

CITY AND BOROUGH OF JUNEAU, ALASKA

Expenditures of Federal Awards Reports

Year ended June 30, 2001

CITY AND BOROUGH OF JUNEAU, ALASKA

Expenditures of Federal Awards Reports

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited the general purpose financial statements of the City and Borough of Juneau, Alaska, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 7, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City and Borough of Juneau, Alaska's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards* of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City and Borough of Juneau, Alaska's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the City and Borough of Juneau, Alaska, in a separate letter dated November 7, 2001.

This report is intended solely for the information and use of the Assembly, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Elgee, Rehfeld & Funk, LLC*

November 7, 2001



ELGEE, REHFELD & FUNK, LLC  
Certified Public Accountants

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the compliance of the City and Borough of Juneau, Alaska, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The City and Borough of Juneau, Alaska's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City and Borough of Juneau, Alaska's management. Our responsibility is to express an opinion on the City and Borough of Juneau, Alaska's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City and Borough of Juneau's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City and Borough of Juneau, Alaska's compliance with those requirements.

In our opinion, the City and Borough of Juneau, Alaska complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

The management of the City and Borough of Juneau, Alaska is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City and Borough of Juneau, Alaska's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the City and Borough of Juneau, Alaska as of and for the year ended June 30, 2001, and have issued our report thereon dated November 7, 2001. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of the City and Borough of Juneau, Alaska. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended solely for the information and use of the Assembly, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Elgee, Rehfeld & Funk, LLC*  
November 7, 2001

CITY AND BOROUGH OF JUNEAU, ALASKA  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2001

Federal grant or pass-through grant or program title	Pass-through grantor's number	Catalogue of federal domestic assistance number	Program or award amount	Receivable (deferral) at July 1, 2000	Amount received	Expenditures	Receivable (deferral) at June 30, 2001
U.S. Department of Agriculture:							
Forest Service:							
State Pass-Through Grant:							
Alaska Department of Community & Economic Development		10.665	\$ 232,593	\$ -	\$ 232,593	\$ 232,593	\$ -
National Forest Receipts			232,593	-	232,593	232,593	-
Total U.S. Department of Agriculture							
U.S. Department of Transportation:							
Federal Transit Administration:							
State Pass-Through Grants:							
Alaska Department of Transportation & Public Facilities							
Section 18 Grant (Operations)	68071	20.500	80,679	-	80,679	80,679	-
Juneau Capital Transit Capital Grant - Purchase Transit Buses	67458	20.500	946,088	5,461	812,585	907,345	100,221
Juneau Capital Transit Capital Grant - Purchase Paratransit Buses	67658	20.500	94,652	78,403	78,403	-	-
Juneau Capital Transit Capital Grant - Purchase Paratransit Buses	68328	20.500	87,750	-	-	-	-
			1,209,169	83,864	971,667	988,024	100,221
Federal Highway Administration:							
State Pass-Through Grants:							
Alaska Department of Transportation & Public Facilities							
Planning Grant - Juneau Transportation Assessment Report II	74301	20.205	100,000	19,310	100,000	80,690	-
Planning Grant - Juneau Riverside Drive Corridor Study	74667	20.205	66,454	-	-	37,810	37,810
Juneau Glacier Highway/Anka Street Area Improvements	67898	20.205	119,565	-	9,900	113,400	103,500
			286,019	19,310	109,900	231,900	141,310
National Highway Traffic Safety Administration, Sec. 402:							
State Pass-Through Grant:							
Alaska Department of Public Safety		20.600	2,133	2,133	2,133	-	-
Safety Awareness Program			2,133	2,133	-	-	-
Federal Aviation Administration:							
Duck Creek EA/Command Vehicle/Sweeper Truck		20.106	304,688	2,037	2,037	-	-
Rehabilitation of Blast Pads and Hard Stands, Chip Seal Main Ramp		20.106	1,272,484	-	38,734	38,734	-
Perimeter Fencing I/Snow Removal Equipment Loader		20.106	502,392	-	14,892	14,892	-
Runway 8-26 Rehabilitation		20.106	5,395,795	56,156	276,810	273,202	52,548
Purchase of Security Equipment		20.106	70,500	7,638	15,327	7,689	-
Snow Removal Equipment Building Design		20.106	656,196	22,649	22,649	-	-
Rehabilitate Air Carrier and GA Aprons		20.106	968,920	42,539	73,021	31,331	849
Acquisition of Replacement Snow Removal Equipment		20.106	240,000	-	97	97	-
North Terminal Access Rehabilitation		20.106	261,468	96,295	104,700	8,571	166
Runway Safety Area I Construction/Environmental Assessment		20.106	3,668,935	302,963	3,465,389	3,355,497	193,071
Acquire Land for Noise Compatibility: Tract 19		20.106	319,921	-	-	314,124	314,124
Runway Safety Area Environmental Impact Statement		20.106	700,000	-	7,374	190,430	183,056
Passenger Facility Charges		-	681,512	(125,885)	681,512	379,149	(428,248)

CITY AND BOROUGH OF JUNEAU, ALASKA  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2001

Federal grant or pass-through grant or program title	Pass-through grantor's number	Catalogue of federal domestic assistance number	Program or award amount	Receivable (deferral) at July 1, 2000	Amount received	Expenditures	Receivable (deferral) at June 30, 2001
Federal Aviation Administration (cont): MALSR Project - EA for Runway Safety Area-DTFA04-99-A-17945	-	-	24,400	24,405	24,405	-	-
			15,067,211	428,797	4,726,947	4,613,716	315,566
			16,564,532	534,104	5,810,647	5,833,640	557,097
Total U.S. Department of Transportation			713,739	-	713,739	713,739	-
U.S. Department of the Interior: Bureau of Land Management: "In Lieu of Tax" receipts	-	-	20,000	20,000	20,000	-	-
Environmental Protection Agency: Wetlands Mitigation Bank Development	-	66,461	20,000	20,000	20,000	-	-
National Park Service: State Pass-Through Grants: Alaska Department of Natural Resources Stabilization of Juaipa Mine Camp Historic District, Ph. IV Historic Building Survey - Casey-Shattuck Neighborhood Historic Preservation Webpage II 2001 Alaska CLG Workshop - Travel Grant Stabilization of Juaipa Mine Camp Historic District, Ph. V Interpretive Signs for Traditional Places	99-329 00-335 00-337 00-348 01-353 01-354	15,904 15,904 15,904 15,904 15,904 15,904	5,925 12,100 2,750 3,984 4,500 19,500	1,170 - - - - - 1,170	4,384 86 - - - - 4,470	3,214 1,980 951 2,530 - - 8,675	- 1,894 951 2,530 - - 5,375
U.S. Fish and Wildlife Service: Mendenhall River Study State Pass-Through Grants: Fish and Wildlife Service Amelga Harbor Boat Ramp Rehabilitation Douglas Harbor Ramp Facility Recreational Boat Sewage Pumpout Station Improvements Total U.S. Department of the Interior	- - 00-062 01-018 00-0878	- - 15,605 15,605 15,605	20,000 - 225,000 300,000 24,500 1,351,998	- - - - - 21,170	20,000 - - 24,500 782,709	20,000 - - 24,500 766,914	- - - - - 5,375
U.S. Department of Education: State Pass-Through Grant: Alaska Department of Education Regional Grant Total U. S. Department of Education	Reg-01-743-90	84,034	77,641 77,641	- - 77,641 77,641	77,641 77,641	77,641 77,641	- -
U.S. Institute Of Museum Services and Library Services: Museum Assessment Program III	-	45,301	2,970	-	2,970	1,750	(1,220)

CITY AND BOROUGH OF JUNEAU, ALASKA  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2001

Federal grant or pass-through grant or program title	Pass-through grantor's number	Catalogue of federal domestic assistance number	Program or award amount	Receivable (deferral) at July 1, 2000	Amount received	Expenditures	Receivable (deferral) at June 30, 2001
U.S. Department of Commerce:							
National Oceanic and Atmospheric Administration							
State Pass-Through Grant:							
Alaska Department of Community and Economic Development	800792	11.419	38,250	8,905	8,905	-	-
Alaska Coastal Management FY00	810533	11.419	44,146	-	25,299	38,618	13,319
Alaska Coastal Management FY01			82,396	8,905	34,204	38,618	13,319
Total U.S. Department of Commerce							
U.S. Department of Defense:							
State Pass-Through Grant:							
Alaska Department of Military and Veterans Affairs	-	83.503	10,000	-	-	2,500	2,500
Emergency Management Program							
U.S. Department of Health & Human Services:							
State Pass-Through Grant:							
Alaska Department of Health and Social Services	06-1496	93.230	106,174	-	44,980	74,194	29,214
Women Empowered Safe and Sober Program (WESS)			106,174	-	44,980	74,194	29,214
Total U.S. Department of Health & Human Services							
U.S. Department of Justice:							
Bulletproof Vest Partnership Program	-	-	15,700	3,079	-	12,441	15,520
U.S. Department of Housing & Urban Development:							
State Pass-Through Grant:							
Alaska Department of Health and Social Services	06-0777	-	39,895	-	1,186	1,186	-
Title V - Delinquency Prevention FY00	06-1777	-	39,895	-	39,895	39,895	-
Title V - Delinquency Prevention FY01			95,490	3,079	41,081	53,522	15,520
Total U.S. Department of Justice							
U.S. Department of Housing & Urban Development:							
State Pass-Through Grant:							
Alaska Department of Revenue	-	-	42,362	42,362	42,362	-	-
Alaska Housing Finance Corporation	-	-	36,435	-	-	36,435	36,435
"In Lieu of Tax" receipts FY00			78,797	42,362	42,362	36,435	36,435
Alaska Housing Finance Corporation (cont)							
"In Lieu of Tax" receipts FY01							
Total U.S. Department of Housing & Urban Development							
Total Federal Expenditures			\$ 18,602,591	\$ 609,620	\$ 7,069,187	\$ 7,117,807	\$ 658,240

\* Major Program



CITY AND BOROUGH OF JUNEAU, ALASKA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2001

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the City and Borough of Juneau, Alaska. The City and Borough's reporting entity is defined in Note 1 to the City and Borough's general purpose financial statements. Federal awards received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included in the schedule.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified-accrual basis of accounting, which is described in Note 1 to the City and Borough's general purpose financial statements.

Relationship to General Purpose Financial Statements

The following is a reconciliation of federal revenues reported in the City and Borough's general purpose financial statements to federal expenditures reported in the Schedule of Expenditures of Federal Awards:

Direct Grants:	
Governmental Fund Types federal revenues per general purpose financial statements	\$ 3,753,732
Less:	
City and Borough of Juneau School District federal awards which was reported separately	3,005,801
Rounding	<u>1</u>
Total direct grants	747,930
Plus:	
Grants passed through State of Alaska	1,756,161
Deletion made for expenses paid with federal contributed capital through the Fleet Reserve	30,000
Federal moneys included in contributions from other governments and individuals	<u>4,583,716</u>
Total federal expenditures per Schedule of Expenditures of Federal Awards	\$ <u>7,117,807</u>

CITY AND BOROUGH OF JUNEAU, ALASKA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2001

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the City and Borough of Juneau, Alaska.
2. No instances of noncompliance material to the financial statements of the City and Borough of Juneau, Alaska were disclosed during the audit.
3. The auditor's report on compliance for the major federal award programs for the City and Borough of Juneau, Alaska expresses an unqualified opinion on all major federal programs.
4. There were no audit findings relative to the major federal award programs for the City and Borough of Juneau, Alaska required to be reported in this schedule under OMB Circular A-133.
5. The federal programs tested as major programs included:

<u>CFDA #</u>	<u>NAME</u>
20.106	Department of Transportation, Airport Improvement Program
20.500	Department of Transportation, Juneau Capital Transit Capital Grant – Purchase Transit Buses
20.205	Federal Highway Administration, Juneau Glacier Highway/Anka Street Area Improvements
6. The threshold for distinguishing Types A and B programs was \$300,000.
7. The City and Borough of Juneau was determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

No matters reported.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

No matters reported.