FISCAL YEAR 2017

FACTS ON CBS DEBT

**Total Debt of Enterprise Funds**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Debt</th>
<th>Equity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric</td>
<td>$127,349,406</td>
<td>$18,389,041</td>
<td>53.60%</td>
</tr>
<tr>
<td>Water</td>
<td>$9,228,203</td>
<td>$1,400,203</td>
<td>15.05%</td>
</tr>
<tr>
<td>Waste Water</td>
<td>$8,604,560</td>
<td>$2,120,651</td>
<td>25.50%</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>$3,335,618</td>
<td>$1,080,218</td>
<td>25.75%</td>
</tr>
<tr>
<td>Paving</td>
<td>$3,504,203</td>
<td>$1,040,203</td>
<td>25.75%</td>
</tr>
<tr>
<td>Sewerage</td>
<td>$6,140,203</td>
<td>$1,650,203</td>
<td>27.07%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$195,294,006</td>
<td>$53,290,203</td>
<td>27.12%</td>
</tr>
</tbody>
</table>

Typically, total debt for a community general fund should not exceed 5% of total assessed property value. Our community is well below that benchmark.

**Total Debt of the Harbor Fund**
The Harbor Fund debt consists of one bond and one loan for a total of $4.9 million.

**Total Debt of Community Water Fund**
The Water Fund debt consists of 13 loans for a total of $4.9 million.

**Total Debt of Community Waste Water Fund**
The Waste Water Fund debt consists of 11 loans for a total of $5.85 million.

**Total Debt of Community Solid Waste**
The Solid Waste Fund debt consists of 1 loan for a total of $1.5 million.

**Total Debt of Community Electric Enterprise**
The Electric Enterprise debt consists of 4 bonds and 2 loans for a total of $127 million.

**Blue Lake Hydroelectric Expansion**

- **Why was the Blue Lake Expansion Built?**
- **What are Unspent Bond Proceeds and How Can They Be Used?**

A third and final bond issuance was required to fulfill the project funding but in the end only a portion of the funds were needed. The Electric Department has incorporated these funds into the Assembly approved 10 year capital plan. The funds will be used to repair and replace the aging electrical infrastructure.

**Why are the Blue Lake Bonds Interest Only?**

Bond covenants kept the cost of borrowing money for the dam expansion low. By structuring the bonds to be interest only for the first 10 years, the community has not been required to pay the additional annual payment of approximately $4 million in principal.

**How Does Our Community Ensure that Accounting is Done Properly?**

The City and Borough of Sitka established and maintains its accounting systems according to standards:

- GAAP (Generally Accepted Accounting Principles)
- OFAC (Standards of the Government Finance Officers Association)
- National Committee on Government Accounting

An annual audit of the accounting system is performed by a large national public accounting firm. This audit results in an annual report called the CAFR (Comprehensive Annual Financial Report). These reports are located on the City of Sitka Finance webpage:

http://www.cityofsitka.org/government/departments/finance/index.html