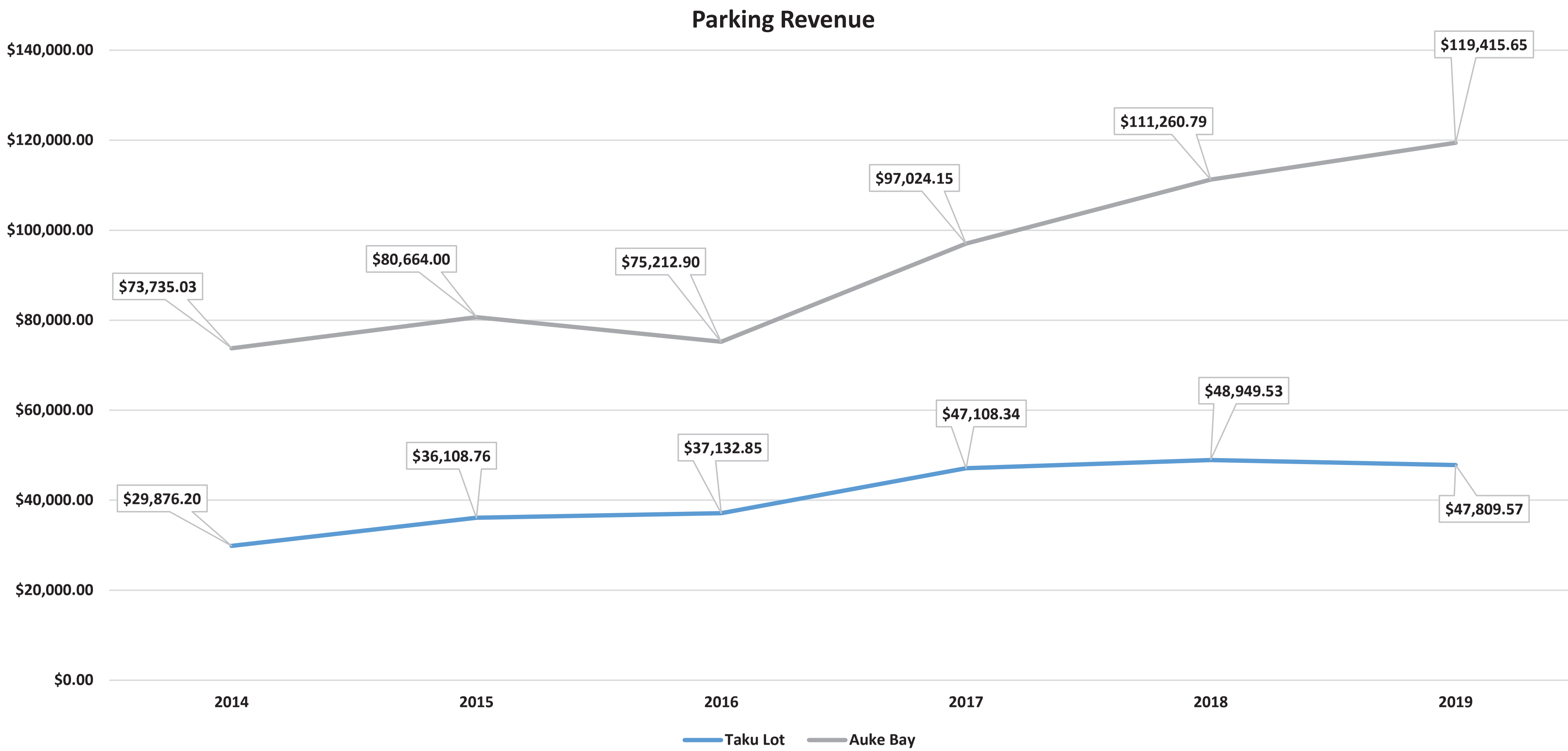


Crane Fee Revenue
$18,000
$16,000
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
$3,833.04
$9,949.24
$11,404.26
$8,862.51
$8,302.62
$10,119.80
$11,025.75
$15,879.50
$15,897.79
$14,716.53
$10,839.75
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
Rate
$0.25/min
$0.25/min
$0.25/min
$0.25/min
$0.25/min
$0.25/min
$0.25/min
$5/15 min
$5/15 min
$5/15 min
$5/15 min


Lease Revenue Trends
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
$295,768
$330,018
$259,887
$304,840
$713,697
$432,100
$587,269
$561,300
$603,152
$1,214,800
$862,300
$853,900
$939,300
$912,800
FY06
FY07
FY08
FY09
FY10
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
FY19



Petro Marine Dock Lease Revenue - Rate $.05/gal
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$33,465.48
$19,827.55
$0.00
$0.00
$14,417.39
$45,729.80
$53,187.52
$48,651.74
$64,492.54
$59,624.25
$35,931.19
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
2019-Present

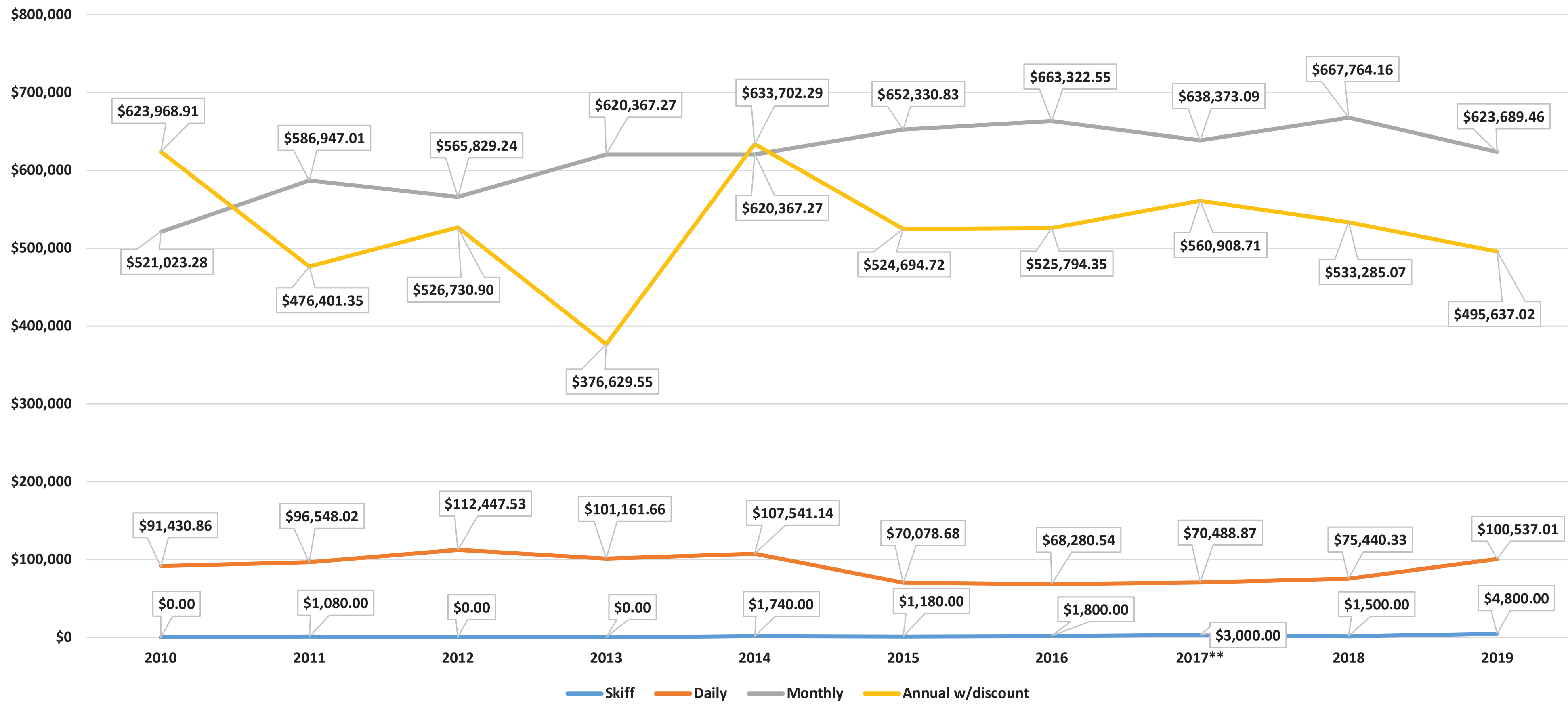



| | | |
|---|---|---|
| Downtown Rates | $2/hr | max 3 hrs |
| Auke Bay Rates | $1/hr | $5/day |

## Liveaboard

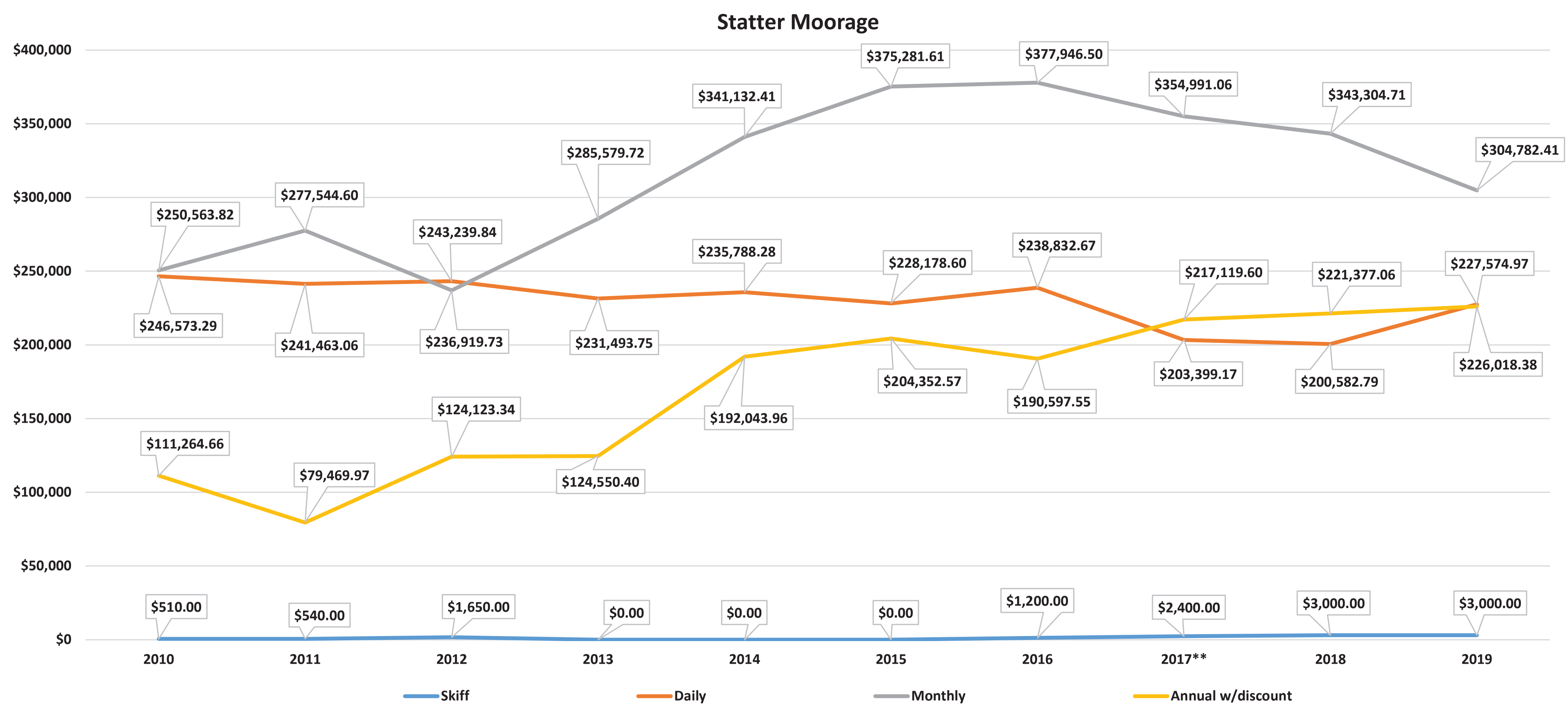

2008 to current Liveaboard fee has remained the same at $69. *FY11 There was an additional Liveaboard fee of $23 implemented for over four people living on a boat. The additional fee generated $391 in FY17, $322 in FY18, and $276 in FY19 and only in the downtown harbors.

## Downtown Moorage




| Rates | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Skiff | $500.00 | $510.00 | $535.00 | $540.00 | $550.00 | $568.00 | $580.00 | $590.00 | $600.00 | $300.00 | $300.00 | $300.00 |
| Daily | $0.45 | $0.46 | $0.48 | $0.49 | $0.50 | $0.52 | $0.53 | $0.54 | $0.55 | $0.55 | $0.55 | $0.55 |
| Monthly | $3.60 | $3.70 | $3.85 | $3.90 | $3.95 | $4.08 | $4.15 | $4.20 | $4.25 | $4.25 | $4.25 | $4.25 |

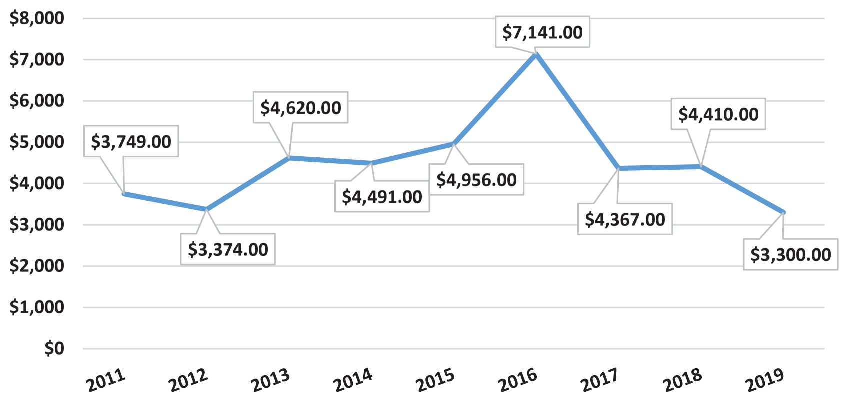
** FY17 Changed discount - 5% for 6 month advance payment and 10% for 12 month advance payment



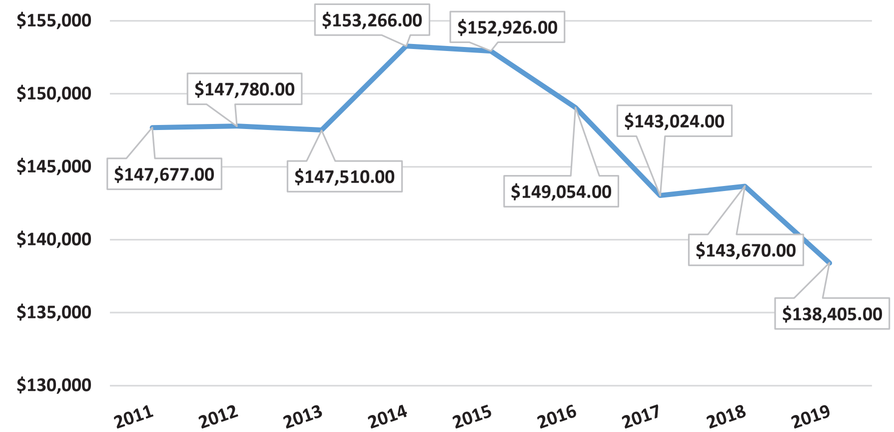

| Rates | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Skiff | $500.00 | $510.00 | $510.00 | $540.00 | $550.00 | $568.00 | $580.00 | $590.00 | $600.00 | $300.00 | $300.00 | $300.00 |
| Daily | $0.45 | $0.46 | $0.46 | $0.49 | $0.50 | $0.52 | $0.53 | $0.54 | $0.55 | $0.55 | $0.55 | $0.55 |
| Monthly | $6.00 | $6.15 | $6.15 | $6.50 | $6.60 | $6.81 | $6.95 | $7.05 | $7.15 | $7.15 | $7.15 | $7.15 |

** FY17  Changed discount - 5% for 6 month advance payment and 10% for 12 month advance payment

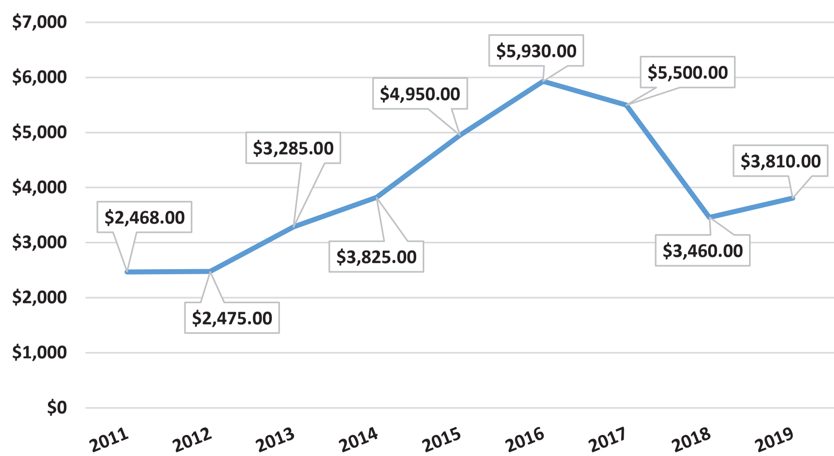
## Recreational Daily



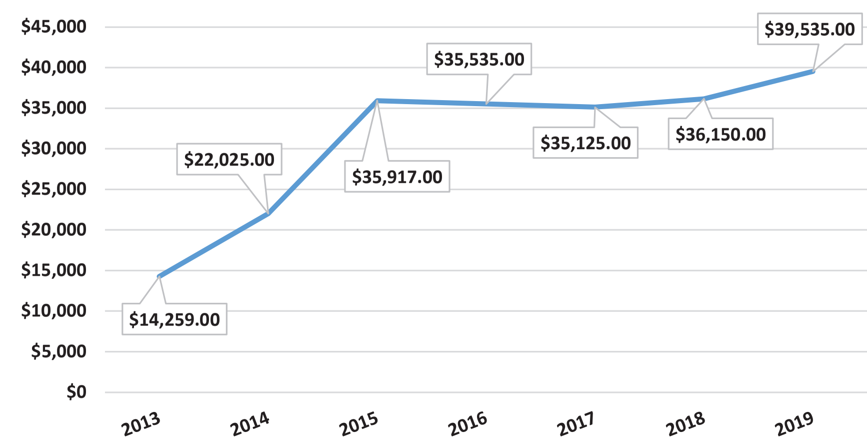

## Recreational Annual




## Commercial Annual

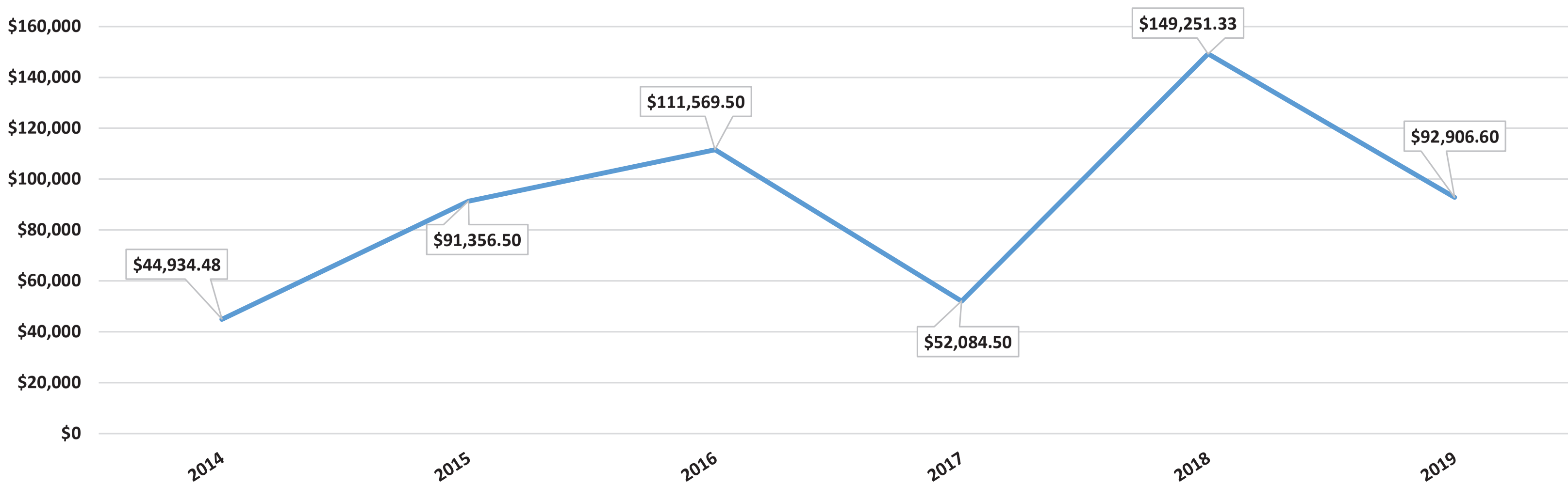



## Online Permit Purchases



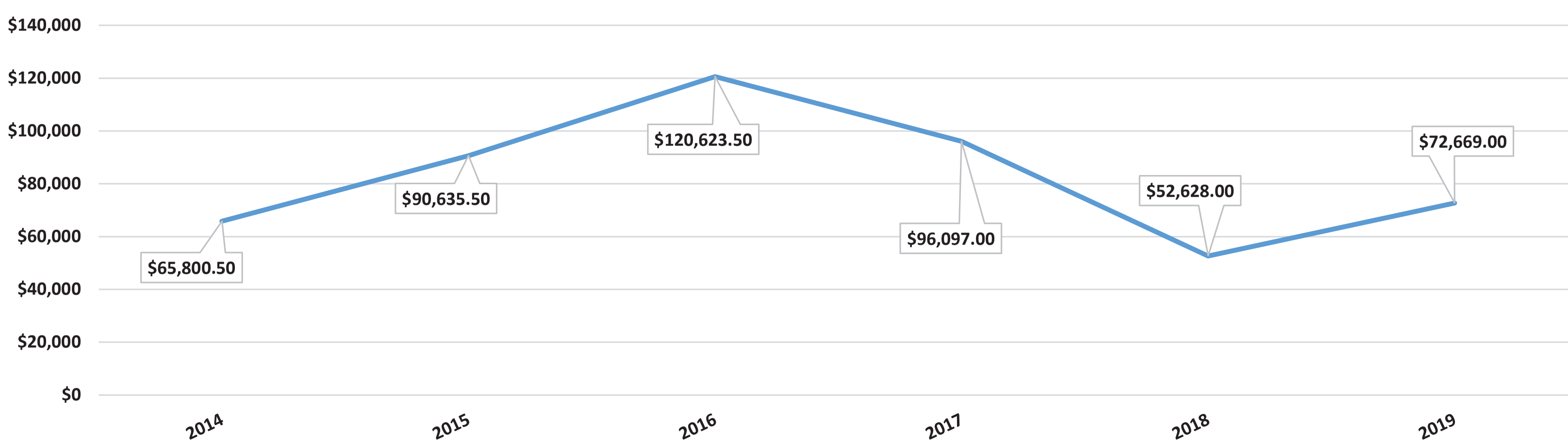

| Years | Daily Rate | Annual Rate | Commercial Annual Rate |
|---|---|---|---|
| 2011-2015 | $14.00 | $90.00 | $225.00 |
| 2016-2019 | $15.00 | $90.00 | $250.00 |

## Auke Bay >65' Reserved Moorage




| Auke Bay Reservation rates | |
|---|---|
| <65' | $1.50 per foot |
| >65' | $2.50 per foot |
| >200' | $3.00 per foot |

## Downtown >65' Reserved Moorage




| Downtown Reservation rates | |
|---|---|
| < 65' | $1.50 per foot |
| > 65' | $2.50 per foot |
| >200' | $3.00 per foot |

# City and Borough of Juneau, Alaska
## 2015II 2007 Harbor Refunding ($7.925M)
## PREMIUM AMORTIZATION
### Issue Date: 06/04/2015
### Delivery Date: 06/04/2015

| Period Ending | Principal | Coupon Interest | Interest Expense | Premium Amortized | Bond Balance | Unamortized Premium |
|---|---|---|---|---|---|---|
| 6/4/2015 | - | - | - | - | 8,773,734 | 848,734 |
| 9/1/2015 | - | 87,508 | 66,260 | 21,141 | 8,752,593 | 827,593 |
| 3/1/2016 | - | 181,050 | 136,356 | 44,694 | 8,707,899 | 782,899 |
| 9/1/2016 | - | 181,050 | 135,792 | 45,258 | 8,662,641 | 737,641 |
| 3/1/2017 | - | 181,050 | 135,220 | 45,830 | 8,616,811 | 691,811 |
| 9/1/2017 | - | 181,050 | 134,640 | 46,410 | 8,570,401 | 645,401 |
| 3/1/2018 | - | 181,050 | 134,052 | 46,998 | 8,523,403 | 598,403 |
| 9/1/2018 | - | 181,050 | 133,456 | 47,594 | 8,475,808 | 550,808 |
| 3/1/2019 | 380,000 | 181,050 | 132,852 | 48,198 | 8,047,610 | 502,610 |
| 9/1/2019 | - | 171,550 | 129,294 | 42,256 | 8,005,354 | 460,354 |
| 3/1/2020 | 395,000 | 171,550 | 128,724 | 42,826 | 7,567,528 | 417,528 |
| 9/1/2020 | - | 161,675 | 124,649 | 37,026 | 7,530,502 | 380,502 |
| 3/1/2021 | 415,000 | 161,675 | 124,119 | 37,556 | 7,077,946 | 342,946 |
| 9/1/2021 | - | 151,300 | 119,369 | 31,931 | 7,046,015 | 311,015 |
| 3/1/2022 | 435,000 | 151,300 | 118,885 | 32,415 | 6,578,599 | 278,599 |
| 9/1/2022 | - | 140,425 | 113,522 | 26,903 | 6,551,696 | 251,696 |
| 3/1/2023 | 460,000 | 140,425 | 113,090 | 27,335 | 6,064,361 | 224,361 |
| 9/1/2023 | - | 135,825 | 107,016 | 28,809 | 6,035,552 | 195,552 |
| 3/1/2024 | 470,000 | 135,825 | 106,557 | 29,268 | 5,536,284 | 166,284 |
| 9/1/2024 | - | 124,075 | 99,887 | 24,188 | 5,512,096 | 142,096 |
| 3/1/2025 | 495,000 | 124,075 | 99,487 | 24,588 | 4,992,508 | 117,508 |
| 9/1/2025 | - | 111,700 | 92,200 | 19,500 | 4,973,008 | 98,008 |
| 3/1/2026 | 515,000 | 111,700 | 91,862 | 19,838 | 4,438,170 | 78,170 |
| 9/1/2026 | - | 98,825 | 83,561 | 15,264 | 4,422,906 | 62,906 |
| 3/1/2027 | 540,000 | 98,825 | 83,287 | 15,538 | 3,867,368 | 47,368 |
| 9/1/2027 | - | 85,325 | 74,002 | 11,323 | 3,856,044 | 36,044 |
| 3/1/2028 | 565,000 | 85,325 | 73,793 | 11,532 | 3,279,513 | 24,513 |
| 9/1/2028 | - | 71,200 | 63,582 | 7,618 | 3,271,895 | 16,895 |
| 3/1/2029 | 595,000 | 71,200 | 63,439 | 7,761 | 2,669,134 | 9,134 |
| 9/1/2029 | - | 56,325 | 52,328 | 3,997 | 2,665,137 | 5,137 |
| 3/1/2030 | 625,000 | 56,325 | 52,251 | 4,074 | 2,036,063 | 1,063 |
| 9/1/2030 | - | 40,700 | 40,274 | 426 | 2,035,637 | 637 |
| 3/1/2031 | 655,000 | 40,700 | 40,266 | 434 | 1,380,203 | 203 |
| 9/1/2031 | - | 27,600 | 27,450 | 150 | 1,380,053 | 53 |
| 3/1/2032 | 675,000 | 27,600 | 27,447 | 153 | 704,900 | (100) |
| 9/1/2032 | - | 14,100 | 14,097 | 3 | 704,898 | (102) |
| 3/1/2033 | 705,000 | 14,100 | 14,097 | 3 | (105) | (105) |
| 9/1/2033 | - | - | - | - | (105) | (105) |
| 3/1/2034 | - | - | - | - | (105) | (105) |
| | 7,925,000 | 4,136,108 | 3,287,162 | 848,839 | | |
| | ties to bond documents | ties to bond documents | | ties to bond documents | 105 | |

Cash Repayments

Prepaid interest received at bond sale; reduces book interest expense each year

## SOURCES AND USES OF FUNDS

City and Borough of Juneau -- Refund GO 2007-3
Alaska Municipal Bond Bank
GO and Refunding Bonds, 2015 Series Two
Pricing Results -- May 13, 2015

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| | |
|---|---|
| Dated Date | 06/04/2015 |
| Delivery Date | 06/04/2015 |

| Sources: | |
|---|---|
| Bond Proceeds: | |
| Par Amount | 7,925,000.00 |
| Net Premium | 848,733.75 |
| | 8,773,733.75 |
| Other Sources of Funds: | |
| Release from Prior Debt Service Reserve | 10,009.38 |
| | 8,783,743.13 |

| Uses: | |
|---|---|
| Refunding Escrow Deposits: | |
| Cash Deposit | 377.00 |
| Open Market Purchases | 8,716,978.06 |
| | 8,717,355.06 |
| Cost of Issuance: | |
| Bond Bank Costs of Issuance | 23,563.73 |
| Borrower Costs of Issuance | 15,500.71 |
| | 39,064.44 |
| Delivery Date Expenses: | |
| Underwriter's Discount | 24,422.79 |
| Other Uses of Funds: | |
| Additional Proceeds | 2,900.84 |
| | 8,783,743.13 |

BOND DEBT SERVICE

City and Borough of Juneau -- Refund GO 2007-3
Alaska Municipal Bond Bank
GO and Refunding Bonds, 2015 Series Two
Pricing Results -- May 13, 2015

| Period Ending | Principal | Coupon | Interest | Debt Service |
|---|---|---|---|---|
| 06/30/2016 | | | 268,557.50 | 268,557.50 |
| 06/30/2017 | | | 362,100.00 | 362,100.00 |
| 06/30/2018 | | | 362,100.00 | 362,100.00 |
| 06/30/2019 | 380,000 | 5.000% | 362,100.00 | 742,100.00 |
| 06/30/2020 | 395,000 | 5.000% | 343,100.00 | 738,100.00 |
| 06/30/2021 | 415,000 | 5.000% | 323,350.00 | 738,350.00 |
| 06/30/2022 | 435,000 | 5.000% | 302,600.00 | 737,600.00 |
| 06/30/2023 | 460,000 | 2.000% | 280,850.00 | 740,850.00 |
| 06/30/2024 | 470,000 | 5.000% | 271,650.00 | 741,650.00 |
| 06/30/2025 | 495,000 | 5.000% | 248,150.00 | 743,150.00 |
| 06/30/2026 | 515,000 | 5.000% | 223,400.00 | 738,400.00 |
| 06/30/2027 | 540,000 | 5.000% | 197,650.00 | 737,650.00 |
| 06/30/2028 | 565,000 | 5.000% | 170,650.00 | 735,650.00 |
| 06/30/2029 | 595,000 | 5.000% | 142,400.00 | 737,400.00 |
| 06/30/2030 | 625,000 | 5.000% | 112,650.00 | 737,650.00 |
| 06/30/2031 | 655,000 | 4.000% | 81,400.00 | 736,400.00 |
| 06/30/2032 | 675,000 | 4.000% | 55,200.00 | 730,200.00 |
| 06/30/2033 | 705,000 | 4.000% | 28,200.00 | 733,200.00 |
| | 7,925,000 | | 4,136,107.50 | 12,061,107.50 |

SOURCES AND USES OF FUNDS

Alaska Municipal Bond Bank
Series 2007 III General Obligation Juneau Loan

| Sources: | |
|---|---|
| Bond Proceeds: | |
| Par Amount | 10,620,000.00 |
| Premium | 378,385.90 |
| | 10,998,385.90 |

| Uses: | |
|---|---|
| Project Fund Deposits: | |
| City and Borough of Juneau Loan | 10,188,181.52 |
| Other Fund Deposits: | |
| Debt Service Reserve Fund | 753,159.38 |
| Delivery Date Expenses: | |
| Underwriter's Discount | 22,514.40 |
| MBIA Bond Insurance Premium | 34,530.60 |
| | 57,045.00 |
| | 10,998,385.90 |

BOND PRICING

Alaska Municipal Bond Bank
Series 2007 III General Obligation Juneau Loan

| Bond Component | Maturity Date | Amount | Rate | Yield | Price | | Call Date | Call Price | Call Date for Arb Yield | Call Price for Arb Yield |
|---|---|---|---|---|---|---|---|---|---|---|
| Serial Bond Maturities: | | | | | | | | | | |
| | 09/01/2008 | 170,000 | 4.250% | 3.780% | 100.516 | | | | | |
| | 09/01/2009 | 240,000 | 4.250% | 3.840% | 100.831 | | | | | |
| | 09/01/2010 | 250,000 | 4.250% | 3.900% | 101.021 | | | | | |
| | 09/01/2011 | 260,000 | 4.250% | 3.940% | 101.169 | | | | | |
| | 09/01/2012 | 270,000 | 4.250% | 4.000% | 101.147 | | | | | |
| | 09/01/2013 | 285,000 | 4.375% | 4.040% | 101.801 | | | | | |
| | 09/01/2014 | 295,000 | 5.500% | 4.190% | 108.008 | | | | | |
| | 09/01/2015 | 310,000 | 5.500% | 4.230% | 108.664 | | | | | |
| | 09/01/2016 | 330,000 | 5.500% | 4.270% | 109.223 | | | | | |
| | 09/01/2017 | 345,000 | 5.000% | 4.270% | 105.952 | | | | | |
| | | 2,755,000 | | | | | | | | |
| 2022 Term Bond: | | | | | | | | | | |
| | 09/01/2022 | 2,010,000 | 5.000% | 4.480% | 104.195 | C | 09/01/2017 | 100.000 | 09/01/2017 | 100.000 |
| 2027 Term Bond: | | | | | | | | | | |
| | 09/01/2027 | 2,575,000 | 5.000% | 4.580% | 103.371 | C | 09/01/2017 | 100.000 | 09/01/2017 | 100.000 |
| 2032 Term Bond: | | | | | | | | | | |
| | 09/01/2032 | 3,280,000 | 5.000% | 4.660% | 102.717 | C | 09/01/2017 | 100.000 | 09/01/2017 | 100.000 |
| | | 10,620,000 | | | | | | | | |

**Harbor Revenue Bond Bid Acceptance Resolution**

Approval of this resolution will accept the bond purchase bids for the issuance of Harbor Revenue Bonds in the aggregate principal amount of $10,620,000. Ordinance 2007-32(b) authorized the issuance and sale of the Revenue Bonds through the Alaska Municipal Bond Bank. The bond proceeds will be used to fund the following –

- $ 4,200,000 Old Douglas Boat Harbor construction project
- 4,200,000 Auke Bay Loading Facility construction project
- 1,345,380 DeHart's Marina note refinancing
- * 720,205 for deposits to the reserve account
- 154,415 for issuance costs, accrued interest and rounding
- $10,620,000 total bond issue

*The reserves would be held as additional security and applied to the final debt service payment.

Bond debt service will be repaid from Harbor Fund user fees. The Harbor Board presented a long-range plan to fund harbor improvements to the Assembly in 2005. This plan included issuing revenue bonds that would be repaid through an increase in harbor user fees. The CBJ is not pledging the full faith and credit to repay the debt. However, it is important to note that the CBJ is assuming an obligation to protect its property (referred to as a moral obligation) and through a state revenue intercept provision. The revenue intercept provision allows the Alaska Municipal Bond Bank Authority to take any State funds coming to the CBJ if the Harbor defaults on paying the debt service.

Please note that the resolution contained in the packet is not complete and has been included for reference only. The resolution information cannot be completed until the bond bids are received. The bond bids are due on the morning of June 25, 2007. The actual resolution will be submitted as a "Red Folder" item.

The Docks and Harbor Board approved this revenue bonding request on December 7, 2006. The Assembly approved the authorizing Bond Ordinance 2007-32(b) on May 14, 2007.

**I recommend this resolution be adopted.**