## City and Borough of Sitka

Financial Review December 31, 2015

Results as of December 31, 2015 (All Funds)

# City and Borough of Sitka Financial Review FY2016 General Fund Budget Execution

December 31, 2015

Original Planned Deficit Per Budget Ordinance:	(723,000)
Budget Adjustments	(1,250,837)
Budget Deficit As Of 9/30:	(1,973,837)

Actual Revenues Thru 12/31 (58%)	16,418,657
Actual Expenditures Thru 12/31 (22%)	15,246,216

Note: Budget adjustments in FY16 use of \$1,000,000 of contingency for disaster response and \$1,045,000 transfer to Public Infrastructure Sinking Fund

### City and Borough of Sitka Financial Review FY2016 General Fund Budget Adjustments

Contingency (Disaster Response)	1,000,000
Transfer From Permanent Fund	(302,218)
Transfer to Public Infrastructure Sinking Fund Other Net Adjustments	1,045,000 <u>231,055</u>
Total Net Budget Adjustments	1.973.837

# City and Borough of Sitka Financial Review General Fund Balance December 31, 2015 Versus 2014

	12/31/2015	12/31/2014	Difference
Net Available Cash	3,523,813	5,596,508	(2,072,695)
Working Capital	8,112,683	9,388,565	(1,275,882)
Unrestricted Fund Balance	14,512,041	16,136,711	(1,624,670)

#### Notes:

\$6,748,100 of cash and fund balance is designated for liquidity

Emergency response fund balance designation at 9/30/2016 \$0 (\$1,000,000 advanced to SCH and \$1,000,000 disaster response)

Net Available Cash equals cash plus investments less liabilities less all designated fund balances

Working Capital is current assets less current liabilities less liquidity and emergency response reserves

# City and Borough of Sitka Financial Review Fund Net Income and Working Capital FY2016 Results Through December 31, 2015

Electric Fund		(143,375)	3,804,429	10,080,824	13,885,253
Water Fund		371,170	990,695	893,245	1,883,940
Wastewater Fund		224,526	3,035,014	2,238,313	5,273,327
Solid Waste Fund		(306,236)	-	675,903	675,903
Harbor Fund		615,723	2,935,548	5,263,754	8,199,302
Airport Terminal Fund	*	(52,560)	520,523	295,768	816,291
Marine Service Center Fund	*	(38,302)		1,516,769	1,516,769
SMC Industrial Park Fund	*	(41,472)	262,377	914,112	1,176,489
MIS Fund	*	212,389	510,356	(61,459)	448,897
Central Garage Fund	*	307,111	763,576	2,404,930	3,168,506
Building Maintenance Fund	*	(61,986)		1,873,341	1,873,341
CPET Fund	*	(27,330)	308,413	-	308,413
Permanent Fund		967,033	_	23,842,734	23,842,734

### Comments on Net Losses and Working Capital

- Net losses signify that depreciation expense (the decline in value of infrastructure)
  exceeds revenue and may signify that infrastructure replacement may eventually
  need to be funded by bonding and higher user fees.
- Negative undesignated working capital signifies that we have more approved spending for infrastructure than we have fund balance to pay for.
- Net Income/and loss includes grant revenue.
- Long-term infrastructure plans have been developed for all major funds; these
  plans seek to identify long-term infrastructure needs and determine the correct
  level of user fees necessary to finance the plan.

### Summary

- Results for the 1<sup>st</sup> Quarter of Fiscal year 2016 are generally in accordance with plan.
   Challenges are surfacing, however, requiring the attention of management.
- Sales tax receipts in the General Fund are showing very small year-over-year growth and are less than projected. Comparing the same six month period in FY2016 to FY2015, sales tax receipts rose by \$119,722, or 1.9%. The FY2016 budget, however, forecasted sales tax receipts to increase by 5.5% over FY2015, based on the increase of the taxable transaction limit to \$3,000. Management predicts that total sales tax receipts for FY2016 will fall short of planned amounts.
- Electricity consumption has declined by 9,919,000 kWh since reaching peak consumption (on a trailing twelve-month basis) in April 2009; likewise, consumption has fallen by 7,361,550 kWh since the Assembly passed the Blue Lake bonding ordinance in October, 2012. The financial effect of the decline in electricity consumption is an ongoing loss of revenue of approximately \$1 million per year. Electric revenue bond ordinance rate covenants require cash flow equal to 125% of annual debt service. Thus, if electricity consumption does not increase, either electricity user fee increases or general governmental subsidization of the electric utility will be required on an ongoing basis.

## Summary (Continued)

- User fee increases of at least the annual rate of inflation need to be implemented annually in order to generate cash flow from operations to fund infrastructure repairs. Annual increases in user fees should be considered and essential. Forgoing an annual increase in user fees, even in just one year, has a compounding negative effect of the sufficiency of working capital to pay for future infrastructure replacement. This, in tern, begets additional borrowing to pay for infrastructure which, in turn, results in higher user fees to pay for debt service. Several of our funds are highly leveraged (meaning that a significant amount of the current infrastructure has been financed through debt).
- The transfer rate from the Permanent Fund, at 6% as specified in the Charter, is too high to
  maintain the Fund's value. The Municipality's external investment advisor has opined that a
  distribution rate of 4% is recommended in order to maintain the purchasing power of the
  Permanent Fund. Decreasing the transfer rate will compound fiscal pressures on the General Fund,
  however.
- Anticipated harbor matching grants have not been obtained due to fiscal pressures at the State level. Moorage rate increases necessary to finance all projected harbor system repairs at the local level are unsustainable. Either harbor moorage rates must be subsidized through general tax revenue, or, the harbor system must be redesigned and possibly downsized to a sustainable level.

## Summary (Continued)

• Core infrastructure (electricity transmission and distribution network, streets, sewers, water mains) continue to age and require systematic repair. Total annual core infrastructure spending needs to be maintained in order to avoid increasing the deferred maintenance backlog. In the General Fund, infrastructure spending for FY2017 is being funded primarily through unsustainable transfers from the Public Infrastructure Sinking Fund. The source of funding in the Public Infrastructure Sinking Fund available for infrastructure financing depends on budget surpluses being obtained in prior fiscal years; thus, as budgets become leaner and budget surpluses decline, the amount of funding available for general governmental infrastructure declines as well. To maintain a constant level of general governmental infrastructure repair will require either new revenue streams or expenditure reductions in other core areas of general government.

### **Financial Statements**

- You will find attached financial statements for the various significant funds of the City and Borough of Sitka. Information is presented through December 31, 2015.
- Financial reporting is shown in the custom reporting format designed by the Finance Department, which combines significant elements of the income statement, cash flow and working capital into one single page report. Traditional financial statements are produced monthly and are distributed to the Administrator and appropriate Department Heads.

### **Definitions of Key Terms**

**Working Capital** - This is essentially what a Fund has to spend. It is defined as current assets less current liabilities, including the current portion of long term debt. Working capital already earmarked for capital expenditures or otherwise restricted is called Designated Working Capital; the remainder is Undesignated Working Capital. The calculation of General Fund working capital also excludes designated amounts for liquidity and emergency response.

**Depreciation Expense** - This an estimation of the decline in value of a long lived asset, which is an expense. When a long lived asset is purchased, cash is paid but expense is not recorded; instead, expense is recorded gradually, over the life of the asset, to match its use against revenues earned in the same period. Most importantly, Depreciation Expense **IS NOT** the accumulation of cash to replace an asset; that is called a sinking fund and is part of Working Capital.

**Fund Balance** – This is the net assets of a fund. It is equal to total assets less liabilities. It is important to note that a Fund Balance is usually only partially in cash; the remainder may be made up of long lived assets, receivables, and other assets.

### Definitions of Key Terms

**Net Available Cash** – This is equal to cash and investments, less liabilities and restricted or designated fund balances. This is similar to "cash on the barrelhead".

**EBI/EBID** – These are accounting terms which measure earnings before certain expenses. EBI is Earnings Before Interest and measures earnings before interest expense. EBID is Earnings Before Interest and Depreciation, and is a rough measure of cash flow from operations.

**Enterprise Fund** – A fund which is run, and accounted for, similar to a private business. In such a fund, profit is measured and operations are accounted for on a full accrual basis.

**Internal Service Fund** - A fund which provides services to other funds. Such funds usually have no external source of revenue. Similar to an enterprise fund, profit is measured and operations are accounted for on a full accrual basis.

#### General Fund Financial Analysis As Of, And For The Six-Month Period Ending December 31, 2015

The financial performance and position of the General Fund through the first three months of FY2015 are more or less in line with planned expectations. Revenues were (\$961.8K) or (5.5%) below FY2015; however, once timing differences in transfers from the Permanent Fund are factored in, revenue declined by (\$401.2K) or (2.3%). Revenue declines were offset by expenditure reductions. Total expenditures declined by \$828.6K, or 5.2%, in year over year comparison. As a result, the surplus of revenues over expenditures for the 6-month period was similar to FY2015, declining by (\$133.3K); factoring in the Permanent Fund timing difference, the surplus grew by \$427.4K. Compared to plan, the General Fund is tracking closely to projections. For the first 6 months, the surplus was (\$40.0K) behind plan; again, once the Permanent Fund timing difference is factored, the General Fund is \$520.7K ahead of plan.

Of concern, however, are sales tax collections. While exceeding FY2015 levels, collections are falling short of plan. Sales tax collections rose by just \$119.7K, or 1.92% over FY2015. Compared to Plan, collections are running approximately 3% behind. Comparisons are difficult, as the taxable transaction limit was increased for sales Taking place after October, 2015. If the tepid growth in sales tax collections seen so far in FY2015 continues, overall collections may be as much as \$550K lower than plan for the entire year.

The General Fund generated a surplus of revenues over expenditures of \$1,172.4K for the first six months of FY2016, compared to \$1,305.7K for the comparable period in FY2015. Revenue in the General Fund for the period was \$16,418.7K, compared to \$17,380.5K in FY2015. General Fund outlays for the six-month period were \$15,246.2K, compared to \$16,074.7K in FY2015.

The undesignated working capital for the General Fund stood at \$7,609.3K as of December 31, 2015; this was a decline of \$1,135.4K from the balance on December 31, 2014. Of note, however, is the transfer of \$1,000,000 to the Public Infrastructure Sinking Fund in September, 2015, accounting for most of the fund balance decline. In addition to undesignated working capital, the General Fund maintained a designated liquidity reserve of \$6,422,013, equal to 90 days operating outlays.

Staff anticipates that overall budget execution will be much closer to plan than in previous years, generating a smaller surplus. The surplus for FY2016 is estimated, at this juncture, to be no greater than \$500K. By the Sitka General Code, surplus fund balance in the General Fund is to annually be considered for transfer to the Public Infrastructure Sinking Fund.

#### City and Borough of Sitka General Fund

#### General Fund Income Statement

#### For The Twelve-Month Period From July 1, 2014 to June 30, 2015 (Unaudited)

							(0										
	July	August	September	October	November	December	January	February	March	April	May	June	FY2015	FY2014	Variance To	FY2015 Plan	Variance To
	2014	2014	2014	2014	2014	2014	2015	2015	2015	2015	2015	2015	YTD	YTD	FY2014 YTD	(S/L - 100.00%)	FY2015 Plan
Revenue:																	
Property Taxes	6,187,104	13,865	16,060	16,845	8,853	(59,487)	(1,804)	11,845	7,387	6,514	10,989	26,975	6,245,146	6,187,719	57,427	6,785,736	(540,590)
Sales Taxes	1,678,643	1,079,554	440,273	1,849,955	958,605	247,471	757,033	735,334	230,220	820,862	635,157	245,620	9,678,727	9,785,829	(107,102)	10,108,000	(429,273)
Bed Taxes	113,463	19,977	15,157	159,505	7,351	1,783	9,108	24,253	1,979	24,716	5,492	29,132	411,916	377,547	34,369	339,000	72,916
State Assistance	916,960		2,638	9,225	13,914	5,805	250	17,050		46,968	141	3,069,792	4,082,602	994,922	3,087,680	996,700	3,085,902
Federal Assistance			30,135		5,079	(310)	56,668			30,112	22,010	1,354,469	1,498,163	1,527,845	(29,682)	1,647,500	(149,337)
Transfer From Permanent Fund, Etc.	2,542	2,578	282,803	282,738	1,884	3,584	282,717	2,420	2,764	297,839	2,398	3,100	1,167,367	1,238,242	(70,875)	1,250,342	(82,975)
Interfund Billings					1,174,822	249,823	228,964	228,964	246,199	198,965	228,964	251,048	2,807,749	2,782,722	25,027	2,844,572	(36,823)
Other Operating Revenue	144,039	317,593	172,005	409,349	214,871	383,436	305,754	104,380	85,122	421,073	117,137	583,167	3,257,926	3,328,024	(70,098)	3,124,404	133,522
Total Revenue:	9,042,751	1,433,567	959,071	2,727,617	2,385,379	832,105	1,638,690	1,124,246	573,671	1,847,049	1,022,147	5,563,303	29,149,596	26,222,850	2,926,746	27,096,254	2,053,342
Outlays:																	
Administrator	72.691	56.338	58.629	97,046	68,694	72,352	94,287	95,509	72,154	66,149	97,979	254,858	1,106,686	880,905	(225,781)	924,402	(182,284)
Attorney	16,245	20,767	23,486	21,969	25,667	22,482	22,943	17,444	16,825	23,510	33,847	113,460	358,645	312,862	(45,783)	313,224	(45,421)
Clerk	21,648	23,447	31,401	40,191	29,189	31,414	30,897	25,354	28,088	28,466	41,142	114,052	445,289	365,046	(80,243)	393,444	(51,845)
Finance	103,450	127,110	125,530	167,998	161,901	197,706	127,258	138,404	120,802	134,381	197,113	566,144	2,167,797	1,698,613	(469,184)	1,773,001	(394,796)
Assessing	17,212	23,835	24,021	31,247	28,197	33,948	26,488	22,668	26,979	25,672	50,329	118,995	429,591	273,481	(156,110)	405,933	(23,658)
Planning	14,018	18,621	19,704	32,180	40,227	19,797	16,101	20,497	19,822	18,249	28,683	79,695	327,594	256,579	(71,015)	267,236	(60,358)
General/Shared Expenses	214,042	43,554	158,970	111,976	32,027	62,359	76,575	37,730	17,008	98,638	52,900	23,991	929,770	916,059	(13,711)	867,348	(62,422)
Police	331,164	276,799	304,892	450,706	377,710	339,089	336,889	328,340	358,267	345,395	479,085	1,407,129	5,335,465	4,126,800	(1,208,665)	4,598,618	(736,847)
Fire	141,751	133,102	135,284	189,308	158,413	138,504	138,851	130,456	149,516	142,878	189,242	563,964	2,211,269	1,914,716	(296,553)	2,022,032	(189,237)
Public Works	241,786	287,712	246,119	351,536	278,669	270,632	267,155	256,142	263,484	269,397	397,497	1,056,653	4,186,782	3,458,860	(727,922)	4,491,389	304,607
Library	52,403	61,067	44,460	83,919	86,333	59,380	71,573	59,814	60,003	63,579	76,142	245,388	964,061	828,887	(135,174)	912,264	(51,797)
Centennial Building	32,336	27,358	27,920	45,388	32,198	38,033	32,315	31,021	30,996	33,261	43,401	148,922	523,149	467,237	(55,912)	445,168	(77,981)
Visitors Bureau/SR Citizen Center	84,858	3,413	4,563	86,234	4,125	10,941	83,094	4,498	2,531	88,835	8,910	12,739	394,741	432,064	37,323	410,779	16,038
Contingency													******				
Debt Service			11,944		7,000		9,745	2,104	6,453	1,380		9,627	48,253	27,940	(20,313)	68,233	19,980
School Support	476,460	476,460	476,460	476,460	522,467	476,460	476,460	476,460	476,460	510,123	952,920	446,372	6,243,562	6,077,776	(165,786)	6,367,521	123,959
Hospital Support				15,399		1,091,604	•					(1,091,604)	15,399	224,801	209,402	154,546	139,147
Fixed Asset Acquisition			22,045				-	-	-		1993		22,045	77,996	55,951	11,915	(10,130)
Transfers To Other Funds		357,114	2,250,000		1,433,520				**	80,106		790,599	4,911,339	2,867,838	(2,043,501)	5,240,069	328,730
			<del></del>	<del></del>					·			•	•			-	
Total Cost of Sales:	1,820,064	1,936,697	3,965,428	2,201,557	3,286,337	2,864,701	1,810,631	1,646,441	1,649,388	1,930,019	2,649,190	4,860,984	30,621,437	25,208,460	(5,412,977)	29,667,122	(954,315)
Surplus/(Shortfall) of Revenues Over Outlays	7,222,687	(503,130)	(3,006,357)	526,060	(900,958)	(2,032,596)	(171,941)	(522,195)	(1,075,717)	(82,970)	(1,627,043)	702,319	(1,471,840)	1,014,390	(2,486,230)	(2,570,868)	1,099,028
, , , , , , , , , , , , , , , , , , , ,	79.87%	-35.10%	-313.47%	19.29%	-37.77%	-244.27%	-10.49%	-46.45%	-187.51%	-4.49%	-159.18%	12.62%	-5.05%	3.87%	-8.92%	-9.49%	4.44%
													25,639,800				
Unrestricted Fund Liquidity																	
Parlanta de contrata de la cida de	5,964,073	13.253.689	12,750,559	10.119.962	10.686.899	9.128.060	8.744,721	8.610.533	8.091,204	7,015,710	7,053,643	5,431,724	5,964,073	3,341,614	2,622,459		
Beginning Unrestricted Liquidity:								(522,195)	(1,075,717)	(82,970)	(1,627,043)	702,319	(1,471,840)	1,014,390	(2,486,230)		
Surplus/(Shortfall) of Revenues Over Outlays: Transfer To Sinking Fund / Permanent Fund	7,222,687	(503,130)	(3,006,357)	526,060	(900,958)	(2,032,596)	(171,941)	(522,195)	(1,0/5,/1/)	(02,370)	(1,027,043)	702,319	(1,471,040)	1,014,390	(2,400,230)		
Other balance sheet changes:	66,929		375,760	40,877	(657,881)	1,649,256	37,753	2,866	223	120,903	5,124	(25,887)	1,615,923	1,608,069	7,854		
Ending Unrestricted liquidity:	13,253,689	12,750,559	10,119,962	10,686,899	9,128,060	8,744,721	8,610,533	8,091,204	7,015,710	7,053,643	5,431,724	6,108,156	6,108,156	5,964,073	144,083		
From Supervices administra	20,200,000	22,,55,555	20,220,202	,,	-,,	-,, -,,	7,117,111	.,,	.,,	.,	-,,	.,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				
Total Assets:	24,490,549	24,157,956	21,273,883	22,463,554	20,500,074	18,378,283	18,332,158	17,715,907	16,630,807	16,315,705	15,008,365	16,155,007					
Less Advances to Other Funds:	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(300,000)					
Less Liabilities	(1,360,024)	(1,530,561)	(1,277,085)	(1,899,819)	(1,495,178)	(756,726)	(844,789)	(747,877)	(738,261)	(385,226)	(699,805)	(1,145,273)					
Less CPLTD (Unreimbursed)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(59,145)	(53,342)					
Subtotal:	22,721,380	22,218,250	19,587,653	20,154,590	18,595,751	17,212,412	17,078,224	16,558,885	15,483,401	15,521,334	13,899,415	14,656,392					
Less Reserved Amounts:			551000000					82.0	(6 .5)	18 181	(A) (B)	20 - 50					
Advances other Funds:	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)					
Title III Funds:	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)					
E911 Surcharge:	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(236,436)	(316,981)					
Liquidity Restriction	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)	(5,748,100)					
			(2,000,000)	(2,000,000)	(2,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)					
	(2,000,000)	(2.000.00x)															
Emergency Restriction	(2,000,000)	(2,000,000)										(130.000)					
	(2,000,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)					
Emergency Restriction												(130,000) 6,108,156					

#### City and Borough of Sitka General Fund

### Income Statement For The Twelve-Month Trailing Period Ending December 31, 2015

(Unaudited)

	January	February	March	April	May	June	July	August	September	October	November	December	
B	<u> 2015</u>	<u>2015</u>	2015	<u>2015</u>	<u>2015</u>	<u>2015</u>	<u>2015</u>	2015	2015	2015	2015	2015	ттм
Revenue: Property Taxes	(1,804)	11.845	7,387	6,514	10,989	26,975	6,196,276	(88,461)	5,381	12,000	10,105	12,380	6,209,587
Sales Taxes	757,033	735,334	230,220	820,862	635,157	245,620	1,689,020	1,017,345	563,963	1,353,729	1,506,754	243,412	9,798,449
Bed Taxes	9,108	24,253	1,979	24,716	5,492	29,132	139,271	6	35,677	(17,723)	1,500,754	234	252,157
State Assistance	250	17,050	2,575	46,968	5,452	3,069,792	869,454		3,000	1,510		301	4,008,325
Federal Assistance	56,668	17,030	-	30,112	22,010	1,354,469	9,000			76,945	37,953	55,023	1,642,180
Transfer From Permanent Fund, Etc.	282,717	2,420	2,764	297,839	2,398	3,100	2,205	2,626	2,619	2,678	2,719	2,693	606,778
Interfund Billings	228,964	228,964	246,199	198,965	228,964	251,048	219,812	219,812	219,812	219,812	219,812	228,128	2,710,292
Other Operating Revenue	305,754	104,380	85,122	421,073	117,137	583,167	209,112	53,122	407,361	395,784	140,626	137,358	2,959,996
Total Revenue:	1,638,690	1,124,246	573,671	1,847,049	1,022,147	5,563,303	9,334,150	1,204,450	1,237,813	2,044,735	1,917,981	679,529	28,187,764
Outlays:													
Administrator	94,287	95,509	72,154	66,149	97,979	254,858	46,642	45,205	50,087	85,379	46,002	60,305	1,014,556
Attorney	22,943	17,444	16,825	23,510	33,847	113,460	20,402	21,455	31,403	49,958	43,819	36,361	431,427
Clerk	30,897	25,354	28,088	28,466	41,142	114,052	16,796	26,272	30,320	38,396	31,199	45,556	456,538
Finance	127,258	138,404	120,802	134,381	197,113	566,144	106,501	136,191	121,232	186,809	122,307	166,959	2,124,101
Assessing	26,488	22,668	26,979	25,672	50,329	118,995	18,996	25,954	25,060	34,281	24,910	27,275	427,607
Planning	16,101	20,497	19,822	18,249	28,683	79,695	17,476	22,184	23,270	35,281	30,996	27,071	339,325
General/Shared Expenses	76,575	37,730	17,008	98,638	52,900	23,991	141,832	35,946	73,581	161,927	26,609	158,775	905,512
Police	336,889	328,340	358,267	345,395	479,085	1,407,129	306,412	338,835	364,772	468,237	346,936	400,274	5,480,571
Fire	138,851	130,456	149,516	142,878	189,242	563,964	120,418	144,465	170,338	188,485	139,050	207,813	2,285,476
Public Works	267,155	256,142	263,484	269,397	397,497	1,056,653	210,168	272,654	316,689	362,249	306,838	280,448	4,259,374
Library	71,573	59,814	60,003	63,579	76,142	245,388	48,736	65,954	66,704	86,205	57,872	69,829	971,799
Centennial Building	32,315	31,021	30,996	33,261	43,401	148,922	35,548	35,821	39,204	41,294	30,667	41,043	543,493
Visitors Bureau/SR Citizen Center	83,094	4,498	2,531	88,835	8,910	12,739	3,233	4,575	6,348	3,886	3,840	16,221	238,710
Contingency	-				•		-	103,222	213,633	59,628	9,939	77,032	463,454
Debt Service	9,745	2,104	6,453	1,380		9,627		12,961		- 559,794			42,270
School Support	476,460	476,460	476,460	510,123	952,920	446,372	559,793	559,793	559,794	559,794	559,793	559,793	6,697,555 (1,091,604)
Hospital Support			-	-	•	(1,091,604)	•	•		•	•	•	(1,091,604)
Fixed Asset Acquisition Transfers To Other Funds	•	•	•	80,106	•	790,599	•	-	1,000,000	-	2,332,000	-	4,202,705
Hausiers to Other Lands		<del></del> : .					<del>.</del>	<del>:</del>					<del></del>
Total Cost of Sales:	1,810,631	1,646,441	1,649,388	1,930,019	2,649,190	4,860,984	1,652,953	1,851,487	3,092,435	2,361,809	4,112,777	2,174,755	29,792,869
Surplus/(Shortfall) of Revenues Over Outlays	(171.941)	(522,195)	(1.075.717)	(82,970)	(1.627.043)	702.319	7.681.197	(647,037)	(1.854.622)	(317.074)	(2.194.796)	(1.495.226)	(1.605,105)
Sulplus (Shortes) of Revenues Over Outlays	-10.49%	-46.45%	-187.51%	-4.49%	-159.18%	12.62%	82.29%	-53.72%	-149.83%	-15.51%	-114.43%	-220.04%	-5.69%
Unrestricted Fund Liquidity													
THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED IN COLUMN TWI													
Beginning Unrestricted Liquidity:	8,744,721	8,610,533	8,091,204	7,015,710	7,053,643	5,431,724	6,108,156	12,866,210	13,219,173	11,364,552	11,296,705	9,101,910	8,744,721
Surplus/(Shortfall) of Revenues Over Outlays:	(171,941)	(522,195)	(1,075,717)	(82,970)	(1,627,043)	702,319	7,681,197	(647,037)	(1,854,622)	(317,074)	(2,194,796)	(1,495,226)	(1,605,105)
	-	2000	-	-		/ar ac=1	(022.142)	1 000 000	-	240 227		2.650	450 704
Other balance sheet changes:	37,753	2,866	223	120,903	5,124	(25,887)	(923,143)	1,000,000	1	249,227	1	2,656	469,724
Ending Unrestricted liquidity:	8,610,533	8,091,204	7,015,710	7,053,643	5,431,724	6,108,156	12,866,210	13,219,173	11,364,552	11,296,705	9,101,910	7,609,340	7,609,340

# Electric Utility Financial Analysis As Of, And For the Six-Month Period Ending December, 2015

The Electric Fund's financial performance for the six-month period ending December 31, 2015 is in line with FY2016 plan; however, all metrics have deteriorated slightly in comparison to FY2015. Total revenue, earnings before interest (EBI), earnings before interest and depreciation (EBID), and net income have all declined from FY2015.

Despite an electricity rate increase in excess of 10% in July of 2015, electricity sales increased by just \$349.3K, or 5.3% in year-over-year comparison. Electricity consumption declined by 576,250 kWh, or (1.9%) year-over-year, offsetting the effects of the rates increase. At the same time, the full effects of increased debt service in conjunction with the Blue Lake Hydroelectric project are now being felt. This has again caused the debt coverage ratio to fall below the minimum target threshold (the coverage ratio is measured for reporting purposes as of June 30).

Revenue fell below that for the comparable period in FY15 by \$16.4K, a (0.2%) decrease. EBI was \$2,435K for the three-month comparable period, compared to \$2,528.5K a year earlier, a decrease of (\$92.6K), or (3.7%). Cost of sales increased by \$86.7K, or 2.4%. EBIDA decreased on a year-over-basis by (\$42.0K), or (1.2%).

The rate coverage ratio for the 6-month period ending December 31, 2015 was 0.95; the minimum rate coverage ratio for the fiscal year ending June 30, 2016 is 1.25.

The financial metrics for the Electric Fund indicate that, strategically, a source of external subsidization, from general brad-based taxes or other sources, needs to be implemented on a long-term basis. User fee increases, coupled with warm weather and low heating oil prices, have caused electricity consumption to steadily decline. When measured on a rolling 12-month trailing basis, electricity consumption has declined, for example, by 6.68 MWh or 6.0%, from the date the Blue Lake Hydroelectric construction contract was awarded, from 111.64 MWh to 104.96 MWh. The current rate coverage ratio of 0.95 indicates that, given current the current rate and operating cost structure of the Electric Fund, not enough cash flow from operations is being generated to meet debt service, much less provide a 25% cushion.

For the remainder of FY16, management will consider a combination of three correctional steps. First, management will look to make withdrawals, as planned for and anticipated, from the Rate Stabilization Fund to mitigate the ratio deficit. As of June 30, 2015, the rate Stabilization Fund stood at \$3,001.3K; \$2,350.0K of this fund will likely need to be used to meet the rate covenant for FY2016. Secondly, management will propose an electric rate increase in the range of 5.0% to 10.0%, and, look to implement the rate increase earlier than July 1, 2016. Finally, management will consider options for a long-term subsidization of the electric fund

from general governmental revenues until electricity consumption increases. A subsidy of at least \$1.0 million will be actively considered and planned for FY2017.

#### City and Borough of Sitks Electric Utility Income Statement For The Twelve-Month Period From July 1, 2015 to June 30, 2016

#### (Unaudited)

	July 2015	August 2925	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016	April 2015	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L-50.00%)	Variance To FY2016 Plan
Revenue: Electricity Sales	1,052,246	1,236,631	1,159,140	1,049,699	1,174,690	1,328,814				. ]	. ]	.	7,001,220	6,651,967	349,253	7,414,970	(413,750)
fobbing Other Operating Revenue	480 5,501	200 4,825	51,318 4,133	27,424 22,039	4,549 7,488	22,348 3,057	<u>.</u>			:			106,319 47,043	491,475 27,496	(385,156) 19,547	41,850 54,750	64,469 (7,707)
Total Revenue:	1,058,227	1,241,656	1,214,591	1,099,162	1,186,727	1,354,219							7,154,582	7,170,938	(16,356)	7,511,570	(356,988)
Cost of Sales:	•															1	
Green Lake	53,038	30,860	32,632	49,289	41,771	90,370				.	-	.	297,960	210,955	(87,005)	378,535	80,575
Blue Lake	110,372	163,986	152,199	175,023	137,767	137,077					- 1	•	876,424	725,046	(151,378)	1,008,269	131,845
Diesels ·	12,217	47,319	63,657	56,279	45,820	77,560				-			302,852	301,192	(1,660)	337,139	34,287
Switchyard Line Maintenance	2,204 2,598	4,429 2,755	832 2,062	1,857 7,938	917 9,313	7,169 8,643				- 1		,	17,408 33,309	5,055 (5,101)	(12,353) (38,410)	15,614 92,455	(1,794) 59,146
Substation Maintenance	3,522	2,733	2,172	7,936	10,980	345				: I		: 1	17,019	(6,682)	(23,701)	6,506	(10,513)
Distribution	89,842	162,657	137,882	177,396	132,364	117,764				.		.	817,905	780,343	(37,562)	810,089	(7,817)
Metering	20,492	29,020	42,271	40,551	29,566	28,831			- 1	- 1			190,731	179,480	(11,251)	215,465	24,734
Jobbing	14,078	22,576	18,417	50,757	5,329	2,045					-	.	113,202	443,957	330,755	60,349	(52,854)
Stores	8,744	13,799	12,662	17,692	12,974	14,431	-			- 1	- 1	•	80,302	76,735	(3,567)	87,998	7,696
Depreciation	149,683	149,683	149,683	208,172	152,987	151,335	<u>-</u>	<del></del>	<del></del>				961.543	910,944	(50,599)	961.543	<del></del>
Total Cost of Sales:	466,790	627,014	614,469	784,954	579,788	635,570	<del>:</del>						3,708,655	3,621,924	(86,731)	3,973,960	265,305
Gross Margin:	591,437 55.89%	614,572 49.50%	600,122 49.41%	314,208 28.59%	606,939 51.14%	718,649 53.07%	#DIV/01	#DIV/0I	#DIV/01	#DIV/01	#DIV/01	#DIV/01	3,445,927 43.16%	3,549,014 49.49%	(103,017) -1.33%	3,537,610 47.10%	(91,683) 1.07%
Setting and Administrative Expenses	161,764	175,712	179,658	171,170	174,315	147,490			<u> </u>		<u> </u>		1,010,109	1,020,557	20,448	1,312,870	302,761
Earnings Before interest (EBI):	429,673	433,860	420,464	143,031	432,624	571,159							2,435,818	2,528,457	(92,639)	2,224,740	211,078
Non-operating Revenue and Expense:	40.60%	35.34%	34.62%	13.01%	36.46%	42.18%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	34.05%	35.26%	-1.21%	29.62%	4.43%
Non-Operating Revenue:	56,575	54,446	54,392	50,930	74,065	61,062	_					. 1	351,470	352,201	(731)	358,547	(7,077)
Bond Fund Interest	17,701	20,589	20,537	21,021	21,375	20,967	.			: 1	: 1	: 1	122,190	74,787	47,403	122,190	(7,077)
Grant Revenue	(1,673)	1,601		18,003	60,352			-	- 1	-	.	.	78,283	4,247,222	(4,168,939)	78,283	-
Bonded Interest Expense:	(496,527)	(496,527)	(496,527)	(496,527)	(496,527)	(496,527)		.		.	-	- ]	(2,979,162)	{2,907,696}	(71,466)	(2,979,162)	-
Subordinated interest expense	(25,329)	(25,329)	(25,329)	(25,329)	(25,329)	(25,329)	<del></del>						(151.974)	(131,665)	(20,309)	(151,974)	
Total Non-operating Revenue & Expense:	(449,253)	(445,220)	(445,927)	(431,902)	(366,064)	[439,827]	<del>-</del>	<del>-</del>	— <u> </u>	<u> </u>	— <u> </u>		(2,579,193)	1,634,849	(4,214,042)	(2.572.116)	(170,17)
Net Income:	(19,580) -1.85%	(6,360) -0.51%	-2.18%	(288,864) -26.28%	<u>66,560</u> 5.61%	<u>131,992</u> 9.70%	#DIV/01	*DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	(143,375) -2.00%	4,163,306 58.06%	(4,306,681) -60.06%	(347,376) -4.62%	204,001 2.62%
EBIDA	579,356	511,543	570,147	351,210	585,611	722,494							3,397,361	3,439,401	(42,040)	3,186,283	211,078
Read Command Patts (s. 1.75 for Sections)	54.75%	47.40%	46.94%	31.95%	49.35%	53.35%	#DIV/01	#DIV/01	#01//01	#DIV/01	#DIV/01	#DIV/01	47.49%	47.96%	-0.48%	42.42%	5.07%
Bond Covenant Ratio (> 1.25 for fiscal year)  Total kWh Sold	0.92 8 151 950	0.94	0.91	0.57	0.96	1.15	#DIV/OI	#DIV/01	MDIV/OI	#DIV/01	#DIV/GI	#DIV/OI	0.95	0.92	0.03	0.85	0.10
Revenue per Kwh Sold	8,151,950 0.1291	8,478,750 0.1459	7,868,850 0.1473	8,163,750 0.1286	9,509,500	10,259,050	#DIV/OI	#DIV/OI	#DIV/OI	#DIV/01	#DIV/01	#DIV/OI	52,431,850 0.1335	53,008,100 0.1255	(576,250)	53,000,000	(568,150)
Cost of Seles per Kwh Sold	0.0573	0.0740	0.0781	0.0962	0.0610	0.0620	#DIV/OI	#DIV/OI	#DIV/OI	#DIV/01	#DIV/01	#DIV/01 1.087%	0.0707	0.0683	0.0024	0.0750	0.0042
Debt Principel Coverage																	
Simple Cash Flow (Net Income Plus Depreciation) Bonded Debt Principal	130,103	143,323	123,220	(80,692)	219,547	282,667	•			•	· 1	-	818,168	5,047,917	(4,229,749)	614,167	204,001
Subordinated Debt Principal	162,917 25,844	162,917 25,844	152,917 25,844	162,917 25,844	162,917 25,844	162,917 25,844				1		: 1	977,502 155,064	957,498 149,040	20,004 6,024	977,502 155,064	
Debt Principal Coverage Surplus/Deficit	(58,658)	(45,431)	(65,541)	(269,453)	30,786	93,906	<u>:</u>	<u>_</u>	<u>_</u>	<u> </u>	<u> </u>	<u> </u>	(314,333)	3,941,379	(4,255,777)	(518,999)	204,001
Debt Principal Coverage Percentage	69%	76%	65%	-43%	115%	150%	#DIV/01	sDIV/01	#DIV/0I	#DIV/01	#DIV/01	#DIV/OI	72%	456%	-334%	54%	18%
Simple Asset Replacement Coverage															ļ		
Debt Principal Coverage Surplus/Deficit (From Above)	(58,658)	(45,438)	(65,541)	(269,453)	30,786	93,906			-			. 1	(314,398)	3,941,379	(4,255,777)	(518,399)	204,001
Depreciation	149,683	149,683	149,683	208,172	152,987	151,335					<u> </u>		961,543	910,944	50,599	961,543	<u>.</u>
Cash Accumulated For/(Taken From) Asset Replacement	(202,341)	{195,121}	(215,224)	(477,625)	(122,201)	(57,429)	-	•	-		-	-	(1,275,941)	3,030,435	(4,306,376)	(1,479,942)	294,001
Underignated Working Capital  Beginning Underlignated Working Capital	9,748,094	10,608,914	10,756,194		10 740 400	****	10.000.00	****	10.000.00	10.000.00	10.000						
Ret Income Plus Depreciation Less Principal	9,748,094 (58,658)	10,608,914 (45,438)	10,756,194 (65,541)	10,886,998 (269,453)	10,795,856 30,786	10,948,315 93,906	10,080,824	10,050,824	10,030,824	10,060,824	10,080,824	10,080,824	9,748,094	9,140,277 3,941,379	607,817 (4,255,777)		
CapEx, Accruals, and other Balance Sheet Changes	919,478	192,718	196,345	178,311	121,673	(961,397)	:				:	:	647,128	(5,431,582)	6,078,710		
Ending Undesignated Working Capital	10,608,914	10,756,194	10,826,993	10,795,856	10,943,315	10,080,824	10,080,824	10,080,824	10,030,824	10,020,824	10,080,824	10,080,824	10,080,824	7,650,074	2,430,750		
Working Capital Designated for CapEx Total Working Capital	4,552,140 15,161,035	4,439,287 15,195,482	4,010,332 14,897,331	3,276,210 14,072,067	3,094,389 14,042,705	3,804,429 13,835,254	3,804,429 13,835,254	3,804,429 13,885,254	3,804,429 13,885,254	3,804,429 19,885,254	3,804,429 13,885,254	3,204,429 13,235,254	3,804,429 13,885,254	6,252,072 14,167,239	(2,447,643) (281,936)		
Current Assets	18,329,681	18,817,577	18,525,149	18,134,616	18,593,466	18,054,289	18,054,289	18,0\$4,289	18,054,289	18,054,289	18,0\$4,289	18,054,289					
Current Liabilities	(903,494)	(1,356,963)	(1,362,636)	(1,797,417)	(2,285,629)	(1,903,903)	(1,903,903)	(1,903,903)	(1,903,903)	(1,903,903)	(1,903,903)	(1,903,903)					
CPLTO	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)	(2,265,132)					
WCDFCapex	(4,552,140)	(4,439,287)	(4,010,382)	(3,276,210)	(3,094,389)	(3,804,429)	(3,804,429)	(3,604,429)	(3,804,429)	(3,804,429)	(3,804,429)	(3,804,429)					
Undesignated Working Capital	10,608,915 (0)	10,756,195 0	10,886,999 0	10,795,857 0	10,948,316 0	10,030,825	10,080,825 0	10,080,825 Q	10,080,825 0	10,080,825 0	10,080,825 0	10,080,825					
Сарех	(22,442)	(135,043)	(449,442)	(773,196)	(263,548)	(113,214)			. •	. "	. •		(1,756,885)				
Grant Revenue	(1,673)	1,601		18,003	60,352								78,283				
Bond Fund Interest	17,701	20,589	20,537	21,021	21,375	20, <del>96</del> 7	•		•	•	•	•	122,190				
New FY15 Designated WC	3,535,000		•	•		802,287	•	-	-	-	•	•	4,337,287				
												Check Figure	3,804,429				

#### City and Borough of Sitka **Electric Utility** Income Statement

#### For The Trailing Twelve-Month Trailing Period Ending December 31, 2015

#### (Unaudited)

12-Month

Trailing

13,967,561

479,277

1,209,465

15,656,303

705,442

2,141,279

637,865

20,533

62,463

32,612

1,906,673

486,472

454,555

208,419

1,865,306

8,521,619

7,134,684

2,396,286

4,738,398

3,001,751

501,739 5,817,278

(5,886,858)

(310,179)

3,123,731

7,862,129

6,603,704

104,717,000 0.1334

0.0814

9,727,435

1,935,000

304,104

7,488,331

7,488,331

1,865,306

5,623,025

7,915,167

7,488,331

(5,322,674)

10,080,824

3,804,429

13,885,254

434%

50.22%

42.18%

1.29

30.27%

45.57%

	January	February	March	April	May	June	July	August	September	October	November	December
Revenue:	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	<u>2015</u>
Electricity Sales	1,221,907	826,272	1,639,676	1,253,926	1,019,444	1,005,116	1,052,246	1,236,631	1,159,140	1,049,699	1,174,690	1,328,814
Jobbing Other Operating Revenue	31,088 10,368	13,550 6,628	186 911	141,055 5,170	140 4,624	186,939 1,134,721	480 5,501	200 4,825	51,318 4,133	27,424 22,039	4,549 7,488	22,348 3,057
Total Revenue:	1,263,363	846,450	1,640,773	1,400,151	1,024,208	2,326,776	1,058,227	1,241,656	1,214,591	1,099,162	1,186,727	1,354,219
Cost of Sales:												
Green Lake	30,241	46,992	112,130	42,186	41,508	134,425	53,038	30,860	32,632	49,289	41,771	90,370
Blue Lake	139,237	123,650	152,941	128,869	185,688	534,470	110,372	163,986	152,199	175,023	137,767	137,077
Diesels Switchyard	17,362 1,148	22,629 60	20,268	20,634 910	44,821 771	209,299 236	12,217 2,204	47,319 4,429	63,657 832	56,279 1,857	45,820 917	77,560 7,169
Line Maintenance	67	8,084	(249)	16,629	3,864	759	2,598	2,755	2,062	7,938	9,313	8,643
Substation Maintenance	180	1,663	(249)	-	-	13,999	3,522		2,172	•	10,980	345
Distribution	132,144	101,275	128,797	104,684	126,747	495,121	89,842	162,657	137,882	177,396	132,364	117,764
Metering Jobbing	29,506 44,543	27,851 35,443	32,456 23,883	29,421 39,150	40,382 60,278	136,125 138,056	20,492 14,078	29,020 22,576	42,271 18,417	40,551 50,757	29,566 5,329	28,831 2,045
Stores	12,418	13,620	13,353	13,829	24,758	50,139	8,744	13,799	12,662	17,692	12,974	14,431
Depreciation	151,824	151,824	151,824	151,824	151,822	144,645	149,683	149,683	149,683	208,172	152,987	151,335
Total Cost of Sales:	558,670	533,091	635,154	548,136	680,639	1,857,274	466,790	627,084	614,469	784,954	579,788	635,570
Gross Margin:	704,693 55.78%	313,359 37.02%	1,005,619 61.29%	852,015 60.85%	343,569 33.54%	469,502 20.18%	591,437 55.89%	614,572 49.50%	600,122 49.41%	314,208 28.59%	606,939 51.14%	718,649 53.07%
Selling and Administrative Expenses	235,005	179,767	190,359	183,054	232,585	365,407	161,764	175,712	179,658	171,170	174,315	147,490
Earnings Before Interest (EBI):	469,688	133,592	815,260	668,961	110,984	104,095	429,673	438,860	420,464	143,038	432,624	571,159
Non-operating Revenue and Expense:	37.18%	15.78%	49.69%	47.78%	10.84%	4.47%	40.60%	35.34%	34.62%	13.01%	36.46%	42.18%
Non-Operating Revenue:	49,176	51,996	58,408	54,983	82,356	2,353,362	56,575	54,446	54,392	50,930	74,065	61,062
Bond Fund Interest	22,727	19,881	22,743	20,643	17,435	276,120	17,701	20,589	20,537	21,021	21,375	20,967
Grant Revenue	1,202,037	42,954	2,480,333	198,768	(519)	1,815,422	(1,673)	1,601	•	18,003	60,352	-
Bonded Interest Expense:	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(496,527)	(496,527)	(496,527)	(496,527)	(496,527)	(496,527)
Subordinated Interest expense	(26,333)	(26,333)	(26,333)	(26,333)	(26,333)	(26,540)	(25,329)	(25,329)	(25,329)	(25,329)	(25,329)	(25,329)
Total Non-operating Revenue & Expense:	762,991	(396,118)	2,050,535	(236,555)	(411,677)	3,933,748	[449,253]	(445,220)	(446,927)	(431,902)	[366,064]	(439,827)
Net Income:	1.232,679	(262,526)	2.865.795	432,406	(300,693)	4.037,843	[19,580]	(6,360)	[26,463]	(288,864)	66,560	131,332
	97.57%	-31.01%	174.66%	30.88%	-29.36%	173.54%	-1.85%	-0,51%	-2.18%	-26.28%	5.61%	9.70%
EBIDA	621,512 49.20%	285,416 33.72%	967,084 58.94%	820,785 \$8.62%	262,806 25.66%	248,740 10.69%	579,356 54.75%	588,543 47.40%	570,147 46.94%	351,210 31.95%	585,611 49.35%	722,494 53.35%
Bond Covenant Ratio (> 1.25 for fiscal year)	1.00	0.48	1.55	1.32	0.49	4.40	0.92	0.94	0.91	0.57	0.96	1.15
Total kWh Sold	9,823,950	9,044,000	10,474,700	8,859,700	7,248,500	6,834,300	8,151,950	8,478,750	7,868,850	8,163,750	9,509,500	10,259,050
Electricity Sales Revenue per Kwh Sold Cost of Sales per Kwh Sold	0.1244 0.0569	0.0914 0.0589	0.1565 0.0606	0.1415 0.0619	0.1406 0.0939	0.1471 0.2718	0.1291 0.0573	0.1459 0.0740	0.1473 0.0781	0.1286 0.0962	0.1235 0.0610	0.1295 0.0620
Debt Principal Coverage						1						
Simple Cash Flow (Net Income Plus Depreciation)	1,384,503	(110,702)	3,017,619	584,230	(148,871)	4,182,488	130,103	143,323	123,220	(80,692)	219,547	282,667
Bonded Debt Principal	159,583	159,583	159,583	159,583	159,583	159,583	162,917	162,917	162,917	162,917	162,917	162,917
Subordinated Debt Principal	24,840	24,840	24,840	24,840	24,840	24,840	25,844	25,844	25,844	25,844	25,844	25,844
Debt Principal Coverage Surplus/Deficit	1,200,080	(295,125)	2,833,196	399,807	(333,294)	3,998,065	(58,658)	(45,438)	(65,541)	(269,453)	30,786	93,906
Debt Principal Coverage Percentage	751%	-60%	1636%	317%	-81%	2268%	69%	76%	65%	-43%	116%	1509
Simple Asset Replacement Coverage												
Debt Principal Coverage Surplus/Deficit (From Above)	1,200,080	(295,125)	2,833,196	399,807	(333,294)	3,998,065	(58,658)	(45,438)	(65,541)	(269,453)	30,786	93,906
Depreciation	151,824	151,824	151,824	151,824	151,822	144,645	149,683	149,683	149,683	208,172	152,987	151,335
Cash Accumulated For/(Taken From) Asset Replacement  Undesignated Working Capital	1,048,256	(446,949)	2,681,372	247,983	(485,116)	3,853,420	(208,341)	(195,121)	(215,224)	(477,625]	(122,201)	(57,429)
	3000 000	E 600 77F	£ 000 e3-	0 400 00-	V.	E 744 FOR	0.345.604	10,608,914	10,756,194	10,886,998	10,795,856	10,948,315
Beginning Undesignated Working Capital Net Income Plus Depreciation Less Principal	7,915,167 1,200,080	5,829,775 (295,125)	5,800,674 2,833,196	9,409,227 399,807	5,394,434 (333,294)	5,544,589 3,998,065	9,748,094 (58,658)	10,608,914 (45,438)	10,756,194 (65,541)	10,886,998 (269,453)	10,795,856 30,786	10,948,315 93,906
CapEx, Accruals, and other Balance Sheet Changes	(3,285,472)	266,024	775,357	(4,414,600)	483,449	205,440	919,478	192,718	196,345	178,311	121,673	(961,397
Ending Undesignated Working Capital	5,829,775	5,800,674	9,409,227	5,394,434	5,544,589	9,748,094	10,608,914	10,756,194	10,886,998	10,795,856	10,948,315	10,080,824
Working Capital Designated for CapEx	6,416,633	6,416,633	6,409,154	8,574,304	8,221,020	6,573,276	4,552,140	4,439,287	4,010,382	3,276,210	3,094,389	3,804,429
Total Working Capital	12,246,408	12,217,307	15,818,381	13,968,738	13,765,609	16,321,370	15,161,055	15,195,482	14,897,381	14,072,067	14,042,705	13,885,254

# Water Utility Financial Analysis As Of, And For the Six-Month Period Ending December 31, 2015

Financial operations for the Water Fund continued to show marked improvement over FY15 for the comparative 6-month period. Water sales revenue increased \$131.2K, or 13.2% compared to FY2015. Compared to plan for FY16, water sales revenue exceeded plan by \$64.1K, or 6.0% for the 6-month period ending December 31, 2015.

In addition to increasing top line revenue, the Water Fund was successful in controlling operating costs. Costs of sales decreased by \$46.7K, or 6.0% from the comparative six-month period in FY15. Compared to plan, cost of sales remain well under projections, posting a positive variance (costs below plan) of \$79.9K, or 9.9%. There are some differences in the timing of expense reporting, however, and it is anticipated that the large positive variances in costs will decrease as the year progresses.

Undesignated working capital grew to a healthy \$893.2K as of December 31, 2015; overall working capital was \$1,883.9K as of the same date.

In the summer of 2014, we had reported that the Water Fund had bottomed out financially, and, that user fee increases were causing the Water Fund's financial position to slowly improve. That trend has continued with all metrics show positive variances and improvement. The financial condition of the Water Fund has now improved to the point of being stable. Continuing increases in user fees are required in the Water Fund, but these fees are now driven by future capital expenditure requirements and inflation.

#### City and Borough of Sittle Water Utility Income Statement For The Tealing Twelve-Month Period Ending June 30, 2016 (Unauditerd)

							,,,										
	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 50.00%)	Variance To FY2016 Plan
Revenue:	6242	6433	1232		KYAY	1	1717 _1	1212			1141	1474					
Water Sales Inhbung	183,279	196,144	202,838	191,997	179,698	172,479 2.042	•	•	•		•	•	1,126,435 2.042	995,188 95,717	131,247 (93,675)	1,062,359	64,077 (27,958)
Other Operating Revenue		1.415	2.175	1,450	1,660	841	:	:		:	:	:	8,266	10,991	(2,725)	4,790	3,476
Total Revenue:	184,004	197,559	205,013	193,447	181,358	175,362	•	•	•		•	•	1,136,743	1,101,896	34,847	1,097,149	39,595
Cost of Sales:																	
Distribution Treatment	22,670 13,292	28,261 20,034	25,622 24,528	38,642 28,466	30,698 24,607	31,029 15,934	•	•	•	•		•	176,922 126,861	256,438 91,698	79,516 (35,163)	299,689 83,950	122,767 (42,911)
Jobbing	13,252	20,034			24,607	13,934		:		:		:		114	114	63,530	(42,311)
Depreciation	70,573	70,573	70,573	70,573		70,573	<del></del>	<del></del>		<del></del>		<del></del>	423,438	425,688	2,250	423,438	<del></del>
Total Cost of Sales:	106,535	118,864	120,723	137,681	125,878	117,536							727,221	773,938	46,717	807,077	79,856
Constitution (Constitution)		70.00	41.200	55,766	55.480								409.522	327.958	#1.S64	290.072	119,450
Gross Margin:	77,469 42.10%	78,691 39.83%	84,290 41.11%	28.63%	30.59%	57,826 32.98%	#DIV/01	#DIV/01	#DIV/0I	#DIV/01	#DIV/01	#DIV/01	36.03%	29.76%	6.26%	26.44%	9.59%
5 M				20.20	*****								280,558	273,078	E 4440	333,507	e2 em
Selling and Administrative Expenses	31,968	32,141	67,258	35,765	33,199	80,227	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<u>-</u>	280,398	273,076	(7,480)	333,307	\$2,949
Earnings Before Interest (EBI):	45,501	46,550	17,032	20,001	22,281	[22,401]							128,964	54,880	74,084	(43,435)	172,399
Non-operating Revenue and Expense:	24.73%	23.56%	\$.31%	10.34%	12.29%	-12.77%	#DIV/01	#DIV/01	#DIV/0I	#D1V/01	#DIV/01	#D1V/01	11.35%	4.98%	6.36%	-3.96%	15.30%
Non-operating revenue: Grant Revenue	(1,568)	(1,869)	159	2,193 341 078	2,112	2,300 (272,316)	•	:	:		:	:	3,327 272.593	(3,031) 71,787	6,358 200,806	3,950 322,000	(623) (49.407)
Interest Expense:	(5,619)	(5,619)	(5,619)	(5,619)	(5,619)						<u> </u>		(33,714)	[41,742]	8,028	(34,900)	1.186
					*****								***	33.64.6	315.563		
Total Non-operating Revenue & Expense:	(7.18?)		(5,460)	337.652	200,324	(275,635)	<del></del>			<del></del>	<del></del>	<del></del>	242,206	27,014	215,192	291,051	(43,845) ·
Net Income:	38.314 20.82%	39.062 19.77%	11.572 5.64%	357.653 184.83%	222,605	(298,036) -169,95%	#DIV/01	#DIV/01	#DIV/0!	#DIV/01	#DIV/01	#DIV/01	371.170 32.65%	81.894 7.43%	289,276 830.13%	<u>247.616</u> 22.57%	123,555 10.08%
	20.82%	19.77%	5.64%	184.88%	122.74%	-169.95%	#DIV/01	MDIV/01	#DIV/OI	#DIV/OI	#DIV/01	#DIV/G!	32.65%	7.43%	830.13%	22.57%	10.08%
Earnings Sefore interest and Depreciation (EBIDA):	116,074	117,123	87,605	90,574	92,854	48,172							552,402	480,568	71,834	380,003	172,399
	63.08%	59.29%	42.73%	46.82%	51.20%	27.47%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	48.60%	43.61%	4.98%	34.64%	13.96%
Debt Principal Coverage																	
Simple Cash Flow (Net Income Plus Depreciation)	108,887	109,635	82,145	428,226	293,178	(227,463)		_			_		794,603	507,582	287,026	671,054	123,555
Debt Principal	28,372	28,372	28,372	28,372	28,372	28,372							170,232	148,800	(21,432)	170,232	
Debt Principal Coverage Surplus/Deficit	80,515	81,263	<u>\$3,773</u>	399,854	264,806	(255,835)	<del></del>	<del></del>	<del></del>		<u>.</u>	<del></del>	624,376	358,782	265,594	500,822	123,555
Debt Principal Coverage Percentage	384%	326%	290%	1509%	1033%	-802%	#DIV/01	#DIV/01	#DSV/01	#DIV/01	#DIV/0I	#DIV/01	466.78%	341.12%	125.66%	394.20%	72.58%
	30.73									,.,		-2.0,0.		3,33277			
Simple Asset Replacement Coverage																	
Debt Principal Coverage Surplus/Deficit (From Above)	80,515	81,263	53,773	399,854	264,806	(255,835)						•	624,376	358,782	265,594	500,822	123,555
Depreciation			70,573	70,573	70,573	70,573	<del></del>	<u></u>	<del></del>	<del></del>	<del>-</del>	<del>-</del>	423,438 200,938	425,683	2,250	423,438	123,555
	70,573	70,573	*****							•	•	•	200,938				
Cash Accumulated For/(Taken From) Asset Replacement	70,573 9,942	10,690	(16,800)	329,281	194,233	(326,408)	•	•						(66,906)	267,844	77,384	
			(16,800)	329,281	194,233	(326,408)	·	·						(66,306)	267,844	77,384	
Cash Accumulated For/(Taken From) Asset Replacement  Working Cooltal		10,690					891,245	893.245	893,245	693,245	893.245	893,245	280				
Cash Accumulated For/(Taken From) Asset Replacement  Westing Cooked  Beginning Undesignated Working Capital  Net Income Plus Depreciation Lass Pincipal	9,942 280 80,515	10,690 [60,704] 81,263	37,145 53,773	98,619 399,654	719,437 264,806	825,815 (255,835)	893,245	893,245 -	893,245	893,245	893,245	893,245	280 624,376	(638,023) 358,782	638,303 265,594	280 500,822	123,555
Cash Accumulated For/(Taken From) Asset Repiscement  Werkins Capital  Beginning Undesignated Working Capital  Net Income Plus Depreciation Lass Principal  Capita. Accruist, and other Balance Sheet Changes	9,942 280 80,515 (141,499)	10,690 [60,704] 81,263 16,586	37,145 53,773 7,901	98,819 399,854 220,764	719,437 264,806 (158,428)	825,815 (255,835) 323,265	<u> </u>	<u>:</u>		<u>· :</u>	<u> </u>	<u>:</u>	624,376 268,589	(638,023) 358,782 496,050	638,303 265,594 (227,461)	220 500,822 268,589	123,555
Cash Accumulated For/(Taken From) Asset Replacement  Westing Cooked  Beginning Undesignated Working Capital  Net Income Plus Depreciation Lass Pincipal	9,942 280 80,515	10,690 [60,704] 81,263	37,145 53,773	98,619 399,654	719,437 264,806	825,815 (255,835)	893,245	893,245 - 893,245	893,245 - 893,245	893,245 - 893,245	893,245	893,245 893,245	624,376	(638,023) 358,782	638,303 265,594	280 500,822	
Cash Accumulated For/(Taken From) Asset Repiscement  Werkins Capital  Beginning Undesignated Working Capital  Net Income Plus Depreciation Lass Principal  Capita. Accruist, and other Balance Sheet Changes	9,942 280 80,515 (141,499)	10,690 [60,704] 81,263 16,586	37,145 53,773 7,901	98,819 399,854 220,764	719,437 264,806 (158,428)	825,815 (255,835) 323,265	<u> </u>	<u>:</u>		<u>· :</u>	<u> </u>	<u>:</u>	624,376 268,589	(638,023) 358,782 496,050	638,303 265,594 (227,461)	220 500,822 268,589	123,555
Cash Accumulated For/(Taken From) Asset Replacement Wastine Capital  Beginning Undesignated Working Capital Net Income Plus Depreciation Lass Principal Capita, Accrueis, and other Balance Sheet Changes Ending Undesignated Working Capital	9,942 280 80,515 (141,459) (60,704)	10,690 [60,704] 81,263 16,586 37,145 1,054,816	37,145 53,773 7,901 92,819	98,819 399,854 220,764 719,437	719,437 264,806 (158,428) 825,815 1,000,023	825,815 (255,835) 323,265 893,245	893,245 990,695	893,245 990,695	893,245 990,695	893,245 990,695	893,245 990,695	893,245 990,695	624,376 268,589 893,245 990,695	(638,023) 359,782 496,050 216,809	633,303 265,594 (227,461) 676,436 508,786	280 500,822 266,589 769,691	123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Westine Cepital  Beginning Undesignated Working Capital  Net Income Plus Depreciation Less Pincipal  Capita. Accumulation Less Pincipal  Capital Counts, and other Balance Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Labilities	280 80,515 (141,499) (60,704) 1,063,082 1,365,744 (51,274)	10,690 [60,704] 81,263 10,586 37,145 1,054,816 1,455,379 (51,326)	37,145 53,773 7,901 92,819 1,000,023 1,451,831 (40,857)	98,619 399,854 220,764 719,437 1,000,023 2,072,429 (40,877)	719,437 264,806 (158,428) 625,815 1,000,023 2,179,169 (41,239)	825,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,239)	893,245 990,695 2,297,271 (41,239)	893,245 990,695 2,237,271 (41,239)	893,245 990,695 2,237,271 (41,239)	693,245 990,695 2,237,271 (41,239)	893,245 990,695 2,237,271 (41,239)	893,245 990,695 2,237,271 (41,239)	624,376 268,589 833,245 990,695 2,237,271 (41,239)	(638,023) 358,782 496,050 215,809 481,909 1,290,328 (234,010)	638,303 265,594 (227,461) 676,436 508,786 946,943 252,773	280 500,822 266,589 769,691	123,555
Cash Accumulated For/(Taken From) Asset Repiscement  Werkine Cashtal  Beginning Undesignated Working Capital  Net Income Plus Deprediation Lass Principal Capita. Accrush, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Assets  Current Liabilities  CRITO	250 80,515 (141,499) (60,704) 1,063,062 1,365,744 (S1,274) (312,082)	10,690 [60,704] 81,263 16,586 37,145 1,054,816 1,455,379 (51,326] [112,092]	37,145 53,773 7,901 \$2,819 1,000,023 1,451,831 (40,897) (312,092)	93,819 399,854 220,764 719,437 1,000,023 2,072,429 (40,877) (312,092)	719,437 264,606 (158,428) 625,815 1,000,023 2,179,169 (41,239) (312,032)	825,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,239) (312,092)	893,245 990,695 2,237,271 (41,239) (312,092)	893,245 990,695 2,237,271 (41,239) (312,092)	893,245 990,695 2,237,271 (41,239) (312,092)	893,245 990,695 2,237,271 (41,239) (312,092)	893,245 990,695 2,237,271 (41,233) (312,092)	893,245 990,695 2,237,271 (41,239) (112,092)	624,375 268,589 893,245 990,695 2,237,271 (41,239) (312,092)	(638,023) 355,782 496,050 215,809 481,909 1,290,328 (234,010) (27,600)	638,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492)	280 500,822 266,589 769,691	123,555
Cash Accumulated For/(Token From) Asset Repiscement  Werkins Cashtal  Beginning Undesignated Working Capital  Net Income Plus Depreciation Lass Principal Capita. Accrush, and other Balance Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Assets Current Liabilities CRLTD  WCDFCapex	250 E0,515 {141,499} (60,704) 1,063,032 1,365,744 (S1,276) (312,052)	10,690 [60,704] 81,263 15,386 37,145 1,054,816 1,455,379 [51,326] [112,092] (1,054,816)	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,877) (312,092) (1,000,023)	98,819 399,854 220,764 719,437 1,000,023 2,072,429 (40,877) (312,092) (1,000,023)	719,437 264,806 (158,428) 625,615 1,000,023 2,179,169 (41,292) (312,092) (1,000,023)	825,815 [255,835] 323,265 891,245 990,695 2,237,271 [41,238] [312,092] (990,695]	893,245 990,695 2,297,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) [312,092] (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	624,376 266,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695)	(638,023) 358,782 496,050 216,809 481,909 1,290,328 (234,010) (237,600) (481,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (500,786)	220 500,822 266,539 769,691 990,695	123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartine Cepital  Beginning Undesignated Working Capital  Net accome Plus Depreciation Less Principal Cepit. Accross, and other Salames Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capifa  Current Assets  Current Liabilities  CPLTD  WUDFCapex  Undesignated Working Capital	5,942 250 80,515 [414,899] (60,704) 1,062,032 1,365,744 (51,174) (11,062) (1,062,032) (40,704)	10,690 [60,704] 81,263 16,586 37,145 1,054,816 1,455,379 (51,326) [112,092] (1,054,816)	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	\$5,619 399,854 719,437 1,000,023 2,072,429 (40,877) (312,092) (1,000,023) 719,437	719,437 264,606 (158,428) 625,815 1,000,023 2,179,169 (41,239) (112,092) (1,000,023)	825,815 (255,835) 323,265 891,245 990,695 2,237,271 (41,239] (910,092) (920,695)	873,245 990,695 2,297,271 (41,239) (312,092) (990,695) 873,245	\$93,245 990,695 2,237,271 (41,239) (312,092) (990,695) \$93,245	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cash Accumulated For/(Token From) Asset Repiscement  Werkins Cashtal  Beginning Undesignated Working Capital  Net Income Plus Depreciation Lass Principal Capita. Accrush, and other Balance Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Assets Current Liabilities CRLTD  WCDFCapex	5,942 200 50,515 (41,499) (60,704) 1,062,022 1,385,744 (51,274) (112,022) (60,704) 1,002,378	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,877) (312,092) (1,000,023)	98,819 399,854 220,764 719,437 1,000,023 2,072,429 (40,877) (312,092) (1,000,023)	719,437 264,806 (158,428) 625,615 1,000,023 2,179,169 (41,239) (312,032) (1,000,023)	825,815 [255,835] 323,265 891,245 990,695 2,237,271 [41,238] [312,092] (990,695]	893,245 990,695 2,297,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) [312,092] (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	624,376 266,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695)	(638,023) 358,782 496,050 216,809 481,909 1,290,328 (234,010) (237,600) (481,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (500,786)	220 500,822 266,539 769,691 990,695	123,555
Cash Accumulated For/(Taken From) Azzet Replacement Working Capital Beginning Undesignated Working Capital Het income Plus Oper ecision isas Principal Capita. Accumie, and other States Sheet Changes Ending Undesignated Working Capital Working Capital Designated for Capita  Current Assets Current Liabilities CPUTD WCDFCapes: Undesignated Working Capital	5,942 250 80,515 [414,899] (60,704) 1,062,032 1,365,744 (51,174) (11,062) (1,062,032) (40,704)	10,690 [60,704] 81,263 16,586 37,145 1,054,816 1,455,379 (51,326) [112,092] (1,054,816)	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	\$5,619 399,854 719,437 1,000,023 2,072,429 (40,877) (312,092) (1,000,023) 719,437	719,437 264,606 (158,428) 625,815 1,000,023 2,179,169 (41,239) (112,092) (1,000,023)	825,815 (255,835) 323,265 891,245 990,695 2,237,271 (41,239] (910,092) (920,695)	873,245 990,695 2,297,271 (41,239) (312,092) (990,695) 873,245	\$93,245 990,695 2,237,271 (41,239) (312,092) (990,695) \$93,245	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartine Cepital  Beginning Undesignated Working Capital  Net accome Plus Depreciation Less Principal Cepit. Accross, and other Salames Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capifa  Current Assets  Current Liabilities  CPLTD  WUDFCapex  Undesignated Working Capital	5,942 200 50,515 (41,499) (60,704) 1,062,022 1,385,744 (51,274) (112,022) (60,704) 1,002,378	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,819 399,854 220,764 719,437 1,000,023 2,072,429 (40,872) (1,000,023) 719,437 1,719,460	719,A37 264,E06 (158,428) 625,815 1,000,023 2,179,169 (41,299) (112,092) (1,000,023) 625,815 1,825,838	825,815 (255,835) 323,265 891,245 990,695 2,237,271 (41,239] (910,092) (920,695)	831,245 990,695 2,297,271 (41,293) (312,092) (990,695) 893,245 1,833,940	\$93,245 990,695 2,237,271 (41,239) (312,092) (990,695) \$93,245	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Washins Cepital  Beginning Undesignated Working Capital Net accome Plan Depreciation Less Principal Cepit. Accruss, and other Salames Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capifa  Current Assets Current Liabilities CPLTD  WODFCaper  Undesignated Working Capital Total Working Capital Total Working Capital  Total Working Capital  Working Capital	5,942 200 50,515 (41,499) (60,704) 1,065,002 1,365,744 (512,791) (1,065,002) (60,704) 1,002,378	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719.437 264.806 [554.22] 625.815 1,000.023 2,179,169 (41,239) (112,092) (1,000.023) 525,815 1,825,838	825,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,239) (190,695) 893,245 1,883,940	873,245 990,695 2,297,271 (41,299) (312,092) (990,695) 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) (312,032) (990,695) 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartins Cepital  Beginning Undesignated Working Capital  Het acome Plan Deprecedation Less Principal Capit. Accruss. and other Salames Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capita  Current Assets Current Liabilities CPLTD  WODFCaper:  Undesignated Working Capital  Total Working Capital  Total Working Capital  Werbling Capital designated for Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital  Total Working Capital  For Capital  Werbling Capital designated Working Capital  Total Working Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital	5,942 200 50,515 (141,499) (60,704) 1,062,062 (52,274) (512,092) (60,704) 1,002,378 0.00	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719.437 264.806 [554.22] 615.815 1,000.023 2,179,169 (41,239) (112,092) (1,000.023) 515,815 1,815,838	625,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,239) (190,695) 593,245 1,833,940 4eralgeneted for Cape	873,245 990,695 2,237,271 (41,239) (312,092) (990,693) 873,245 1,683,940 x, June 30, 2015	893,245 990,695 2,237,271 (41,239) (312,032) (990,695) 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) [112,092] [990,693] 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartine Ceoital  Beginning Undesignated Working Capital Net Income Phu Depreciation Less Principal Capita, Accruse, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Assets Current Assets Child Working Capital  WODFCapex  Undesignated Working Capital  Total Working Capital  Total Working Capital  Weekling Capital Total Working Capital  Total Working Capital  Weekling Capital Series of Capital  Weekling Capital	5,942  200 201 201 201 201 201 201 201 201 2	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719,437 264,006 (ISSA,42) 615,815 1,000,023 2,179,169 (41,259) (112,052) 1,125,815 1,825,815 New CapEn design	825,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,292) (900,695) 893,245 1,833,940 designated for Cape nections of Working	873,245 990,695 2,297,271 (41,239) (312,092) (990,695) 873,245 1,883,940 x, June 30, 2015 Capital in FY16 Bu	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,883,840	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartins Cepital  Beginning Undesignated Working Capital  Het acome Plan Deprecedation Less Principal Capit. Accruss. and other Salames Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capita  Current Assets Current Liabilities CPLTD  WODFCaper:  Undesignated Working Capital  Total Working Capital  Total Working Capital  Werbling Capital designated for Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital  Total Working Capital  For Capital  Werbling Capital designated Working Capital  Total Working Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital  Werbling Capital designated Working Capital  Total Working Capital	5,942 200 50,515 (141,459) (60,704) 1,062,002 (33,274) (31,203) (,062,003) 1,002,378 0,000 1,704	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719.437 264.806 [554.22] 615.815 1,000.023 2,179,169 (41,239) (112,092) (1,000.023) 515,815 1,815,838	825,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,292) (900,695) 893,245 1,833,940 designated for Cape nections of Working	873,245 990,695 2,237,271 (41,299) (312,092) (990,699) 873,245 1,833,940 x, June 30, 2015 Capital in FY16 Bu	893,245 990,695 2,237,271 (41,299) (312,092) (990,695) 833,245 1,883,940 dget	893,245 990,695 2,237,271 (41,239) [112,092] [990,693] 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartins Cepital  Beginning Undesignated Working Capital Het towns Plan Depreciation Less Principal Cespic, Accrusis, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Labslitides CPLTD  WUDFCapex  Undesignated Working Capital Total Working Capital Total Working Capital Total Working Capital  Werking Capital designated for Capital Total Working Capital  Working Capital Total Working Capital  Total Working Capital  See See See See See See See See See Se	5,942 200 50,515 (141,499) (60,704) 1,062,002 1,385,744 (51,274) (101,002) (106,004) 1,002,378 0.00 1,704 1,000 1,225 1,000 1,340 1,759	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719,A37 264,D06 (158A,81) e25,815 1,000,023 2,179,169 (41,259) (110,000,023) e25,815 1,825,838 Working Copital of New Capital dealing New Capital	825,815 (255,835) 323,245 990,695 2,237,271 (41,233) (990,695) 893,245 1,883,940 designated for Cape mattens of Working Brady Street, HPR R Convert Whitcomb DeGroff Street Utilit	873,245 990,695 2,237,271 (41,239) (312,023) (990,695) 873,245 1,883,940 Capital in FY16 Bu Regists Tank PRV Heights Tank PRV	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	693,245 990,695 2,237,271 (41,239) [312,023] [990,695] 893,245 1,833,940 5,000 11,000 25,000 5,000	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartine Capital  Beginning Undesignated Working Capital Net Income Plus Depreciation Lass Principal Capit. Accruse, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Assets Current Liabilities CPLTD WCDFCapex  Undesignated Working Capital  Total Working Capital  Working Capital Designated for Capital Total Working Capital  Working Capital Designated Working Capital Total Working Capital  Working Capital Designated For Capital Total Working Capital  Working Capital Designated For Capital Total Working Capital  Undesignated Working Capital  Undesignated Working Capital  Undesignated For Capital	5,942  200  20315 (441,499) (60,704)  1,062,032  1,385,744 (512,042) (1,063,082) (60,704) 1,002,378  0.00  1,704 1,003 1,704 1,003 1,704 1,003 1,704 1,003 1,704 1,003 1,704 1,003 1,704 1,003 1,704 1,003 1,704 1,003 1,344	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719,437 264,506 (15,425) 615,815 1,000,023 2,179,169 (41,299) (11,079,169 (11,079) (11,079,169 (11,079,169 (11,079) (11,079,169 (11,079) (11,079) (11,079) (11,079) (11,079) (11,079) (11,079) (11,079) (11,079) (	825,815 (255,835) 323,265 893,245 990,695 2,237,271 (41,233) (312,092) (390,695) 833,245 2833,940 designated for Cape nations of Working Brady Street, HPR 1 Convert Whitecomb DeGroff Street Unit Gavan Street Unit Marine Street Unit	873,245 990,695 2,237,271 (41,239) (312,023) (990,695) 873,245 1,883,940 Capital in FY16 Bu Regists Tank PRV Heights Tank PRV	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	893,245 990,695 2,237,271 (41,259) [212,072] (210,075) 893,245 1,883,940	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartine Capital  Beginning Undesignated Working Capital  Ret facome Plus Despreciation Lass Principal  Capital Caresia, and other Balance Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capita  Current Labilities  CPLTD  WCDFCaper:  Undesignated Working Capital  Total Working Capital  Working Capital Designated for Capital  Total Working Capital  Working Capital Service Course Labilities  CPLTD  WCDFCaper:  Undesignated Working Capital  Total Working Capital  Working Capital designated for Capital  Total Working Capital  Undesignated Working Capital  Service Capital  Undesignated Working Capital  Undesignated Working Capital  Undesignated Working Capital  Service Capital  Undesignated Working Capital  Service Capital  Servic	5,942  200  2015  (41,479)  (60,704)  1,062,032  1,385,744  (512,74)  (11,092)  (40,704)  1,002,378  0.00  1,704  1,000  1,704  1,000  1,704  1,000	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719,A37 264,D06 (1558,25) e25,815 1,000,023 2,179,169 (41,259) (110,000,023) e25,815 1,825,838 Working Copital of New Capital dealing New Capital	825,815 (255,835) 323,245 990,695 2,237,271 (41,233) (990,695) 893,245 1,883,940 designated for Cape mattens of Working Brady Street, HPR R Convert Whitcomb DeGroff Street Utilit	873,245 990,695 2,237,271 (41,239) (312,0293) (990,695) 873,245 1,883,940 1,883,940 Capital in FY16 Bu Of Gavin Heights Tank PKV ties & Steet Impures.	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	693,245 990,695 2,237,271 (41,239) [312,023] [990,695] 893,245 1,833,940 5,000 11,000 25,000 5,000	893,245 990,695 2,237,271 (64,239) (912,092) (940,495) 823,245 2,833,340 902,096	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Warting Capital  Beginning Undesignated Working Capital Het income Pias Depreciation Less Principal Capits, Accruels, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capita  Current Labilities CPLTD  Undesignated Working Capital Total Working Capital Total Working Capital Total Working Capital  Weekling Capital designated for Capital Total Working Capital Total Working Capital  Weekling Capital designated for Capital Total Working Capital  Undesignated Working Capital  See See See See See See See See See Se	5,942 200 50,515 (141,499) (6,704) 1,063,002 1,365,724 (912,032) (96,704) 1,002,378 0,000 1,704 1,000 1,704 1,000 1,709 1,330 1,340 1,340 1,350 1,360 1,360 1,360 1,360 1,360 1,360 1,565	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,619 399,554 220,764 719,437 1,000,023 2,072,429 (40,877) (212,092) (2,000,023) 719,437 1,719,460	719,A37 264,D06 (1558,25) e25,815 1,000,023 2,179,169 (41,259) (110,000,023) e25,815 1,825,838 Working Copital of New Capital dealing New Capital	825,815 (255,835) 322,245 930,695 2,237,271 (41,232) (990,695) 833,245 1,833,940 designated for Cape nations of Working Brady Street, HPR 1 Convert Whitcomb DeGroff Street Unit Marine Street Unit Marine Street Unit Marine Street Unit	873,245 990,695 2,237,271 (41,239) (312,0293) (990,695) 873,245 1,883,940 1,883,940 Capital in FY16 Bu Of Gavin Heights Tank PKV ties & Steet Impures.	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	893,245 990,695 2,237,271 (41,239) (312,023) (990,695) 893,245 1,833,940 5,000 11,000 5,000	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245 1,833,940	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Warting Cepital  Beginning Undesignated Working Capital Het income Plan Depreciation Less Principal Cepit. Accrusis, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Cepita  Current Labilities CPLTD  Undesignated Working Capital Total Working Capital Total Working Capital Total Working Capital  Weetling Capital Sessionated for Cepita, June 30, 2015  Laponsis is Channel Water Une	5,942  200  50,515  (141,499)  (6,704)  1,063,002  1,365,744 (912,092) (90,704)  1,002,378  0,000  1,704  1,000  1,704  1,000  1,709  1,000  1	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,519 399,554 719,437 1,000,023 2,077,429 (40,477) (212,052) (2,000,023) 719,340	719,A37 264,E06 (\$15,A15) 615,B15 1,000,023 2,179,169 (\$12,079) (\$	825,815 (255,835) 322,245 930,695 2,237,271 (41,232) (990,695) 833,245 1,833,940 designated for Cape nations of Working Brady Street, HPR 1 Convert Whitcomb DeGroff Street Unit Marine Street Unit Marine Street Unit Marine Street Unit	873,245 990,695 2,237,271 (44,239) (312,032) (90,693) 873,245 1,883,940 x, June 30, 2015 Capital in FY16 Bu or Gavin Heights I Sank PKV tere & Street Impire s and Street Impire s Street Impi	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	893,245 990,695 2,237,271 (41,239) (312,023) (990,695) 893,245 1,833,940 5,000 11,000 5,000	893,245 990,695 2,237,271 (64,239) (912,092) (940,495) 823,245 2,833,340 902,096	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Repiscement  Wartine Cepital  Beginning Undesignated Working Capital Ret lacons Plus Despreciation Lass Principal Cepit. Accrusis, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Liabilities CPLTD  WODECapex:  Undesignated Working Capital Total Working Capital Total Working Capital  VWDECapex:  Undesignated Working Capital Total Working Capital Total Working Capital  For Change Capital  Working Capital Total Working Capital Total Working Capital Total Working Capital Total Working Capital  VWDECapex:  Undesignated Working Capital Total Working C	5,942  200  200  20,515  (41,479)  (60,704)  1,063,002  1,385,744  (512,93)  (60,704)  1,002,378  0,000  1,704  1,002,378  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,380	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,519 399,554 719,437 1,000,023 2,072,459 (40,877) (312,022) (1,000,023) 719,450	719,A37 264,E06 (15,R15) 615,R15 1,000,023 2,179,169 (142,129) (112,072) (1,120,023) (1,125,R15 0075,R15 0075,R15 0075,R15 0075 0075 0075 0075 0075 0075 0075 00	825,815 (255,835) 323,245 393,245 393,245 990,695 2,237,273 (812,092) (812,0	873,245 990,695 2,277,271 (41,239) (312,032) (990,695) 1,833,940 1,833,940 20 Gavin Heights Tank PRV Heights Tank PRV Heights Tank PRV Heights Tank PRV Replacement Replacement Replacement	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	893,245 990,695 2,237,271 (41,239) (312,023) (990,695) 893,245 1,833,940 5,000 11,000 5,000	893,245 990,695 2,237,273 (41,239) (312,092) (90,695) 823,245 1,833,340 902,096	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Warting Cepital  Beginning Undesignated Working Capital Het income Plan Depreciation Less Principal Cepit. Accrusis, and other Balance Sheet Changes Ending Undesignated Working Capital  Working Capital Designated for Cepita  Current Labilities CPLTD  Undesignated Working Capital Total Working Capital Total Working Capital Total Working Capital  Weetling Capital Sessionated for Cepita, June 30, 2015  Laponsis is Channel Water Une	5,942  200  200  20,515  (41,479)  (60,704)  1,063,002  1,385,744  (512,93)  (60,704)  1,002,378  0,000  1,704  1,002,378  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,380	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,519 399,554 719,437 1,000,023 2,072,459 (40,877) (312,022) (1,000,023) 719,450	719,A37 264,E06 (15,R15) 615,R15 1,000,023 2,179,169 (142,129) (112,072) (1,120,023) (1,125,R15 0075,R15 0075,R15 0075,R15 0075 0075 0075 0075 0075 0075 0075 00	825,815 (255,835) 323,265 839,245 990,695 2,237,273 (41,239) (910,695) (31,092) (920,695) 33,245 2,833,940 designated for Cape mations of Working Brady Street, HPR 1 Convert Whitcomb Effect to Gopery O'Cain Street Usin	873,245 990,695 2,277,271 (41,239) (312,032) (990,695) 1,833,940 1,833,940 20 Gavin Heights Tank PRV Heights Tank PRV Heights Tank PRV Heights Tank PRV Replacement Replacement Replacement	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overments	893,245 990,695 2,237,271 (41,239) (312,023) (990,695) 893,245 1,833,940 5,000 11,000 5,000	893,245 990,695 2,237,271 (44,239) (912,092) (940,695) 823,245 2,833,340 902,096	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555
Cesh Accumulated For/(Taken From) Asset Replacement  Wartine Capital  Beginning Undesignated Working Capital  Net Income Phu Depreciation Less Principal  Capital Cress, and other Balance Sheet Changes  Ending Undesignated Working Capital  Working Capital Designated for Capital  Current Assets  Current Labilities  CPKTD  WCDFCapex:  Undesignated Working Capital  Total Working Capital  Total Working Capital  Total Working Capital  Wartine Capital designated for Capital  Total Working Capital  Wartine Capital designated for Capital  Total Working Capital  Undesignated Working Capital  Total Working Capital  Total Working Capital  Total Working Capital  Total Working Capital  Undesignated Working Capital  Total Working Capital  Undesignated Working Capital  Total Working Capital  Social State Channel  Social State Capital  Total Working Capit	5,942  200  200  20,515  (41,479)  (60,704)  1,063,002  1,385,744  (512,93)  (60,704)  1,002,378  0,000  1,704  1,002,378  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,379  1,000,380	10,690 [60,704] 81,263 10,585 37,145 1,054,816 1,455,379 (51,376] (11,202) (1,054,816) 37,145 1,091,961	37,145 53,773 7,501 98,819 1,000,023 1,451,831 (40,897) (312,092) (1,000,023)	98,519 399,554 719,437 1,000,023 2,072,459 (40,877) (312,022) (1,000,023) 719,450	719,A37 264,E06 (15,R15) 615,R15 1,000,023 2,179,169 (142,129) (112,072) (1,120,023) (1,125,R15 0075,R15 0075,R15 0075,R15 0075 0075 0075 0075 0075 0075 0075 00	825,815 (255,835) 323,245 393,245 393,245 990,695 2,237,273 (812,092) (812,0	873,245 990,695 2,277,271 (41,239) (312,032) (990,695) 1,833,940 1,833,940 20 Gavin Heights Tank PRV Heights Tank PRV Heights Tank PRV Heights Tank PRV Replacement Replacement Replacement	893,245 990,695 2,237,271 (81,239) (312,039) (990,695) 893,245 1,883,940 to RC overnents	893,245 990,695 2,237,271 (41,239) (312,023) (990,695) 893,245 1,833,940 5,000 11,000 5,000	893,245 990,695 2,237,273 (41,239) (312,092) (90,695) 823,245 1,833,340 902,096	893,245 990,695 2,237,271 (41,233) (312,092) (990,695)	893,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	624,376 268,589 833,245 990,695 2,237,271 (41,239) (312,092) (990,695) 893,245	(638,023) 355,782 496,050 218,809 481,909 1,290,928 (234,010) (237,600) (441,909)	633,303 265,594 (227,461) 676,436 508,786 946,943 252,771 (14,492) (508,786)	280 500,822 265,589 765,691 990,695	123,555 123,555

\$902,096

#### City and Borough of Sitka Water Utility Income Statement

#### For The Trailing Twelve-Month Period Ending December 31, 2015

(Unaudited)

	January	February	March	April	May	June	July	August	September	October	November	December	12-Month
	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	Trailing
Revenue:													
Water Sales	158,489	141,268	181,435	131,268	195,276	164,627	183,279	196,144	202,838	191,997	179,698	172,479	2,098,798
Jobbing Other Operating Revenue	(3,176)	787 435	690	2,898 1,939	10,294	3,351	. 726	. 1 415	- 2.176	1 450	1 660	2,042	16,196
Other Operating Revenue	15,910	433		1,939	3,490	101,568	725	1,415	2,175	1,450	1,660	841	132,298
Total Revenue:	171,223	142,490	182,125	136,105	209,060	269,546	184,004	197,559	205,013	193,447	181,358	175,362	2,247,292
Cost of Sales:													
Distribution	22,186	22,562	26,816	25,571	39,362	149,834	22,670	28,261	25,622	38,642	30,698	31,029	463,253
Treatment	19,871	24,085	18,525	43,746	23,782	35,502	13,292	20,034	24,528	28,466	24,607	15,934	292,372
Jobbing	70.040	-	70.040	70.040	-				70.570	70.570		-	-
Depreciation	70,948	70,948	70,948	70,948	70,948	75,452	70,573	70,573	70,573	70,573	70,573	70,573	<u>853,630</u>
Total Cost of Sales:	113,005	117,595	116,289	140,265	134,092	260,788	106,535	118,868	120,723	137,681	125,878	117,536	1,609,255
Gross Margin:	58,218	24,895	65,836	(4,160)	74,968	8,758	77,469	78,691	84,290	55,766	55,480	57,826	638,037
•	34.00%	17.47%	36.15%	-3.06%	35.86%	3.25%	42.10%	39.83%	41.11%	28.83%	30.59%	32.98%	28.39%
Selling and Administrative Expenses	51,113	33,318	32,319	60,107	38,004	89,473	31,968	32,141	67,258	35,765	33,199	80,227	584,892
Earnings Before Interest (EBI):	7,105	(8,423)	33,517	(64,267)	36,964	(80,715)	45,501	46,550	17,032	20,001	22,281	(22,401)	53,145
	4.15%	-5.91%	18.40%	-47.22%	17.68%	-29.94%	24.73%	23.56%	8.31%	10.34%	12.29%	-12.77%	2.36%
Non-operating Revenue and Expense:													
Non-operating revenue:	(1,955)	(3,104)	(4,559)	(5,066)	(2,970)	(4,993)	(1,568)	(1,869)	159	2,193	2,112	2,300	(19,320)
Grant Revenue	494,694		16,599	2,136	1,552,200	2,099,925	•	•	•	341,078	203,831	(272,316)	4,438,147
Interest Expense:	(6,957)	(6,957)	(6,957)	(6,957)	(6,957)	9,104	(5,619)	(5,619)	(5,619)	(5,619)	(5,619)	(5,619)	(59,395)
Total Non-operating Revenue & Expense:	485,782	(10,061)	5,083	(9,887)	1,542,273	2,104,036	(7,187)	(7,488)	(5,460)	337,652	200,324	(275,635)	4,359,432
Net Income:	<u>492.887</u> 287.86%	<u>(18,484)</u> -12,97%	38.600 21.19%	<u>(74.154)</u> -54.48%	1.579.237	<u>2.023.321</u> 750.64%	38.314 20.82%	<u>39.062</u> 19.77%	11.572	357.653 184.88%	222,605 122,74%	(298,036) -169,95%	<u>4.412.577</u> 196.35%
	287.80%	-12.97%	21.19%	-34,48%	755.40%	750.04%	20.82%	19.77%	5.64%	184.88%	122.74%	-169.93%	190.35%
Earnings Before Interest and Depreciation (EBIDA):	78,053	62,525	104,465	6,681	107,912	(5,263)	116,074	117,123	87,605	90,574	92,854	48,172	906,775
	45.59%	43.88%	57.36%	4.91%	51.62%	-1.95%	63.08%	59.29%	42.73%	46.82%	51.20%	27.47%	40.35%
Dale Bringias Courses			245043										
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	563,835	52,464	109,548	(3,206)	1,650,185	2,098,773	108,887	109,635	82,145	428,226	293,178	(227,463)	5,266,207
Debt Principal	24,800	24,800	24,800	24,800	24,800	25,799	28,372	28,372	28,372	28,372	28,372	28,372	320,031
Debt Principal Coverage Surplus/Deficit	539,035	27,664	84,748	(28,006)	1,625,385	2,072,974	80,515	81,263	53,773	399,854	264,806	(255,835)	4,946,176
Debt Principal Coverage Percentage	2274%	212%	442%	-13%	6654%	8135%	384%	386%	290%	1509%	1033%	-802%	1646%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	539,035	27,664	84,748	(28,006)	1,625,385	2,072,974	80,515	81,263	53,773	399,854	264,806	(255,835)	4,946,176
Depreciation	70,948	70,948	70,948	70,948	70,948	75,452	70,573	70,573	70,573	70,573	70,573	70,573	853,630
Cash Accumulated For/(Taken From) Asset Replacement	468,087	(43,284)	13,800	(98,954)	1,554,437	1,997,522	9,942	10,690	(16,800)	329,281	194,233	(326,408)	4,092,546
Working Capital													
Beginning Undesignated Working Capital	216,809	319,401	394,700	854,226	(959,990)	(3,951)	280	(60,704)	37,145	98,819	719,437	825,815	216,809
Net Income Plus Depreciation Less Principal	539,035	27,664	84,748	(28,006)	1,625,385	2,072,974	80,515	81,263	53,773	399,854	264,806	(255,835)	4,946,176
CapEx, Accruals, and other Balance Sheet Changes	(436,443)	47,635	374,778	(1,786,210)	(669,346)	(2,068,743)	(141,499)	16,586	7,901	220,764	(158,428)	323,265	(4,269,740)
Ending Undesignated Working Capital	319,401	394,700	854,226	(959,990)	(3,951)	280	(60,704)	37,145	98,819	719,437	825,815	893,245	893,245
Working Capital Designated for CapEx	346,746	117,096	117,096	(2,148,492)	(167,629)	902,096	1,063,082	1,054,816	1,000,023	1,000,023	1,000,023	990,695	990,695

# Wastewater Treatment Utility Financial Analysis As Of, And For the Six-Month Period Ending December, 2015

Financial operations for the Wastewater Treatment Fund showed improvement over FY15 for the comparative six-month period. For the comparable six-month period, revenue increased by \$44.3K, or 3.0%. Compared to plan for FY16, revenue exceeded plan by \$42.7K or 2.9% for the six-month period ending December 31, 2015.

In addition to increasing top line revenue, the Wastewater Treatment Fund also continued its trend of controlling operating costs. Costs of operations decreased by \$7.6K, or 0.4%, for the comparative six-month period in FY2015. Compared to plan, operating costs were well under projections, posting a positive variance (costs below plan) of \$233.0K, or 11.8%.

Total working capital grew \$5,273.3K, due to transfers from the Water Fund and the General Fund for multi-fund capital projects. Undesignated working capital rose to \$2,238.3K as of December 31, 2015. Overall undesignated capital rose by \$121.6K for the five month period August 1 2015 thru December 31, 2015, roughly a \$24.3K increase per month. If this trend continues, undesignated capital will rise by an additional \$145.8K during the remainder of FY2016, to a total of \$2,384.7. While working capital is rising, its increase is small compared to the growing future requirement for infrastructure; the growth is estimated to be only about 25% of the amount required.

The financial performance of the Wastewater treatment Fund, operating in conjunction with plan, clearly demonstrates the underlying financial dynamics of this Fund. Large amounts of cash flow from operations are necessary to finance internal expenditures for capital repairs and improvements. The designation of new working capital for capital expenditures at the start of each fiscal year causes a decline in available, undesignated working capital. Annual requirements for designations of working capital for CAPEX are substantial, given the size and age of the infrastructure base; such new designations were \$709K in FY2016, requiring \$709K in cash flow from operations in order to keep total working capital from declining.

### City and Borough of Sitka Wastewater Treatment Utility Income Statement For The Twelve-Month Period From July 1, 2013 to June 30, 2015 [Unaudited]

	July 1	August	September	October	November	December	January	February	March	April	May	June	FY2016	FY2015	Variance To	FY2016 Plan	Variance To
	2015	2015	2015	2015	2015	2015	2016	2016	2016	2016	2016	2016	YTD	YTD	FY2015 YTD	(S/L - 50.00%)	FY2016 Plan
Revenue: Wastewater Treatment Services	233,417	234,816	235,795	230,392	235,107	225,151	-			-	1%	(2)	1,394,678	1,337,879	56,799	1,417,250	(22,572)
Jobbing	165	•	51,578			67,358	- 57				17		119,101	130,058	(10,957)	\$6,450	62,651
Other Operating Revenue	725	1,415	2,175	1,450	2,383	1,604					<del></del>	<del></del>	9,752	11,305	(1,556)	7,175	2,577
Total Revenue:	234,307	234,231	289,548	231,842	237,490	294,113						2	1,523,531	1,479,245	44,286	1,480,875	42,656
Cost of Sales:																	
Collection	35,553	65,521	65,869	107,368	60,660	72,831	- 8			£3	(8)		407,802	398,430	9,372	596,991	189,189
Treatment Jobbing	31,954	46,449	56,309	58,392	44,209	59,183				20	172		296,496	243,773 (2,177)	52,723 2,177	150,629	(145,867)
Depreciation	107,383	107,383	107,383	107,383	107,383	107,383	2			100	1		644,298	740,088	(95,790)	644,298	
Total Cost of Sales:	174,890	219,353	229,541	273,143	212,252	239,397			9				1,348,596	1,380,114	(31,514)	1,391,918	43,322
Gross Margin;	59,417	16,878	59,987	(41,301)	25,238	54,716		121					174.935	99,131	75,804	84,957	85,978
	25.36%	7.14%	20.72%	-17.81%	10.63%	18.60%	#DIV/OI	#DIV/01	#DIV/OI	#DIV/01	#DIV/01	#DIV/0t	11.48%	6.70%	4.78%	6.01%	5.48%
Selling and Administrative Expenses	52,265	58,202	72,316	71,520	56,791	79,881				**		*	390,975	367,071	23,904	580,631	189,656
Earnings Before Interest (EBI):	7,152	(41,324)	(12,329)	(112,821)	(31,553)	(25,165)							(216,040)	(267,940)	\$1,900	(491,674)	275,634
	3.05%	-17.49%	-4.26%	-48.66%	-13.29%	-8.56%	#DIV/OI	#DIV/01	#DIV/01	#DIV/01	#DIV/0I	#DIV/01	-14.18%	-18.11%	3.93%	-33.20%	19.02%
Non-operating Revenue and Expense:																	
Non-operating revenue:	7,240	9,322	9,432	7,895	7,989	7,924					117		49,802	58,641	(8,839)	56,000	(6,198)
Grant Revenue			(34)	308,874	will be u	41,382	20		2	-			350,222		350,222	585,250	(235,028)
Interest Expense:	(6,757)	(6,757)	(6,757)	(6,757)	(6,757)	(6,757)	*il		- 6	5	10		[40,542]	[24,126]	(15,416)	[40,541]	(1)
Total Non-operating Revenue & Expense:	483	2,565	2,641	310,012	1,232	42,549			*		10		440,566	82,767	357,799	681,791	228,830
Net Income:	7.635	(38,759)		197,191	(30,321)	17,354							224.526	(185,173)	402,622	190.118	34,402
	3.26%	-16.41%	-3.35%	85.05%	-12.77%	5.91%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/0I	14.74%	-12.52%	27.26%	12.84%	1.90%
Earnings Before Interest and Depreciation (EBIDA):	114,535	66,059	95,054	(5,438)	75,830	82,218							428,258	472,148	(43,890)	152,625	275,634
	48.88%	27.96%	32.83%	-2.35%	31.93%	27.95%	#DIV/01	#DIV/01	#DIV/01	#DIV/OI	#DIV/01	#DIV/01	28.11%	31.92%	-3.81%	10.31%	17.80%
Debt Principal Coverage																	
Simple Cash Flow (Net Income Plus Depreciation)	115,018	68,624	97,695	304,574	77,062	124,767							757,740	506,663	281,077	834,416	(46,675)
Debt Principal	27,184	27,184	27,184	27,184	27,184								135,920	112,086	23,634	135,920	
Debt Principal Coverage Surplus/Deficit	E7,834	41,440	70,511	277,390	49,878	124,767							651,820	394,577	257,243	698,496	(46,675)
Debt Principal Coverage Percentage	423%	252%	359%	1120%	283%	#DIV/OI	#DIV/01	#DIV/08	#DIV/OI	#DIV/OI	#DIV/01	#DIV/0I	580%	452%	127.53%	614N	-34%
Simple Asset Replacement Coverage																	
Debt Principal Coverage Surplus/Deficit (From Above)	87,834	41,440	70,511	277,390	49,878	124,767							651.820	394,577	257,243	698.496	(46,675)
Depreciation	107,383	107,383	107,383	107,383	107,383	107,383	W 100 -						644,298	740,088	(95,790)	644,298	
Cash Accumulated For/[Taken From] Asset Replacement	(19,549)	(65,943)	(36,872)	170,007	(57,505)	17,384			7.00			THE SALE	7,522	(345,511)	353,033	54,198	(46,675)
Working Capital																	
Beginning Undesignated Working Capital	3,398,748	2,116,724	2,170,037	2,255,121	2,260,033	2,343,854	2,238,313	2,238,313	2,238,313	2,238,313	2,238,313	2,238,313	3,398,748	2,095,757	1,302,991	3,398,748	2,095,757
Net Income Plus Depreciation Less Principal	87,834	41,440	70,511	277,390	49,878	124,767					• •	THE CONTRACT	651,820	394,577	257,243	698,496	(46,675)
CapEx, Accruals, and other Balance Sheet Changes	(1,369,858)	11,873	14,573	(272,478)	33,943	(230,308)					NO.		(1,812,255)	893,596	(2,705,851)	(1,812,255)	
Ending Undesignated Working Capital	2,116,724	2,170,037	2,255,121	2,260,033	2,343,854	2,238,313	2,238,313	2,234,313	2,238,313	2,234,313	2,238,313	2,234,313	2,238,313	3,383,930	(1,145,617)	2,284,989	(46,675)
Working Capital Designated for CapEx	2,642,346	2,648,346	2,665,255	2,665,255	3,181,542	3,035,014	3,035,014	3,035,014	3,035,014	3,035,014	3,035,014	3,035,014	3,035,014	1,764,306	1,268,708	3,035,014	
Current Assets	5,280,708	5,348,988	5,469,946	5,449,367	6,013,614	5,762,939	5,762,939	5,762,939	5,762,939	5,762,939	5,762,939	5,762,939					
Current Liabilities	(189,425)	(204,392)	(223,357)	(197,866)	(162,005)	(163,399)	(163,399)	(163,399)	(163,399)	(163,399)	(163,399)	(163,399)					
CPLTD WCDFCepex	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)					
Undesignated Working Capital Total Working Capital	2,116,724	2,170,037	2,255,121	2,260,033	2,343,854	2,234,313	2,238,313	2,234,313	2,238,313	2,234,313	2,238,313	2,238,313	2,238,313	3,343,930	(1,145,617)		
Total Working Capital	4,765,070	4,818,383	4,920,376	4,925,288	5,525,396	5,273,327	5,273,327	5,273,327	5,273,327	5,273,327	5,273,327	5,273,327	5,273,327	5,150,236	123,091		
									The state of the s	u u		10 THE R. P. LEWIS CO., LANSING, MICH.					

		As Of	
		6/30/2015	
90258	Replace Lift Station Alarm System	186,537,23	
90259	Cathodic Protection-14 Lift Station	128,088.34	
90274	Cove Lift Station Replacement		
90447	WWTP Control System	14,597.47	
90531	Monastery/Kincald Sewer Design	30,000.00	
90534	W.W. Solids Monafill		
90564	HPR/SMC Intersection Main Rehab		
90565	Jamestown Bay Lift Station Repiment	26,768.32	
90579	SMC Rd Sewer Ph III	TO BE SEED OF	
90601	Lake St Lift Station Rebuild	532,622.88	
90817	Channel Lift Station		
90602	Sanitary Sewer Main Replacement	199,642.62	
90654	WWTP Air Control System	THE RESERVE OF THE PARTY OF THE	(Combined)
90655	WWTP AHU retrofit	109,935.02	
90676	Brady St Rebuild Lift Station	165,000.00	
90697	Japonski Island Sewer Lift Station		
90696	Monastery St Sewer/Water Main		
90710	Baranoff Water/WW Main \Replacement		
90713	Crescent lift Station Replacement	193,964.62	
90715	WWTP AHU retrofit	WEST STATE	(Combined)
90732	Hollywood Way W/WW Replacement	25,000.00	Loan/Grant/WO
90733	HPR Sewer Improvements (DOT)	7,352.38	
90734	New Archangel Sewer Main (Marine-HPR)		
90744	Jeff Davis St W/WW Improvements	(143.66)	Loan/Grant/WO
90750	WWTP Exterior Building Rot	[23,039.63]	
90766	Baranof & Monastery Street W/WW	183,000.00	Loan/Grant/WO
90781	Replace Coiling Door	20,000.00	
90782	Replace Medium Size Lift Station Pumps	40,000.00	
90783	Replace Generators - Lift Stations	20,000.00	
90784	WWTP FY14 - Garage Doors, Blowers, Hi-Press Pump	90,000.00	
	Variance		

Working Capit	al designated for Capex, June 30, 2015	1,949,345.59		
New Captx de	ignations of Working Capital in FY16 Budget, Designated on 7/1/20	16		
90796	Brady Street (HPR to Gavan)	5,000.00		
90790	DeGraff Street Utilities & Street Improvements	25,000.00		
90772	Gavan Street (Brady to Cascade)	5,000.00		
90800	Hypochlorite Inhection System	24,000.00		
90744	Jeff Davis St W/WW Improvements	20,000.00	Loan/Grant/WC	
90803	Marine St W/WW Improvements (Erler to Osprey)	50,000.00		
90805	Replace 1995 CCTV Inspection Equipment	160,000.00		
90808	Replace WWTP Chlorine Generator	160,000.00		
90809	Replace WWTP Influent Grinder	100,000.00		
90813	Upgrade RV Dump Site		l .	
90750	WWTP Exterior Building Rot	\$0,000.00	1	
90655	WWTP AHU retrofit	100,000.00		2,667,745.5
	New fixed assets	19,400.00		
Less FY15 worl	ing capital outleys for CapEx/ATF Grant Reimbursements	100		
Worklaw Contr.	al designated for Capex, June 30, 2015	2.667.745.59		

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#### City and Borough of Sitka Wastewater Treatment Utility

### Income Statement For The Trailing Twelve-Month Period Ending December 31, 2015 (Unaudited)

	January	February	March	April	May	June	July	August	September	October	November	December	12-Month
Revenue:	2015	2015	2015	2015	2015	<u>2015</u>	2015	2015	2015	2015	2015	2015	Trailing
Wastewater Treatment Services	221,521	219,057	222,405	180,495	262,488	223,246	233,417	234,816	235,795	230,392	235,107	225,151	2,723,890
Jobbing Other Operating Revenue	540 	823 530	(25)	43,313	3,769	61,270	165		51,578			67,358	228,791
outer operating nevertible		730	1,008	2,107	2,760	309,341	725	1,415	2,175	1,450	2,383	1,604	325,518
Total Revenue:	222,081	220,410	223,388	225,915	269,017	593,857	234,307	236,231	289,548	231,842	237,490	294,113	3,278,199
Cost of Sales:													
Collection Treatment	46,169	58,198	66,958	57,182	81,072	321,360	35,553	65,521	65,869	107,368	60,660	72,831	1,038,741
Jobbing	40,372	43,751	38,174	56,690	48,827 -	112,092	31,954	46,449	56,309	58,392 -	44,209	59,183	636,402
Depreciation	123,348	123,348	123,348	123,346	123,346	314,918	107,383	107,383	107,383	107,383	107,383	107,383	1,575,952
Total Cost of Sales:	209,889	225,297	228,480	237,218	253,245	748,370	174,890	219,353	229,561	273,143	212,252	239,397	3,251,095
Gross Margin:	12,192	(4,887)	(5,092)	(11,303)	15,772	(154,513)	59,417	16,878	59,987	(41,301)	25,238	54,716	27,104
	5.49%	-2.22%	-2.28%	-5.00%	5.86%	-26.02%	25.36%	7.14%	20.72%	-17.81%	10.63%	18.60%	0.83%
Selling and Administrative Expenses	81,845	55,667	59,122	61,816	65,836	151,126	52,265	58,202	72,316	71,520	56,791	79,881	866,388
Earnings Before Interest (EBI):	(69,654)	(60,554)	(64,214)	(73,119)	(50,064)	(305,639)	7,152	(41,324)	(12,329)	(112,821)	(31,553)	(25,165)	(839,284)
Non-operating Revenue and Expense:	-31.36%	-27.47%	-28.75%	-32.37%	-18.61%	-51.47%	3.05%	-17.49%	-4.26%	-48.66%	-13.29%	-8.56%	-25.60%
Non-operating revenue:	7,671	7,562	8,899	7,892	7,769	(45,560)	7,240	9,322	9,432	7,895	7,989	7,924	44.035
Grant Revenue	936	•	6,385	-	-	263,530	•	•	(34)	308,874	-,505	41,382	621,073
Interest Expense:	(9,937)	(9,937)	(9,937)	(9,937)	(9,937)	(4,020)	(6,757)	(6,757)	(6,757)	(6,757)	(6,757)	(6,757)	(94,247)
Total Non-operating Revenue & Expense:	{1,330}	[2,375]	5,347	(2,045)	(2,168)	213,950	483	2,565	2,641	310,012	1,232	42,549	759,355
Net Income:	(70.984)	(62.929)	(58.867)	(75,164)	(52,232)	(91,689)	7.635	(38,759)	(9.688)	197,191	(30,321)	17.384	(79,929)
	-31.96%	-28.55%	-26.35%	-33.27%	-19.42%	-15.44%	3.26%	-16.41%	-3.35%	85.05%	-12.77%	5.91%	-2.44%
Earnings Before Interest and Depreciation (EBIDA):	53,694	62,794	59,134	50,227	73,282	9,279	114.535	66,059	95,054	(5,438)	75,830	82,218	736,668
	24.18%	28.49%	26.47%	22.23%	27.24%	1.56%	48.88%	27.96%	32.83%	-2.35%	31.93%	27.95%	22.47%
Debt Principal Coverage							n ing namara						
Simple Cash Flow (Net Income Plus Depreciation)	£2.00												
Debt Principal	52,364 20,691	60,419 20,691	64,481 20,691	48,182 20,691	71,114 20,691	223,229 18,681	115,018 27,184	68,624 27,184	97,695 27,184	304,574 27,184	77,062 27,184	124,767	1,307,529 258,056
Debt Principal Coverage Surplus/Deficit	31,673	39,728	43,790	27,491	50,423	204,548	87,834	41,440	70,511	277,390	49,878	124,767	1,049,473
			13.19	t unaty pitri									
Debt Principal Coverage Percentage	253%	292%	312%	233%	344%	1195%	423%	252%	359%	1120%	283%	#DIV/01	507%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	31,673	39,728	43,790	27,491	50,423	204,548	87,834	41,440	70,511	277,390	49,878	124,767	1,049,473
Depreciation	123,348	123,348	123,348	123,346	123,346	314,918	107,383	107,383	107,383	107,383	107,383	107,383	1,575,952
Cash Accumulated For/(Taken From) Asset Replacement	(91,675)	(83,620)	(79,558)	(95,855)	(72,923)	(110,370)	(19,549)	(65,943)	(36,872)	170,007	(57,505)	17,384	(526,479)
Working Capital													
Beginning Undesignated Working Capital	3,383,930	3,442,295	3,455,906	3,534,215	3,526,485	4,137,680	3,398,748	2,116,724	2,170,037	2,255,121	2,260,033	2,343,854	3,383,930
Net Income Plus Depreciation Less Principal	31,673	39,728	43,790	27,491	50,423	204,548	87,834	41,440	70,511	277,390	49,878	124,767	1,049,473
CapEx, Accruals, and other Balance Sheet Changes Ending Undesignated Working Capital	26,692 3,442,295	(26,117) 3,455,906	34,519 3,534,215	(35,221) 3,526,485	560,772 4,137,680	(943,480) 3,398,748	(1,369,858) 2,116,724	2,170,037	14,573 2,255,121	(272,478) 2,260,033	33,943 2,343,854	(230,308) 2,238,313	(2,195,090)
	ووياعمه	J,433,300	2,234,613	3,340,403	7,137,000	3,330,746	4,110,724	2,170,037	2,233,121	2,200,033	£,343,034	£,£30,313	2,238,913
Working Capital Designated for CapEx Total Working Capital	1,732,537 5,174,832	1,707,995 5,163,901	1,690,475 5,224,690	1,690,475 5,216,960	1,685,914 5,823,594	1,322,467 4,721,215	2,648,346 4,765,070	2,648,346 4,818,383	2,665,255 4,920,376	2,665,255 4,925,288	3,181,542 5,525,396	3,035,014 5,273,327	3,035,014 5,273,327
- '	-,,-,	-,,- 3-	-,,	-,,	-,,	.,. ==,==0	-17070.0		4,020,000	7,525,200	0,020,030	9121 31321	3,213,321

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# Solid Waste Utility Financial Analysis As Of, And For the Three-Month Period Ending December 31, 2015

The financial performance of the Solid Waste Fund has deteriorated in comparison to FY2015 but is ahead of plan for FY2016. It is also important to remember that the financial results through December, 2015 do not include any of the effects of the large user fee increase approved by the Assembly in January, 2016. It is anticipated that the user fee increase will stabilize the Solid Waste Fund, and, reverse the operating losses and resultant decline in working capital.

Compared to plan, the Solid Waste Fund is showing negative variances year-to-date. Top line solid waste disposal revenue is \$43.5K, or 3.2% above the planned level. All other metrics, however, are lagging behind plan due to lower than anticipated recycled commodity revenue and higher than planned operating costs. EBI, EBID, and Net Income are all behind plan, at (\$302.6K), (\$193.8K), and (\$306.2K), respectively.

The six month perspective shows the extent to which the user fee increases passed in January were critically required. Working capital declined by over \$180K, to \$675.9K as of December 31st. Straight costs of sales (excluding depreciation) exceeded revenue by (\$12.3K), resulting in a negative gross margin before administrative costs.

As a final note, the fiscal impact of increased utility fees is expected to fully correct the declining financial performance shown in the attached statements.

#### City and Borough of Sitka Solid Waste Disposal Utility Income Statement For The Twelve-Month Period Fron July 1, 2015 to June 30, 2016 (Unaudited)

	July	August	September	October	November	December	January	February	March 2016	April	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L 50.00%)	Variance To FY2016 Plan
Revenue:	2015	2015	2015	2015	2015	2015	2016	2016	2016	2016	2016	2016				-	
Solid Waste Disposal Services Jobbing	230,827	222,697	292,159	220,433	226,055	199,837	2	2	2 H		*	**	1,392,008	1,495,755	(103,747)	1,348,470 25	43,538 (25)
Other Operating Revenue	9,812	22,791	7,272	7,514	20,570	20,697			-		<del></del>		88,656	108,899	(20,243)	157,185	[68,529]
Total Revenue:	240,639	245,488	299,431	227,947	246,625	220,534	*			*	*	•	1,480,664	1,604,654	(123,990)	1,505,680	(25,016)
Cost of Sales:																	
Contract Waste Hauling Transfer Station	62,523 102,790	62,757 136,371	63,596 133,983	61,480 118,220	64,451 116,386	59,728 138,253				*		-	374,535 746,003	389,907 617,865	15,372 (128,138)	314,112 626,765	(60,423) (119,238)
Landfill	5,733	7,968	29,156	7,517	23,717	48,006			9				122,097	45,550	(76,547)	161,661	39,564
Recycling	8,133	28,394	25,818	35,419	37,904	90,045							225,713	214,311	(11,402)	192,357	(33,357)
Jobbing							8		2							4	
Depreciation	18,129	18,129	18,129	18,129	18,129	18,129						<del></del>	108,774	108,042	[732]	108,774	
Total Cost of Sales:	197,308	253,619	270,682	240,765	260,587	354,161		<del></del>	<del></del>	<del></del>	<del></del>		1,577,122	1,375,675	[201,447]	1,403,668	(173,454)
Gross Margin:	43,331 18.01%	(8,131) -3.31%	28,749 9.60%	(12,818) -5.62%	(13,962) -5.66%	(133,627) -60.59%	#DIV/01	#DIV/0!	#DIV/01	#DIV/0!	#DIV/01	#DIV/0!	(96,458) -6.51%	228,979 14.27%	(325,437) -20.78%	102,012 6.78%	(198,470) -13.29%
Selling and Administrative Expenses	33,517	33,728	33,145	37,269	33,880	34,616							206,155	237,008	30,853	586,691	380,536
armings Before Interest (EBI):	9,814	(41,859)	(4,396)	(50,087)	(47,842)	(168,243)							(302,613)	(8,029)	(294,584)	(484,679)	182,066
Non-operating Revenue and Expense:	4.08%	-17.05%	-1.47%	-21.97%	-19.40%	-76.29%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	-20.44%	-0.50%	-19.94%	-32.19%	11.75%
von-operating Revenue and Expense:																	
Non-operating revenue:	1,256	1,509	1,497	1,504	1,452	1,315		-	-	-			8,533	12,444	(3,911)	15,000	(6,467)
Interest Expense:	(2,026)	(2,026)	(2,026)	(2,026)	(2,026)	(2,026)	-		-	<u> </u>	<u> </u>		(12,156)	(13,026)	870	(13,028)	872
Total Non-operating Revenue & Expense:	[770]	[517]	(529)	[522]	(574)	[711]		<del></del>					(3,623)	(582)	[3,041]	1,973	(5,596)
Net Income:	9,044	(42,376) -17.26%	(4,925) -1.64%	(50,609) -22,20%	(48,416) -19.63%	(168,954) -76.61%	#DIV/01	#DIV/OI	#DIV/01	#DIV/01	#DIV/0I	#DIV/0I	(306,236)	-0.54%	(297,625) -20.15%	(482,706) -32.06%	176,470 11.38%
Earnings Before Interest and Depreciation (EBID):	27,943	(23,730)	13,733	(31,958)	(29,713)	(150,114)			8	8			(193,839)	100,013	(293,852)	(375,905)	182,066
carrings before interest and depreciation (colo).	11.61%	-9.67%	4.59%	-14.02%	-12.05%	-68.07%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	-13.09%	6.23%	-19.32%	-24.97%	11.87%
				Debt Princip	I Coverage												
Simple Cash Flow (Net Income Plus Depreciation)	27,173	(24,247)	13,204	(32,480)	(30,287)	(150,825)							(197,462)	99,431	(296,893)	63,554	(261,016)
Debt Principal	9,650	9,650	9,650	9,650	9,650	9,650		HELDER .		Zadale.			57,900	57,900	AREA OF SALE	57,900	
Debt Principal Coverage Surplus/Deficit	17,523	(33,897)	3,554	(42,130)	(39,937)	(160,475)		<u> </u>	-	-		-	(255,362)	41,531	(296,893)	5,654	(261,016)
Debt Principal Coverage Percentage	282%	-251%	137%	-337%	-314%	-1563%	#DIV/OI	#DIV/0I	#DIV/01	#DIV/01	#DIV/01	#DIV/01	-341%	172%	-512.77%	109.77%	-450.80%
			5	imple Asset Repla	cement Coverage												
Debt Principal Coverage Surplus/Deficit (From Above)	17,523	(33,897)	3,554	(42,130)	(39,937)	(160,475)							(255,362)	41,531	(296,893)	5,654	(261,016)
Depreciation  Cash Accumulated For/(Taken From) Asset Replacement	18,129	18,129 (52,026)	(14,575)	18,129 (60,259)	(58,066)	(178,604)				<del></del>	<u> </u>		(364,136)	108,042 (66,511)	732 (297,625)	(103,120)	(261,016)
and the state of t	(000)	(Select)	(14,515)	Working		(270,004)							(50 (220)	(04)212)	(6),40)	(Leopard)	(conjune)
				WORKING.	Cabital												
Beginning Undesignated Working Capital	(132,800)	(191,075)	39,499	881,603	834,860	807,735	675,903	675,903	675,903	675,903	675,903	675,903	(132,800)	197,276	(330,076)	(132,800)	
Net Income Plus Depreciation Less Principal	17,523	(33,897)	3,554	(42,130)	(39,937)	(160,475)							(255,362) 1.064.065	41,531 123,416	(296,893) 940,649	5,654 1,064,065	(261,016)
Accruals, and other Balance Sheet Changes Ending Undesignated Working Capital	(75,798)	264,471 39,499	838,550 881,603	(4,613) 834,860	807,735	28,643 675,903	675,903	675,903	675,903	675,903	675,903	675,903	675,903	362,223	313,680	936,919	(261,016)
Chair Chairman Chairman Capital	(131,013)	25,455	001,003	854,000	50,,,33	0,3,303	013,503	0.3503	0.5,50	0.3,503	013,503	073,503	013,003				(101,010)
Working Capital Designated for CapEx	816,490	816,490	0	0	0	0	0	0	0	0	0	0	0	847,347	(847,347)	0	
Current Assets	747,193	981,421	1,007,035	958,999	931,111	799,241	799,241	799,241	799,241	799,241	799,241	799,241					
Current Liabilities	(5,980)	(9,634)	(9,634)	(8,341)	(7,578)	(7,540)	(7,540)	(7,540)	(7,540)	(7,540)	(7,540)	(7,540)					
CPLTD WCDFCapex	(115,798) (816,490)	(115,798) (816,490)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)					
Undesignated Working Capital	(191,075)	39,499	881,603	834,860	807,735	675,903	675,903	675,903 675,903	675,903	675,903	675,903	675,903	675,903 675,903	362,223 1,209,570	313,680	936,919	(261,016)
Total Working Capital	625,415	855,989 (0)	881,603 (0)	834,860 (0)	807,735 (0)	675,903 (0)	675,903 (0)	6/5,903	675,903 (0)	675,903 (0)	675,903 (0)	675,903 (0)	675,903	1,209,570	(533,667)	936,919	(261,016)
Working Capital Designated for Capex, Jul 11, 2015					Working Capital d	esignated for Cape	ex, June 30, 2015			721,490.04							
90413 Sitka Landfill/Granite Creek 56,252.4	10				New CapEx design	ations of Working	Capital in FY16 B	udget									

Working Copi	ter perignates for caper, year 1, 1015		Troiting capital designated for capes, rate 50, 2015	122,130.01
90413	Sitka Landfill/Granite Creek	56,252.40	New CapEx designations of Working Capital in FY16 Budget	
90566	Transfer Station	49,724.05		
90657	Expand Biosolids Area	500,000.00		
90677	Recycle Center Fence	50,000.00	Replace Roof on Recycle Building	95,000.00
90678	Scrap yard Upgrade	15,513.59		
90756	Ramp For Baler	50,000.00	Less FY16 working capital outlays for CapEx/Unappropriations	[816,490.04]
90756	Replace Rood on Recycle Building	-		
			Working Capital designated for Capex, June 30, 2016	
		721,490.04		

#### City and Borough of Sitka Solid Waste Disposal Utility

### Income Statement For The Trailing Twelve-Month Period Ending November 30, 2015

(Unaudited)

	January	February	March	April	Мау	June	July	August	September	October	November	December	12-Month
Revenue:	2015	2015	<u>2015</u>	<u>2015</u>	<u>2015</u>	2015	2015	2015	<u>2015</u>	2015	<u>2015</u>	2015	Trailing
Solid Waste Disposal Services Jobbing	220,763	243,777	198,894	167,676	288,682	229,558	230,827	222,697	292,159	220,433	226,055	199,837	2,741,358
Other Operating Revenue	8,149	3,721	28,358	36,354	14,743	41,310	9,812	22,791	7,272	7,514	20,570	20,697	221,291
Total Revenue:	228,912	247,498	227,252	204,030	303,425	270,868	240,639	245,488	299,431	227,947	246,625	220,534	2,962,649
Cost of Sales:													
Contract Waste Hauling	62,486	62,933	63,758	72,710	61,288	61,936	62,523	62,757	63,596	61,480	64,451	59,728	759,646
Transfer Station	92,660	77,963	86,798	92,791	145,879	100,957	102,790	136,371	133,983	118,220	116,386	138,253	1,343,051
Landfill	19,352	5,659	11,784	11,477	8,306	59,239	5,733	7,968	29,156	7,517	23,717	48,006	237,914
Recycling Jobbing	41,241	32,802	29,105	89,551	50,603	95,902	8,133	28,394	25,818	35,419	37,904	90,045	564,917
Depreciation	18,007	18,007	18,007	18,007	18,007	16,539	18,129	18,129	18,129	18,129		18,129	215,348
Total Cost of Sales:	222.746	107.204											
ibital Cost of Sales.	233,746	197,364	209,452	<u>284,536</u>	284,083	334,573	197,308	253,619	270,682	240,765	260,587	<u>354,161</u>	3,120,876
Gross Margin:	(4,834) -2.11%	50,134 20.26%	17,800 7.83%	(80,506) -39.46%	19,342 6.37%	(63,705) -23.52%	43,331 18.01%	(8,131) -3.31%	28,749 9.60%	(12,818) -5.62%	(13,962) -5.66%	(133,627) -60.59%	(158,227) -5.34%
Selling and Administrative Expenses	46,335	33,886	33,806	24,337	35,802	36,250	33,517	33,728	33,145	37,269	33,880	34,616	416,571
Earnings Before Interest (EBI):	(51,169)	16,248	(16,006)	(104,843)	(16,460)	(99,955)	9,814	(41,859)	(4,396)	(50,087)	(47,842)	(168,243)	(574,798)
Non-operating Revenue and Expense:	-22.35%	6.56%	-7.04%	-51.39%	-5.42%	-36.90%	4.08%	-17.05%	-1.47%	-21.97%	-19.40%	-76.29%	-19.40%
Non-operating revenue:	1,906	1,870	2,119	1,924	1,771	(14,461)	1,256	1,509	1,497	1,504	1,452	1,315	3,662
Interest Expense:	(2,171)	(2,171)	(2,171)	(2,171)	(2,171)	(2,175)	(2,026)	(2,026)	(2,026)	(2,026)	(2,026)	(2,026)	(25,186)
Total Non-operating Revenue & Expense:	(265)	(301)	(52)	(247)	(400)	(16,636)	(770)	(517)	(529)	(522)	(574)	(711)	(21,524)
Net Income:	(51.434)	15.947	(16.058)	(105.090)	(16.860)	(116.591)	9.044	(42,376)	(4,925)	(50,609)	(48,416)	(168,954)	(596.322)
	-22.47%	6.44%	-7.07%	-51.51%	-5.56%	-43.04%	3.76%	-17.26%	-1.64%	-22.20%	-19.63%	-76.61%	-20.13%
Earnings Before Interest and Depreciation (EBID):	(33,162)	34,255	2,001	(86,836)	1.547	(83,416)	27,943	(23,730)	13,733	(31,958)	(29,713)	(150,114)	(359,450)
, , ,	-14.49%	13.84%	0.88%	-42.56%	0.51%	-30.80%	11.61%	-9.67%	4.59%	-14.02%	-12.05%	-68.07%	-12.13%
				Debt Princ	cipal Coverage								
Simple Cash Flow (Net Income Plus Depreciation)	(33,427)	33,954	1,949	(87,083)	1,147	(100,052)	27,173	(24,247)	13,204	(32,480)	(30,287)	(150,825)	(380,974)
Debt Principal	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	115,800
Debt Principal Coverage Surplus/Deficit	(43,077)	24,304	(7,701)	(96,733)	(8,503)	(109,702)	17,523	(33,897)	3,554	(42,130)	(39,937)	(160,475)	(496,774)
Debt Principal Coverage Percentage	-346%	352%	20%	-902%	12%	-1037%	282%	-251%	137%	-337%	-314%	-1563%	-329%
				Simple Asset Re	placement Covera	ige							
Debt Principal Coverage Surplus/Deficit (From Above)	(43,077)	24,304	(7,701)	(96,733)	(8,503)	(109,702)	17,523	(33,897)	3,554	(42,130)	(39,937)	(160,475)	(496,774)
Depreciation	18,007	18,007	18,007	18,007	18,007	16,539	18,129	18,129	18,129	18,129	18,129	18,129	215,348
Cash Accumulated For/(Taken From) Asset Replacement	(61,084)	6,297	(25,708)	(114,740)	(26,510)	(126,241)	(606)	(52,026)	(14,575)	(60,259)	(58,066)	(178,604)	(712,122)
				Work	ng Capital						2.1		
Beginning Undesignated Working Capital	202 202	300 400	240 70-	252 747	300 000	240 800	tann ann	1464 6		a			
Net Income Plus Depreciation Less Principal	362,223 (43,077)	320,102 24,304	349,797 (7,701)	353,717 (96,733)	275,697 (8,503)	319,782 (109,702)	(132,800) 17,523	(191,075) (33,897)	39,499 3,554	881,603 (42,130)	834,860 (39,937)	807,735 (160,475)	362,223 (496,774)
Accruals, and other Balance Sheet Changes	956	5,391	11,621	18,713	52,588	(342,880)	17,323 (75,798)	264,471	3,554 838,550	(42,130)	12,812	28,643	(496,774) 810,454
Ending Undesignated Working Capital	320,102	349,797	353,717	275,697	319,782	(132,800)	(191,075)	39,499	881,603	834,860	807,735	675,903	675,903
Working Capital Designated for CapEx	835,312	826,442	823,348	807,840	790,611	782,686	816,490	816,490	0	· . O.	0	0	0

# Harbor System Financial Analysis As Of, And For the Six-Month Period Ending December, 2015

Financial operations for the Harbor Fund in September, and for the 3-month period ending September 30, are exceeding both FY2015 historical results and FY2016 plan. All comparative financial rations have improved over the comparable period in FY2015. Revenue increased \$135.7K, or 11.2%, over the comparable six-month period for FY2015, and, earnings before interest and depreciation (EBIDA) increased by \$141.3K, from \$321.6K to \$462.9K for the comparable six-month period.

Permanent moorage has increased by \$82.7K, or 10.3% over FY2015. Costs of operations have slightly decreased from the comparable period in FY2015, decreasing by \$7.5K. Together, these positive trends caused earnings before interest (EBI) to increase by \$143.2K over the same period in FY2015.

Undesignated working capital increased by \$1,329.5K in year-over-year comparison with September, 2015, from \$3,934.3K to \$5,263.6K. A major factor in the increase is the lapsing of unspent appropriations for completed projects, notably the ANB Harbor project.

The Harbor Fund Long Range Cash Flow, Working Capital, and Debt Model forecasted ending undesignated working capital at June 30, 2016 of \$5,309.3K. As of December 31, 2015, actual undesignated working capital of \$5,263.6K was just \$45.7K short of this target, indicating good alignment with long range plan goals.

The Harbor Fund appears to be executing according to annual plan, with results ahead plan for all metrics. As specified in the Harbor Fund Long Range Cash Flow, Working Capital, and Debt Model, annual moorage rate increases are appropriate and necessary to generate the working capital and cash flow necessary to continue to repair and renovate harbor facilities. Noting that accumulation of working capital is right in line with forecasted levels, deviation from planned moorage rate increases is not recommended at this time.

### City and Borough of Sitka Harbor Fund Income Statement For The Twelve-Month Period Fron July 1, 2015 to June 30, 2016 (Unaudited)

	July	August	September	October	November	December	January	February	March	April 2016	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 50.00%)	Variance To FY2016 Plan
Revenue:	2015	2015	2015	2015	2015	2015	2016	2016	2016	2016	2016	2016	110	110		(3/1-30.00%)	. 120201380
Permanent Moorage	149,628	188,280	149,062	131,063	132,113	133,624				8			883,770	801,042	82,728	772,550	111,220
Transient Moorage	77,036	77,724	38,631	3,835	7,721	9,688	9		0	12	12	-	214,635	198,201	16,434	189,500	25,135
Lightering Fees	5,729	6,875	52,711			1,145							66,460	44,576 165,548	21,884	26,500	39,960
Other Operating Revenue	14,897	118,377	8,626	22,312	10,052	5,897					-		180,161	165,548	14,613	72,474	107,688
Total Revenue:	247,290	391,256	249,030	157,210	149,886	150,354					9	121	1,345,026	1,209,367	135,659	1,061,024	284,003
Cost of Sales:																	
Operations	61,031	87,791	96,162	93,572	72,415	76,895			8		27		487,866	510,405	22,539	603,728	115,862
Abbling											-		330,696	332,622	1,926	330,697	
Depreciation	55,116	55,116	55,116	55,116	55,116	55,116			-				330,070			230,001	
Total Cost of Sales:	116,147	142,907	151,278	148,688	127,531	132,011							818,562	843,027	24,465	934,425	115,863
Gross Margin:	131.143	248,349	97,752	8,522	22,355	18,343		2				-	526,464	366,340	160,124	126,599	399,866
	53.03%	63.47%	39.25%	5.42%	14.91%	12.20%	#DIV/01	#DIV/01	#DIV/0!	#DIV/01	#D(V/01	#DIV/0!	39.14%	30.29%	8.85%	11.93%	27.21%
Selling and Administrative Expenses	61,878	64,089	68,952	66,853	66,243	66,228				<u> </u>			394,243	377,295	(16,948)	425,717	31,474
Earnings Before Interest (EBI):	69.265	184,260	28.800	(58,331)	(43,888)	(47,885)							132,221	(10,955)	143,176	(299,118)	431,339
carring before merest (corp.	28.01%	47.09%	11.56%	-37.10%	-29.28%	-31.85%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	9.83%	-0.91%	10.74%	-28.19%	38.02%
Non-operating Revenue and Expense:																	
Raw Fish Tax	79.750	79.750	79.750	79,750	79,750	79,750					14	-	478.500	450.000	28,500	478,500	
Other Non-Operating Revenue:	14,192	16,316	16,130	15,367	16,079	16,834			-				94,918	80,033	14,885	37,500	57,418
Grant Revenue		10,510												224	(224)	1,500,000	(1,500,000)
Bond Fund Interest Revenue:									1					5,856	(5,856)		
Interest Expense Bonds:	(14,192)	(14,192)	(14,192)	(14,192)	(14,192)	(14,192)	*						(85,152)	(87,852) (5,100)	2,700	(85,150) (4,762)	(2)
Interest Expense Loans:	(794)	(794)	(794)	(794)	(794)	(794)			<del></del> -				(4,764)	[5,100]	330	[9,762]	121
Total Non-operating Revenue & Expense:	78,956	81,080	80,894	80,131	80,843	81,598		:		-		· ·	483,502	535,133	[51,631]	1,926,089	[1,442,587]
Net Income:	148,221	265,340	109,694	21.800	36,955	33,713							615,723	524.178	91.545	1,626,971	[1.011.248]
	59.94%	67.82%	44.05%	13.87%	24.66%	22.42%	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	#DIV/01	45.78%	43.34%	67.48%	153.34%	-107.56%
Earnings Before Interest and Depreciation (EBIDA):	124,381	239,376	83,916	(3,215)	11,228	7,231	***************************************	*Doutel	#DIV/01	#DIV/01	#DIV/0I	#DIV/01	462,917 34.42%	321,667 26.60%	141,250 7.82%	31,579 2.98%	431,338 31.44%
	50.30%	61.18%	33.70%	-2.05%	7.49%	4.81%	#DIV/01	#DIV/01	#DIV/OI	*514701	***************************************	*010/01	34.42.4	20.00%	7.02.7	2.500	31.44%
Bond Covenant Ratio	8.44	12.97	6.95	3.55	4.14	4.01	#DIV/0I	#DIV/01	#DIV/0!	#DIV/01	#DIV/01	#DIV/0!	6.68	5.52	1.16	3.53	3.15
Debt Principal Coverage												E (EE)					
Simple Cash Flow (Net Income Plus Depreciation)	148.221	265,340	109.694	21,800	36,955	33,713							615,723	397.657	218.066	1.957.668	(1,341,945)
Simple Cash Flow (Net Income Plus Depreciation) Bond Debt Principal	11,667	11,667	11,667	11,667	11,667	11,667					Lincole Con	Table 1	70,002	67,500	(2,502)	70,000	2
Loan Debt Principal	3,779	3,779	3,779	3,779	3,779	3,779							22,674	22,674		22,674	
Debt Principal Coverage Surplus/Deficit	132,775	249,894	94,248	6,354	21,509	18,267						•	523,047	307,483	215,564	1,864,994	(1,341,947)
Debt Principal Coverage Percentage	112%	106%	116%	343%	172%	185%	#DIV/01	#DIV/01	*DIV/0!	#DIV/01	#DIV/01	#DIV/01	118%	1754%	-1636%	2112.42%	-2112.42%
Simple Asset Replacement Coverage																	
Simple Asset Replacement Coverage																	
Debt Principal Coverage Surplus/Deficit (From Above)	132,775	249,894	94,248	6,354	21,509	18,267					Vien dint	7.5	523,047 330,696	342,032 332,622	181,015 1,926	1,864,994 330,697	(1,341,947)
Depreciation  Cash Accumulated For/(Taken From) Asset Replacement	55,116	55,116 194,778	39,132	55,116 (48,762)	(33,607)	(36,849)	Well to	77.0	<del></del>	· ·	<del></del>	<u>:</u>	192,351	9,410	182,941	1,534,297	(1,341,946)
Working Capital	HEMSTER .																
Beginning Undesignated Working Capital	4,839,635	5,983,074	6,074,518	6,113,347	5,643,121	5,532,873	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	4,839,635 523,047	6,607,377 342,032	(1,767,742) 181,015	4,839,635 1,864,994	(1,341,947)
Net Income Plus Depreciation Less Principal	132,775	249,894	94,248	6,354	21,509	18,267 (287,386)					100000000000000000000000000000000000000		523,047 (98,928)	(3,015,152)	2,916,224	317,234	(416,162)
Accruals and other Balance Sheet Changes Ending Undesignated Working Capital	5,983,074	(158,450) 6,074,518	(55,419) 6,113,347	(476,580) 5,643,121	(131,757) 5,532,873	5,263,754	5.263.754	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	3,934,257	1,329,497	7,021,863	(1,758,109)
													2.935.548	3.993.606	(1,058,058)	1,559,880	1,375,669
Working Capital Designated for CapEx	3,117,417	3,114,565	3,075,736	3,045,310	3,023,344	2,935,548	2,935,548	2,935,548	2,935,548	2,935,548	2,935,548	2,935,548				1,559,880	1,373,069
Current Assets	9,435,186	9,537,970	9,537,970	9,065,701	8,933,487	8,513,812	8,513,812	8,513,812	8,513,812	8,513,812	8,513,812	8,513,812	8,513,812	8,225,201	288,611		
Current Liabilities	(149,347)	(163,539)	(163,539)	(191,922)	(191,922)	(129,162)	(129,162) (185,348)	(129,162) (185,348)	(129,162) (185,348)	(129,162) (185,348)	(129,162)	(129,162)	(129,162)	(116,990)	(12,172)		
CPLTD WCDFCapex	(185,348) (3,117,417)	(3,114,565)	(185,348)	(185,348) (3,045,310)	(185,348) (3,023,344)	(185,348) (2,935,548)	(2,935,548)	(2,935,548)	(2,935,548)	(2,935,548)	(2,935,548)	(2,935,548)	(2,935,548)	(3,993,606)	1,058,058		
mortages.																	
	5,983,074	6,074,518	6,113,347	5,643,121	5,532,873	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	5,263,754	3,934,257	1,329,497	7,021,863	(1,758,109)
Undesignated Working Capital Total Working Capital	9,100,491	9,189,083	9,189,083	8,688,431	8,556,217	8,199,302	8,199,302	8,199,302	8.199.302	8,199,302	8,199,302	8,199,302	8,199,302	7,927,863	271,439	8,581,742	(382,440)

Working Capital designated for Capex, June 30, 2016

2,935,548.00

orking Capital designated for Capex, June	30, 2015	Working Capital designated for Capex, June 30, 2015	2,948,075.00
Deficit Project Offset	75,753	New CapEx designations of Working Capital in FY16 Budge	•
0722 Eliason Harbor Flotation Upgrades	(63,034)	90799 Eliason Flotation Upgrade West Transien	
0757 Transient Dock Replacement	3,023,828	90798 Eliason Harbor Electrical Upgrades	15,000
0769 Crescent Harbor Shelter Roof	(12,719)	90810 Sealing Cove Harbor Maintenance Repair	s 15,000
		80242 Seaplane Base Environmental Analysis	20,000
Total designated working capital	2.948.075	Bond Fund Interest	
		Less FY16 working capital outlays for CapEx	(187,527.0

#### City and Borough of Sitka Harbor Fund Income Statement

#### For The Trailing Twelve-Month Period Ending December 31, 2015 (Unaudited)

_							July	August	September	October	November	December	12-Month
	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	2015	2015	2015	2015	2015	2015	Trailing
Revenue:		2000	STOCKS TO SEC.		-	-			tur Colonia and Artista	V			Activities and activities
Permanent Moorage	123,063	123,428	128,364	131,907	137,559	158,635	149,628	188,280	149,062	131,063	132,113	133,624	1,686,726
Transient Moorage	4,066	8,804	29,855	16,557	29,029	66,176	77,036	77,724	38,631	3,835	7,721	9,688	369,122 77,571
Lightering Fees	1,943		. 1		3,438	5,730	5,729	6,875	52,711 8,626	22,312	10,052	1,145 5,897	429,208
Other Operating Revenue	7,144	21,312	5,451	12,402	14,721	188,017	14,897	118,377	8,020	22,312	10,032	3,837	425,200
Total Revenue:	136,216	153,544	163,670	160,866	184,747	418,558	247,290	391,256	249,030	157,210	149,886	150,354	2,562,627
Cost of Sales:											12070024		
Operations	79,384	73,191	87,954	116,411	138,326	376,391	61,031	87,791	96,162	93,572	72,415	76,895	1,359,523
Jobbing Depreciation	55,437	55,437	55,437	55,440	55,438	59,291	55,116	55,116	55,116	55,116	55,116	55,116	667,176
Total Cost of Sales:	134,821	128,628	143,391	171,851	193,764	435,682	116,147	142,907	151,278	148,688	127,531	132,011	2,026,699
C	1,395	24,916	20,279	(10,985)	(9,017)	(17,124)	131,143	248,349	97,752	8,522	22,355	18,343	535,928
Gross Margin:	1.02%	16.23%	12.39%	-6.83%	-4.88%	-4.09%	53.03%	63.47%	39.25%	5.42%	14.91%	12.20%	20.91%
Selling and Administrative Expenses	51,206	53,563	57,293	63,877	63,362	121,503	61,878	64,089	68,952	66,853	66,243	66,228	805,047
Earnings Before Interest (EBI):	(49,811)	(28,647)	(37,014)	(74,862)	(72,379)	(138,627)	69,265	184,260	28,800	(58,331)	(43,888)	(47,885)	(269,119)
	-36.57%	-18.66%	-22.62%	-46.54%	-39.18%	-33.12%	28.01%	47.09%	11.56%	-37.10%	-29.28%	-31.85%	-10.50%
Non-operating Revenue and Expense:													
Raw Fish Tax	75,000	75,000	75,000	75,000	75,000	302,000	79,750	79,750	79,750	79,750	79,750	79,750	1,155,500
Other Non-Operating Revenue:	14,866	12,792	16,563	56,336	15,116	228,974	14,192	16,316	16,130	15,367	16,079	16,834	439,565
Grant Revenue	158	-	389,672	1,371	(267,564)	605			0.2	2	· ·		124,242
Bond Fund Interest	340	347	397	437	321	-							1,842
Interest Expense Bonds:	(14,642)	(14,642)	(14,642)	(14,642)	(14,642)	(14,638)	(14,192)	(14,192)	(14,192)	(14,192)	(14,192)	(14,192)	-173000
Interest Expense Loans:	(850)	(850)	(850)	(850)	(850)	(850)	(794)	(794)	(794)	(794)	(794)	(794)	(9,864)
Total Non-operating Revenue & Expense:	74,872	72,647	466,140	117,652	[192,619]	516,091	78,956	81,080	80,894	80,131	80,843	81,598	1,538,285
Net Income:	25,061	44,000	429,126	42,790	(264,998)	377,464	148,221	265,340	109,694	21,800	36,955	33,713	1,269,166
	18.40%	28.66%	262.19%	26.60%	-143.44%	90.18%	59.94%	67.82%	44.05%	13.87%	24.66%	22.42%	49.53%
Earnings Before Interest and Depreciation (EBIDA):	5,626	26,790	18,423	(19,422)	(16,941)	(79,336)	124,381	239,376	83,916	(3,215)	11,228	7,231	398,057
The second secon	4.13%	17.45%	11.26%	-12.07%	-9.17%	-18.95%	50.30%	61.18%	33.70%	-2.05%	7.49%	4.81%	15.53%
Bond Covenant Ratio	3.70	4.44	4.26	4.34	2.84	17.45	8,44	12.97	6.95	3.55	4.14	4.01	6.42
Debt Principal Coverage									and an incoming				
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	25,061	44,000	429,126	42,790	(264,998)	377,464	148,221	265,340	109,694	21,800	36,955	33,713	1,269,166
Bond Debt Principal	11,250	11,250	11,250	11,250	11,250	11,250	11,667	11,667	11,667 3,779	11,667 3,779	11,667 3,779	11,667 3,779	137,502 45,348
Loan Debt Principal	3,779	3,779	3,779	3,779	3,779	3,779	3,779	3,779 249,894	94,248	6,354	21,509	18,267	1,086,316
Debt Principal Coverage Surplus/Deficit	10,032	28,971	414,097	27,761	(280,027)	362,435	132,775	249,894	94,248	6,334	21,509	18,267	1,080,310
Debt Principal Coverage Percentage	250%	152%	104%	154%	95%	104%	112%	106%	116%	343%	172%	185%	2799%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	10,032	28,971	414,097	27,761	(280,027)	362,435	132,775	249,894	94,248	6,354	21,509	18,267	1,086,316
Depreciation	55,437	55,437	55,437	55,440	55,438	59,291	55,116	55,116	55,116	55,116	55,116	55,116	419,140
Cash Accumulated For/(Taken From) Asset Replacement	(45,405)	(26,466)	358,660	(27,679)	(335,465)	303,144	77,659	194,778	39,132	(48,762)	(33,607)	(36,849)	419,140
Working Capital													
Beginning Undesignated Working Capital	3,934,257	3,860,239	3,767,498	3,687,409	4,073,812	3,944,768	4,839,635	5,983,074	6,074,518	6,113,347	5,643,121	5,532,873	3,934,257
Net Income Plus Depreciation Less Principal	10,032	28,971	414,097	27,761	(280,027)	362,435	132,775	249,894	94,248	6,354	21,509	18,267	1,086,316
Accruals and other Balance Sheet Changes	(84,050)	(121,712)	(494,186)	358,642	150,983	532,432	1,010,664	(158,450)	(55,419)	(476,580)	(131,757)	(287,386)	243,181
Ending Undesignated Working Capital	3,860,239	3,767,498	3,687,409	4,073,812	3,944,768	4,839,635	5,983,074	6,074,518	6,113,347	5,643,121	5,532,873	5,263,754	5,263,754
Working Capital Designated for CapEx	3,879,707	4,095,113	3,993,606	3,879,707	3,880,054	4,246,754	3,117,417	3,114,565	3,075,736	3,045,310	3,023,344	2,935,548	2,935,548

# Airport Terminal Financial Analysis As Of, And For the Six-Month Period Ending December 31, 2015

The Airport Terminal Fund returned to positive Earnings Before Interest and Depreciation (EBIDA) in the second fiscal quarter of FY2016, but remains behind plan for FY2016. As previously reported, a lease termination settlement resulted in a one-time charge of \$10.0K and unusual building repair and maintenance costs totaled \$13.6K, causing expenditures to exceed planned levels. In addition, planned receipts of Passenger Facility Charges are not yet occurring, having been delayed pending Federal government approval.

Top-line revenue was \$232.8K for the 6-month period, an increase of \$18.1K from FY2015. This increase was attributable to increased lease revenue from Delta Air Lines. Top line revenue fell (\$104.2K) short of plan, however, due to planned collections of Passenger facility Charges not commencing. Passenger facility fees are added to airline tickets and must be approved by the Federal Aviation Administration in conjunction with a specific project. The Municipality has been in the process of attempting to obtain approval to resume charging the fee in conjunction with expansion of the TSA area.

Costs of sales increased by \$13.4K over FY2015. Significant contributing factors are the lease termination settlement and building repairs, as previously mentioned.

For the six-month, Earnings (Loss) Before Interest (EBI) were (\$61.3K) and Earnings Before Interest and Depreciation (EBIDA) were 22.2K, indicating small but positive operating cash flow. Total working capital, which includes collected but unspent passenger facility fees, was \$816.3K as of December 31, 2015. Undesignated working capital as of December 31, 2015 was \$295.8K.

A continuing financial challenge is the inability of the Fund to accumulate working capital greater than the estimate depreciation of the Terminal facility itself. This trend, unless changed by future events, would mean that insufficient cash will be on hand on the eventual day that the facility needs to be replaced or substantially renovated. The fact that the terminal is already decades old and only \$296K is available in undesignated working capital is evidence of this fact. As a result, it is highly likely that the eventual major renovation or replacement of the Terminal will either need to be funded through a grant, or, through bonded debt of some sort.

ſ	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	
	2015	<u>2015</u>	2015	<u> 2015</u>	TTM
Revenue:					
Leases	89,073	100,271	101,826	98,973	390,143
Other Operating Revenue	6,131	19,514	14,757	17,275	<u>57,677</u>
Total Revenue:	95,204	119,785	116,583	116,248	447,820
Cost of Sales:					
Operations	73,211	134,515	131,452	79,190	418,368
Depreciation	44,989	57,987	41,738	41,739	186,453
Total Cost of Sales:	118,200	192,502	173,190	120,929	604,821
Gross Margin:	(22,996)	(72,717)	(56,607)	(4,681)	(157,001)
•	-24.15%	-60.71%	-48.56%	-4.03%	-35.06%
Selling and Administrative Expenses	<u> </u>	<del>-</del> -	<del></del> -	-	•
Earnings Before Interest (EBI):	(32.006)	(72 717)	(EC COT)	(4 501)	(157.001)
comings before interest (EBI).	(22,996) -24.15%	(72,717) -60.71%	(56,607) -48.56%	(4,681) -4.03%	(157,001) -35.06%
Non-operating Revenue and Expense:	2412570	00.7 270	40.30%	4.0370	-33.0070
Interest and Non-Operating Revenue: Interest Expense:	4,199	434	4,201	4,527	13,361
interest expense.			<del></del> -	<u> </u>	<del></del>
Total Non-operating Revenue & Expense:	4,199	434	4,201	4,527	13,361
Net Income:	(18.797)	(72,283)	(52,406)	(154)	(143,640)
	-19.74%	-60.34%	-44.95%	-0.13%	-32.08%
Forming Deferm Interest and Democratics (FDIDA).	24 222	(4.4.770)	(4.4.050)	27 272	
Earnings Before Interest and Depreciation (EBIDA):	21,993 23.10%	(14,730) -12.30%	(14,869) -12.75%	37,058 31.88%	29,452 6.58%
	25.20%	-12.30%	-12.73%	31.00%	0.36%
Debt Principal Coverage				and the Market	
그 그렇게 되고 있습니다.			10.041		
Simple Cash Flow (Net Income Plus Depreciation)  Debt Principal	26,192	(14,296)	(10,668)	41,585	42,813
Debt Principal Coverage Surplus/Deficit	26,192	(14,296)	(10,668)	41,585	42,813
		(14,250)	(20,000)	12,505	12,023
Debt Principal Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%
Claude Accel Caules					
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	26,192	(14,296)	(10,668)	41,585	42,813
Depreciation	44,989	57,987	41,738	41,739	186,453
Cash Accumulated For/(Taken From) Asset Replacement	(18,797)	(72,283)	(52,406)	(154)	(143,640)
Working Capital					
Beginning Undesignated Working Capital	356,912	386,286	407,311	254,183	356,912
Net Income Plus Depreciation Less Principal	26,192	(14,296)	(10,668)	41,585	42,813
CapEx, Accruals, and other Balance Sheet Changes	3,182	35,321	(142,460)	<u> </u>	(103,957)
Ending Undesignated Working Capital	386,286	407,311	254,183	295,768	295,768
Working Capital Designated for CapEx	427,615	427,125	520,523	520,523	520,523

#### City and Borough of Sitka Airport Terminal Fund

### income Statement For The Twelve-Month Period From July 1, 2015 to June 30, 2016 {Unaudited}

		Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	FY2016	FY2015	Variance To	FY2016 Plan	Variance To
Revenue:		2015	2015	2016	2016	YTD	YTO	FY2015 YTD	(S/L - 50%)	FY2016 Plan
	Leases Other Operating Revenue	101,826 14,757	98,973 17,275	<u>.</u>	<u>:</u>	200,799 32,032	182,376 32,321	18,423 (289)	211,026 126,000	(10,227) (93,968)
Total Revenue		116,583	116,248	-	•	232,831	214,697	18,134	337,026	(104,195)
Cost of Sales:										
	Operations Depreciation	131,452 41,738	79,190 41,739	<u>:</u>	<del></del>	210,642 <u>83,477</u>	174,535 89,976	(36,107) 6,499	224,061 83,477	13,419 
	Total Cost of Sales:	173,190	120,929	<del></del>	•	294,119	264,511	(29,608)	307,538	13,419
Gross Margin:		(56,607) -48.56%	(4,681) -4.03%	#DIV/01	#DIV/01	(61,288) -26.32%	(49,814) -23.20%	47,742 263.27%	29,488 8.75%	(90,776) -35.07%
Selling and Ad	ninistrative Expenses		·	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>		<u> </u>
Earnings Before	Interest (EBI):	(56,607) -48.56%	(4,681) -4.03%	#DIV/0!	#DIV/01	(61,288)	(49,814)	(11,474)	29,488	(90,776)
Non-operating	Revenue and Expense:	40.30%	4.03%	#D(V/U)	#BIV/O1	-26.32%	-23.20%	-63.27 <b>%</b>	8.75%	-35.07%
	Interest and Non-Operating Revenue: Interest Expense:	4,201	4,527	<u>:</u>	<u> </u>	8,728 	8,570	158 	8,550 	178 -
	Total Non-operating Revenue & Expense:	4,201	4,527	<del></del>		8,728	8,570	158	8,550	178
Net Income:		(\$2,406) -44.95%	(154) -0.13%	#DIV/01	#DIV/OI	(52,560) -22,57%	<u>(41.244)</u> -19.21%	(11,316) -62,40%	38,038 11.29%	(90,598) -33,86%
Famines Refor	Interest and Depreciation (EBIDA):	(14,869)	37,058	***************************************	***************************************	22,189	40,162	(4,975)	112,965	(90,776)
	The state of the s	-12.75%	31.88%	#DIV/01	#DIV/01	9.53%	18.71%	-27.43%	33.52%	-23.99%
Debt Principal	overage									
Simple Cash Flo Debt Principal	w (Net Income Plus Depreciation)	{10,668}	41,585	•	•	30,917	48,732	(17,815)	121,515	(90,598)
Debt Principal	Coverage Surplus/Deficit	(10,668)	41,585	<u> </u>		30,917	48,732	(17,815)	121,515	(90,598)
Debt Principal	Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
Simple Asset R	placement Coverage									
Debt Principal ( Depreciation	overage Surplus/Deficit (From Above)	(10,668) 41,738	41,585 41,739			30,917 83,477	48,732 89,976	(17,815) (6,499)	121,515 83,477	(90,598)
Cash Accumula	ted For/(Taken From) Asset Replacement	(52,406)	(154)	•	•	(52,560)	(41,244)	(11,316)	38,038	(90,598)
Working Capita										
	signated Working Capital Depreciation Less Principal	407,311 (10,668)	254,183 41,585	295,768	295,768	407,311 30,917	321,953 48,732	85,358 (17,815)	407,311 121,515	(90,598)
CapEx, Accruals	and other Balance Sheet Changes	(142,460)				(142,460)	(13,773)	(128,687)		(142,460)
Ending Undesig	nated Working Capital	254,183	295,768	295,768	295,768	295,768	356,912	(61,144)	528,826	(233,058)
Working Capita	Designated for CapEx	520,523	520,523	520,523	520,523	520,523	427,769	92,754	427,125	93,398
Current Assets		774,706	816,291	816,291	816,291	816,291				
Current Liabilità CPLTD		-	•							
WCDFCapex		(520,523)	(520,523)	(520,523)	(520,523)	(520,523)				
Undesignated \ Total Working		254,183 774,706	295,768 816,291	295,768 816,291	295,768 816,291	295,768 816,291	356,912 784,681	(61,144) 31,610		
July 1, 2015					Working Capital de	rsignated for Capex, June 30,	2015	420,911		
\$ 56,949 - 906 \$363,962 - PFC	56 - Airport Lighting Projects				New CapEx designs	ations of Working Capital in F	Y16 Budget			
					Airport Boiler			130,000		
\$420,911					Less FY15 working	capital outlays for CapEx	-	(30,388)		

# Marine Service Center Financial Analysis As Of, And For the Six-Month Period Ending December 31, 2015

Financial operations for the Marine Service Center returned to planned levels in the second quarter of FY2016, with all metrics very close to plan. The fund is, furthermore, expected to perform in accordance with its plan for the fiscal year as a whole.

Top-line revenue for the three-month period was \$116.3K, exactly equal to FY2015. Costs of sales increased by (\$66.4K) over FY2015. This increase had to do with the timing of certain expenditures, however. In particular, \$73.7K of repairs were performed in the first quarter of FY2016; in the comparable first quarter of FY2015, no repairs were performed, causing a large negative variance.

Working capital increased by \$16.4K during the second fiscal quarter, and undesignated working capital as of December 31, 2015 was \$1,516.8K. This represents a year-to-year decline in working capital from December 31, 2014 to December 31, 2015 of (\$43.8K). Again, the large amount of repairs performed in the first fiscal quarter of FY2016 is the reason for the year-over-year decline.

#### City and Borough of Sitka Marine Service Center

### Income Statement For The Twelve-Month Period From July 1, 2015 to June 30, 2016 [Unaudited]

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Veriance To FY2015 YTD	FY2016 Plan (S/L - 50.00%)	Variance To FY2016 Plan
Revenue:			REAT	RVAY			***************************************		
Leases Other Operating Revenue	77,528	38,764 	<u>:</u>	<u></u> :	116,292	116,292	<del></del>	117,192	<del>.</del>
Total Revenue:	77,528	38,764	•	•	116,292	116,292	•	117,192	(900)
Cost of Sales:									
Operations Depreciation	70,154 35,016	30,836 35,017	<u>.</u>	<u> </u>	100,990 70,033	34,628 71,991	66,362 (1,958)	95,747 70,033	(5,244) 
Total Cost of Sales:	105,170	65,853			171,023	106,619	64,404	165,780	(5,244)
Gross Margin:	(27,642) -35.65%		#DIV/0I	#DIV/01	(54,731) -47.06%	9,673 8.32%	(64,404) -55.38%	(48,588) -41,46%	(6,144) -5.60%
Selling and Administrative Expenses		<del>.</del>	<del></del>	<u>-</u>	·	<u> </u>			<u>.</u>
Earnings Before Interest and Taxes (EBIT):	(27,642) -35.65%				(54,731)	9,673	(64,404)	(48,588)	(6,144)
Non-operating Revenue and Expense:	-33.65%	-69.88%	#DIV/01	#DIV/O!	-47.06%	8.32%	-55.38%	-41.46%	-5.60%
Interest and Non-Operating Revenue: Interest Expense:	7,959	8,470	<u>.</u>	<u>.</u>	16,429	16,377 	<u>.</u> 52	16,400	
Total Non-operating Revenue & Expense:	7,959	8,470			16,429	16,377	52	16,400	29
Net income:	(19,683) -25,39%	(18,619) -48.03%	#DIV/01	#DIV/01	(38,302) -32,94%	26,050 22,40%	(64,352) -55.34%	(32,188) -27,47%	
Earnings Before Interest and Texes and Depreciation		7,928			15,302	81,664	(66,362)	21,446	(6,144)
	9.51%		#DIV/01	#DIV/01	13.16%	70.22%	-57.06%	18.30%	-5.14%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation) Debt Principal	15,333	16,398	<u> </u>		31,731	98,041	(66,310)	37,846	(6,115)
Debt Principal Coverage Surplus/Deficit	15,333	16,398		<u> </u>	31,731	98,041	(66,910)	37,846	(6,115)
Debt Principal Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above) Depreciation		16,398	•	•	31,731	98,041	(66,310)	37,846	(6,115)
Cash Accumulated For/(Taken From) Asset Replacem	35,016 went (19,683)	35,017 (18,619)	<del></del>	<del></del>	70,033 (38,302)	71,991 26,050	(1,958) (64,352)	70,033 (32,188)	(6,115)
Working Capital									
Beginning Undesignated Working Capital	1,485,038	1,500,371	1,516,769	1,516,769	1,485,038	1,462,488	22,550	1,485,038	
Net Income Plus Depreciation Less Principal CapEx, Accruals, and other Balance Sheet Changes	15,333	16,398	•	•	31,731	98,041	(66,310)	37,846	(6,115)
Ending Undesigneted Working Capital	1,500,371	1,516,769	1,516,769	1,516,769	1,516,769	1,560,528	(43,759)	1,522,884	(6,115)
Working Capital Designated for CapEx	-	-		-	•		-	-	
Current Assets Current Liabilities	1,500,371	1,516,769	1,516,769	1,516,769	1,516,769				
CPLTD WCDFCapex	:	:	-	•	<b>:</b>				
Undesignated Working Capital Total Working Capital	1,500,371 1,500,371	1,516,769 1,516,769	1,516,769 1,516,769	1,516,769 1,516,769	1,516,769 1,516,769				
July 1, 2015	٦			Working Capital de	signated for Capex, June 30, 2	015	0.00		
				New CapEx designa	tions of Working Capital in FY	16 Budget	_		
				Less FY16 working	capital outlays for CapEx		<u>.</u>		
\$0	_			Working Capital de	signated for Capex, June 30, 2	016	0.00		

#### City and Borough of Sitka Marine Service Center Income Statement

# For The Twelve-Month Trailing Period Ending December 31, 2015 (Unaudited)

[	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	Oct-Dec 2015	ттм
Revenue:					
Leases	57,094	45,742	77,528	38,764	219,128
Other Operating Revenue	: .	(108)			(108)
Total Revenue:	57,094	45,634	77,528	38,764	219,020
Cost of Sales:					
Operations	17,363	168,185	70,154	30,836	286,538
Depreciation	35,830	39,637	35,016	35,017	145,500
Total Cost of Sales:	53,193	207,822	105,170	65,853	432,038
Gross Margin:	3,901	(162,188)	(27,642)	(27,089)	(213,018)
	6.83%	-355.41%	-35.65%	-69.88%	-97.26%
Selling and Administrative Expenses	<u> </u>	· · ·			
Earnings Before Interest and Taxes (EBIT):	3,901	(162,188)	(27,642)	(27,089)	(213,018)
Non-anarating Dayanus and Surgary	6.83%	-355.41%	-35.65%	-69.88%	-97.26%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	8,425	(1,096)	7,959	8,470	23,758
Interest Expense:				<u>-</u>	
Total Non-operating Revenue & Expense:	8,425	(1,096)	7,959	8,470	23,758
Net Income:	12,326	(163,284)	(19,683)	(18,619)	(189,260)
	21.59%	-357.81%	-25.39%	-48.03%	-86.41%
Earnings Before Interest and Taxes and Depreciation (EBITDA):	39,731	(122,551)	7,374	7,928	(67,518)
	69.59%	-268.55%	9.51%	20.45%	-30.83%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation) Debt Principal	48,156	(123,647)	15,333	16,398	(43,760)
Debt Principal Coverage Surplus/Deficit	48,156.00	(123,647)	15,333	16,398	(43,760)
Debt Principal Coverage Percentage	100%	100.00%	100.00%	100.00%	100%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	48,156	(123,647)	15,333	16,398	(43,760)
Depreciation	35,830	39,637	35,016	35,017	145,500
Cash Accumulated For/(Taken From) Asset Replacement	12,326	(163,284)	(19,683)	(18,619)	(189,260)
Working Capital					
Beginning Undesignated Working Capital	1,560,528	1,608,685	1,560,528	1,575,861	1,560,528
Net Income Plus Depreciation Less Principal	48,156	(123,647)	15,333	16,398	(43,760)
CapEx, Accruals, and other Balance Sheet Changes	1 500 500	4 407 000		4 500 050	1
Ending Undesignated Working Capital	1,608,685	1,485,038	1,575,861	1,592,259	1,516,769
Working Capital Designated for CapEx	•			•	-

# Gary Paxton Industrial Park Fund Financial Analysis As Of, And For the Period Ending December 31, 2015

Financial operations for the Gary Paxton Industrial Park were in line with plan for the first six months of Fiscal Year 2016. While revenue did not reach planned levels, cost of operations were also significantly below planned levels, resulting in earnings before interest (EBI) \$12.3K better than plan for the half year, showing good alignment of operations with plan.

Top-line revenue was \$74.2K for the six-month period, falling short of plan by (\$34.1K). This revenue shortfall was offset by operating efficiencies, however.

Costs of operations were both lower than planned levels and lower than prior year. Total costs of operations for the six-month period were \$269.4K versus FY2016 plan of \$360.8K and prior year of \$351.2K.

Working capital increased by \$252.3K, to \$1,176,489 as of December 31, 2015. This increase was due to prefunding of the State of Alaska GPIP Dock Grant in the amount of \$236,393. The GPIP dock grant is unusual in that it provides for billing at designated progress points, as opposed to the normal method of reimbursement for allowable costs. Thus, although overall working capital rose to \$1,176,489, undesignated working capital grew only modestly to \$914.1K.

#### City and Borough of Sitka Gary Paxton Industrial Park Income Statement For The Twelve-Month Period Forn July 1, 2013 to June 30, 2015 (Unaudited)

				(Unaudited)				7	
	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 50%)	Variance To FY2016 Plan
evenue:	25 200	40.050			74.249	163,057	(88,808)	108,404	(34,155
Leases Other Operating Revenue	25,290	48,959		:		18,190	(18,190)	45,000	(45,000
otal Revenue:	25,290	48,959			74,249	181,247	(106,998)	153,404	(79,155
sst of Sales:									
Operations	52,770	62,951	-	527	115,721	197,395	81,674	207,131	91,410
Depreciation	76,816	76,816			153,632	153,759	127	153,632	
Total Cost of Sales;	129,586	139,767			269,353	351,154	81,801	360,763	91,410
ross Margin:	(104,296) -412.40%	(90,808) -185.48%	#DIV/0!	#DIV/0!	(195,104) -262.77%	(169,907) -93.74%	(25,197) -169.03%	(207,360) -135.17%	12,256 -127.609
elling and Administrative Expenses					-				
arnings Before Interest (EBI):	(104,296)	(90,808)		-	(195,104)	(169,907)	(25,197)	(207,360)	12,256
on-operating Revenue and Expense:	-412.40%	-185.48%	#DIV/01	#DIV/0!	-262.77%	-93.74%	-169.03%	-135.17%	-127.609
Interest and Non-Operating Revenue:	5,100	5,230	19		10,330	10,531	(201)	10,750	(420
Grant Revenue: Sale of Fixed Assets	*	268,496			268,496	307,644	(39,148)	268,496	
Sale of Fixed Assets Interest Transfer From SMC Contingency	4,566	4,942			9.508	9,573	(65)	7,000	2,508
Interest Expense:	(2,427)	(2,427)		-	(4,854)	(5,228)	374	(4,854)	
Total Non-operating Revenue & Expense:	7,239	276,241			283,480	322,520	(39,040)	281,392	2,088
							(54 333)	74.033	14,344
et Income:	(97,057) -383.78%	185,433 378.75%	#DIV/01	#DIV/0!	88,376 119.03%	152,613 84.20%	(64,237) 34.82%	74,033 48.26%	-13.44
		1222000			(41,472)	(16,148)	(25,070)	(53,728)	12.256
rnings Before Interest and Depreciation (EBID):	(27,480) -108.66%	(13,992) -28.58%	#DIV/01	#DIV/0!	-55.86%	-8.91%	-46.95%	-35.02%	-20.839
ebt Principal Coverage				S. Barrier					
imple Cash Flow (Net Income Plus Depreciation)	(20,241)	262,249			242,008	306,372	(64,364)	227,665	14,344
ebt Principal	12,446	12,446			24,892	24,892		24,892	
ebt Principal Coverage Surplus/Deficit	(32,687)	249,803	-		217,116	281,480	(64,364)	202,773	14,344
ebt Principal Coverage Percentage	-162.63%	2107.09%	#DIV/01	#DIV/01	972.23%	309.27%	662.97%	914.61%	-251.649
mple Asset Replacement Coverage									
ebt Principal Coverage Surplus/Deficit (From Above)	(32,687)	249,803			217,116	281,480	(64,364)	202,773	14,344
epreciation	76,816	76,816			153,632	153,759	(127)	153,632	
ash Accumulated For/(Taken From) Asset Replacement	(109,503)	172,987		ESIE GEORGIA	63,484	127,721	(64,237)	49,141	14,344
orking Capital									
eginning Undesignated Working Capital	898,228	880,416	914,112	914,112	898,228	873,804	24,424	898,228	
et Income Plus Depreciation Less Principal	(32,687)	249,803			217,116	293,926	(76,810)	227,665	(10,549
apEx, Accruals, and other Balance Sheet Changes	14,875	(216,107)		-	(201,232)	(298,792)	97,560		(201,232
nding Undesignated Working Capital	880,416	914,112	914,112	914,112	914,112	868,938	45,174	1,125,893	(211,781
orking Capital Designated for CapEx	25,319	262,377	262,377	262,377	262,377	25,984	236,393		
urrent Assets urrent Liabilities	955,519	1,226,273	1,226,273	1,226,273	1,226,273				
PLTD	(49,784)	(49,784)	(49,784)	(49,784)	(49,784)				
VCDFCapex	(25,319)	(262,377)	(262,377)	(262,377)	(262,377)				
Indesignated Working Capital otal Working Capital	880,416 905,735	914,112 1,176,489	914,112 1,176,489	914,112 1,176,489	914,112 1,176,489	868,938 894,922	45,174 281,567		
oral working Capital	903,733	1,170,469	1,170,403	1,170,403	1,176,463	874,342			
ly 1, 2015				signated for Capex, Ju			25,984.00		
16,984 - Boat Building 9,000 - Fixed Assets			New CapEx design	ations of Working Cap	ital in FY16 Budget				
pure time amounts a committee and \$100 feet and \$1.00			Dock Prre-Fundi	ng (Progress Billing In	Advance Of Expense)		236,393		
		9	Purchase of Fixed A	Assets:			(2))		
		9	Less FY16 working	capital outlays for Cap	pEx (Thru 9/30)				
							262,377.00		
		27	working Capital de	esignated for Capex, S	eptember 30, 2015		202,311.00		

#### City and Borough of Sitka Gary Paxton Industrial Park Income Statement

### For The Twelve-Month Trailing Period Ending December 31, 2015

	(Unaudite	d)			
	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	Oct-Dec 2015	ттм
Revenue:					
Leases	48,210	135,825	25,290	48,959	258,284
Other Operating Revenue		6,014		<del></del>	6,014
Total Revenue:	48,210	141,839	25,290	48,959	264,298
Cost of Sales:					
Operations	72,032	65,523	52,770	62,951	253,276
Depreciation	76,880	77,134	76,816	76,816	307,646
Total Cost of Sales:	148,912	142,657	129,586	139,767	560,922
Gross Margin:	(100,702)	(818)	(104,296)	(90,808)	(296,624)
•	-208.88%	-0.58%	-412.40%	-185.48%	-112.23%
Selling and Administrative Expenses				<u>.</u>	
Earnings Before Interest (EBI):	(100,702)	(818)	(104,296)	(90,808)	(296,624)
	-208.88%	-0.58%	-412.40%	-185.48%	-112.23%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	1,990	(3,201)	5,100	5,230	9,119
Grant Revenue:	4,164	5,721		268,496	278,381
Sale of Fixed Assets		32,400			32,400
Interest Transfer From SMC Contingency	4,660	4,846	4,566	4,942	19,014
Interest Expense:	(2,614)	(3,483)	(2,427)	(2,427)	(10,951)
Total Non-operating Revenue & Expense:	8,200	36,283	7,239	276,241	327,963
Net Income:	(92,502)	35,465	(97,057)	185,433	31,339
	-191.87%	25.00%	-383.78%	378.75%	11.86%
Earnings Before Interest and Depreciation (EBIDA):	(23,822)	76,316	(27,480)	(13,992)	11,022
	-49.41%	53.80%	-108.66%	-28.58%	4.17%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	(15,622)	112,599	(20,241)	262,249	338,985
Debt Principal	12,446	12,444	12,446	12,446	49,782
Debt Principal Coverage Surplus/Deficit	(28,068)	100,155	(32,687)	249,803	289,203
Debt Principal Coverage Percentage	-125.52%	904.85%	-162.63%	2107.09%	680.94%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	(28,068)	100,155	(32,687)	249,803	289,203
Depreciation	76,880	77,134	76,816	76,816	307,646
Cash Accumulated For/(Taken From) Asset Replacement	(104,948)	23,021	(109,503)	172,987	(18,443)
Working Capital					
Beginning Undesignated Working Capital	868,938	848,203	898,228	880,416	868,938
Net Income Plus Depreciation Less Principal	(15,622)	112,599	(32,687)	249,803	314,093
CapEx, Accruals, and other Balance Sheet Changes	(5,113)	(62,574)	14,875	(216,107)	(268,919)
Ending Undesignated Working Capital	848,203	898,228	880,416	914,112	914,112

25,984

25,984

Working Capital Designated for CapEx

25,319

262,377

262,377

### Management Information Systems (MIS) Fund Financial Analysis As Of, And For the Six-Month Ending December 31, 2015

The MIS Fund was operated in accordance with plan during the period and financial results were as anticipated.

Interdepartmental billings increased by \$75.0K in comparison to FY2015. This increase was in line with plan and is attributable to increased billing necessary to pay for the costs of the network redesign and other capital projects.

Costs of operations decreased by \$84.9K to \$407.5K, a decrease of 17.3% from FY2015 and \$85.3K, or 17.3%, under plan, a positive variance.

Undesignated Working capital in the MIS Fund increased to (\$61.5K) as of December 31, 2015. This is attributable to the designation of \$572.0K of working capital for capital projects right at the start of the fiscal year. The funds will be recouped throughout the fiscal year when quarterly billings occur; thus undesignated working capital should return to its planned level by the end of FY2016. Total working capital increased by \$113.2K, to \$448.9K as of December 31, 2015.

### City and Borough of Sitka

#### MIS Fund Income Statement

### For The Twelve-Month Period From July 1, 2014 to June 30, 2015

11	Ina	ud	ite	ď

		Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	FY2015	FY2014	Variance To	FY2015 Plan	Variance To
Revenue:		2014	2014	2015	2015	YTD	YTD	FY2014 YTD	(S/L - 100%)	FY2015 Plan
nevenue	Data Processing Charges	192,896	248,897	196,647	196,647	835,087	778,016	57,071	771,586	63,501
	Other Operating Revenue		<del></del>		90,931	90,931	107,138	(16,207)	49,658	41,273
Total Reve	nue:	192,896	248,897	196,647	287,578	926,018	885,154	40,864	821,244	104,774
Cost of Sale	es:									
	Operations	211,311	232,088	188,952	262,522	894,873	718,445	(176,428)	812,525	(82,348)
	Depreciation	24,510	24,510	24,509	31,301	104,830	98,039	(6,791)	104,830	
	Total Cost of Sales:	235,821	256,598	213,461	293,823	999,703	816,484	[183,219]	917,355	[82,348]
Gross Marg	gin:	(42,925)	(7,701)	(16,814)	(6,245)	(73,685)	68,670	(142,355)	(96,111)	22,426
		-22.25%	-3.09%	-8.55%	-2.17%	-7.96%	7.76%	-15.72%	-11.70%	3.75%
Selling and	Administrative Expenses	·	-		•			<u> </u>		
Earnings Be	efore Interest (EBI):	(42,925)	(7,701)	(16,814)	(6,245)	(73,685)	68,670	(142,355)	(96,111)	22,426
	5.75	-22.25%	-3.09%	-8.55%	-2.17%	-7.96%	7.76%	-15.72%	-11.70%	3.75%
Non-opera	ting Revenue and Expense:									
	Interest and Non-Operating Revenue:	464	3,233	2,352	(4,615)	1,434	7,700	(6,266)	6,439	(5,005)
	Interest Expense:	(1,512)	(1,512)	(1,512)	(2,298)	(6,834)	(10,413)	3,579	(6,834)	<del></del>
	Total Non-operating Revenue & Expense:	[1,048]	1,721	840	(6,913)	[5,400]	[2,713]	[2,687]	[395]	(5,005)
Net Income	e:	(43,973)	(5,980)	(15,974)	(13,158)	(79,085)	65,957	(145,042)	(96,506)	17,421
		-22.80%	-2.40%	-8.12%	-4.58%	-8.54%	7.45%	-354.94%	-11.75%	3.21%
Earnings Be	efore Interest and Depreciation (EBIDA):	(18,415)	16,809	7,695	25,056	31,145	166,709	(135,564)	8,719	22,426
		-9.55%	6.75%	3.91%	8.71%	3.36%	18.83%	-15.47%	1.06%	2.30%
Debt Princi	ipal Coverage									
	h Flow (Net Income Plus Depreciation)	(19,463)	18,530	8,535	18,143	25,745	163,996	(138,251)	8,324	17,421
Debt Princi	ipal ipal Coverage Surplus/Deficit	11,478	7,052	11,478	11,892 6,251	46,326 (20,581)	44,336 119,660	(140,241)	46,326	17,421
Debt Princi	pat Coverage Surplus/Deticit	(30,941)	7,052	(2,943)	6,251	(20,581)	119,660	(140,241)	(38,002)	
Debt Princip	pal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Ass	et Replacement Coverage									
	pal Coverage Surplus/Deficit (From Above)	(30,941)	7,052	(2,943)	6,251	(20,581)	119,660	(140,241)	(38,002)	17,421
Depreciation		24,510	24,510	24,509	31,301	104,830	98,039	6,791	98,039	6,791
Cash Accur	nulated For/(Taken From) Asset Replacement	(55,451)	(17,458)	(27,452)	(25,050)	(125,411)	21,621	(147,032)	(136,041)	10,630
Working Ca	apital									
Beginning t	Indesignated Working Capital	295,306	318,537	344,131	354,174	295,306	327,096	(31,790)	295,306	
	Plus Depreciation Less Principal	(19,463)	18,530	8,535	18,143	25,745	163,996	(138,251)	8,324	17,421
	ruals, and other Balance Sheet Changes	42,694	7,064	1,508 354,174	(122,321)	(71,055) 249,996	(195,786) 295,306	(45,310)	303,630	(71,055)
Ending Und	designated Working Capital	318,537	344,131	354,174	249,996	249,996	295,306	(45,310)	303,630	(53,634)
Working Ca	apital Designated for CapEx	55,132	50,441	24,234		•	100,176	(100,176)	87,561	(87,561)
Current Ass	sets	447,897	468,800	452,636	312,529					
Current Lia		(28,315)	(28,315)	(28,315)	(16,297)					
CPLTD		(45,913)	(45,913)	(45,913)	(46,236)					
WCDFCape	×	(55,132)	(50,441)	(24,234)						
Undesigna	ted Working Capital	318,537	344,131	354,174	249,996	249,996	295,306	(45,310)		
Total Work		373,669	394,572	378,408	249,996	249,996	395,482	(145,486)		
				THE STATE OF THE STATE OF						

#### City and Borough of Sitka MtS Fund

#### For The Twelve-Month Period From July 1, 2015 to June 30, 2016

Income Statement (Unaudited)

#### FY2016 Plan (5/L - 50.00%) Jul-Sep FY2016 YTD FY2015 YTD Variance To FY2016 Plan Jan-Mar 2016 Oct-Dec Variance To FY2015 YTD 2015 2015 2016 Data Processing Charges 308 403 616 806 1.872 308 403 441 791 175 013 614 934 Other Operating Revenue Total Revenue 309,182 308,403 617,585 441,793 175,792 614,934 2,651 Cost of Sales: 225,646 361,852 81,547 447,195 85,343 136.206 443,399 22,812 22,812 45.674 49,020 3,396 45 624 Total Cost of Sales: 248,458 159.018 407.476 492,419 84 941 492 819 ES.343 Gross Marrin: 60.724 210 109 (50.626) 260.735 122.116 87.994 149.385 19.64% 48.44% #DIV/01 #DIV/01 34.02% -11.46% 45,48% 19.85% 14.16% Selling and Administrative Expenses 149,385 48.44% 87,994 14.16% Earnings Before Interest (EBI): 60,724 210,109 (50,626) 260,735 122,116 19.64% #DIV/01 #DIV/01 34.02% 45.48% 19.86% -11.46% Non-operating Revenue and Expense Interest and Non-Operating Revenue: 1.847 2 641 4.488 1.697 791 3 350 1.138 Interest Expense: (2,208) (1,104) (1,104) (3,024) 816 (2,208) Total Non-operating Revenue & Expense: 743 1,537 2,280 673 1,607 1,142 1,138 212,389 (49,953) 262,342 123,258 89,132 61,467 150,922 19.88% 48.94% #DIV/01 #DIV/01 34.39% -11.31% 149.23% 20.04% 14.35% Earnings Before Interest and Depreciation (EBIDA): 83,536 172,197 255,733 (1,606) 257,339 167,740 87,994 27.02% 55.84% #DIV/01 41.41% -0.36% 41.77% 27.28% 14.13% Debt Principal Coverage 84,279 258,013 Simple Cash Flow (Net Income Plus Depreciation) 173,734 (933) 258,946 168,882 89,132 11,887 (11,069) Debt Principal Coverage Surplus/Deficit 72,392 173,734 246,126 (23,889) 270,015 156,995 89,132 Debt Principal Coverage Percentage Simple Asset Replacement Coverage Debt Principal Coverage Surplus/Deficit (From Above) 72,392 173,734 246,126 (23,889) 270,015 156,995 89,132 22,812 22,812 45,624 49,020 (3,396) 49,020 (3,396) Cash Accumulated For/(Taken From) Asset Replacement Working Capital Beginning Undesignated Working Capital Net Income Plus Depreciation Less Principal Capits, Accruals, and other Balance Sheet Changes 249,996 84,279 (236,297) 173,734 (61,459) (61,459) 249,996 258,013 295,306 (45,310) 258,946 295,306 168,882 (45,310) 89,132 (9331 (570,572) 1.104 (569,468) 49.758 (619,226) (569.468) Ending Undesignated Working Capital (61,459) (61,459) 344,131 464,188 (525,647) (236,297) (61,459) (61,459) (405,590) Working Capital Designated for CapEx 572,000 510,356 510,356 510,356 510,356 510,356 510,356 Current Assets 397,320 510 514 510 514 510 514 Current Liabilities CPLTD (15,704) (45,913) (15,704) (45,913) (45,913) (45,913)

(572,000)

(236.297)

335.703

(510,356)

(61.459)

448.897

(510,356)

(61.459)

448.897

(510,356)

(61,459) 448,897

(61,459)

448.897

344.131

394.572

(405,590)

54.325

WCDFCapex

Undesignated Working Capital Total Working Capital

#### City and Borough of Sitka MIS Fund Income Statement For The Twelve-Month Trailing Period Ending December 31, 2015 (Unaudited)

	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	Oct-Dec 2015	TTM
Revenue:	10.02	TVD.	100	1000	
Data Processing Charges	196,647	196,647	308,403	308,403	1,010,100
Other Operating Revenue		90,931	779	•	91,710
Total Revenue:	196,647	287,578	309,182	308,403	1,101,810
Cost of Sales:					
Operations	188,952	262,522	225,646	136,206	813,326
Depreciation	24,509	31,301	22,812	22,812	101,434
Total Cost of Sales:	213,461	293,823	248,458	159,018	914,760
Gross Margin:	(16,814)	(6,245)	60,724	149,385	187,050
	-8.55%	-2.17%	19.64%	48.44%	16.98
Selling and Administrative Expenses	<u> </u>				
Earnings Before Interest (EBI):	(16,814)	(6,245)	60,724	149,385	187,050
Non-operating Revenue and Expense:	-8.55%	-2.17%	19.64%	48.44%	16.989
	2.352	(4.615)	1.847	2.641	
Interest and Non-Operating Revenue: Interest Expense:	(1,512)	(2,298)	(1,104)	(1,104)	(6,018
Total Non-operating Revenue & Expense:	840	(6,913)	743	1,537	(3,793
Net Income:	(15,974)	(13,158)	61,467	150,922	183,257
	-8.12%	-4.58%	19.88%	48.94%	16.639
Earnings Before Interest and Depreciation (EBIDA):	7,695	25,056	83,536	172,197	288,484
	3.91%	8.71%	27.02%	55.84%	26.18
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	8,535	18,143	84,279	173,734	284,691
Debt Principal		11,892	11,887		23,779
Debt Principal Coverage Surplus/Deficit	8,535	6,251	72,392	173,734	260,912
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100.009
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	8,535	6,251	72,392	173,734	260,912
Depreciation	24,509	31,301	22,812	22,812	101,434
Cash Accumulated For/(Taken From) Asset Replacement	(15,974)	(25,050)	49,580	150,922	159,478
Working Capital					
Beginning Undesignated Working Capital	344,131	354,174	344,131	(142,162)	344,131
Net Income Plus Depreciation Less Principal	8,535	18,143	84,279	173,734	284,691
CapEx, Accruals, and other Balance Sheet Changes	1,508	(122,321)	(570,572)	1,104	(690,281
Ending Undesignated Working Capital	354,174	249,996	(142,162)	32,676	(61,459
Working Capital Designated for CapEx	24.234		572,000	510,356	510,356

# Central Garage Fund Financial Analysis As Of, And For Six-Month Period Ending December 31, 2015

The Central Garage Fund continues to build back its vehicle sinking fund. At September 30, 2012, the Central Garage Fund's vehicle replacement sinking fund was calculated to be underfunded by approximately \$3,401.4 (\$3.4 million). Since 2012, the underfunding has been improved by \$1,512.0K and now stands at approximately \$1,928.7K. The Central Garage increased the vehicle replacement sinking fund by approximately \$442.3K over the last six months. It is important to note that contributions to the vehicle replacement sinking fund are a flow-through after expenses and are dependent on expenses running in line with plan.

Operating costs were tightly controlled in the first quarter. Costs of operations for the Central Garage fell by \$8.2K in comparison with the same six-month period in FY2015. Compared to plan, operating costs were \$120.9K, or 18.4% less than plan.

Undesignated working capital was \$2,404.9K, despite the designation of \$870.5K in the FY2016 budget for vehicle replacements. Total working capital was \$3,168.5K as of December 31, 2015, a year-over-year increase of \$691.4K.

#### City and Borough of Sitka Central Garage Fund Income Statement

#### For The Twelve-Month Trailing Period Ending December 31, 2015 (Unaudited)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	πм
Revenue:	2015	2015	2015	2015	TIM
Vehicle Billings Other Operating Revenue	411,540	415,029 48,064	332,892 68,658	332,892 84,845	1,492,353 201,567
Total Revenue:	411,540	463,093	401,550	417,737	1,693,920
Cost of Sales:					
Operations	99,271	171,156	81,229	113,552	465,208
Depreciation	55,980	137,085	98,697	98,698	390,460
Total Cost of Sales:	155,251	308,241	179,926	212,250	855,668
Gross Margin:	256,289	154,852	221,624	205,487	838,252
	62.28%	33.44%	55.19%	49.19%	49.49%
Selling and Administrative Expenses	75,682	89,730	77,474	67,575	310,461
Earnings Before Interest (EBI):	180,607	65,122	144,150	137,912	527,791
Non-operating Revenue and Expense:	43.89%	14.06%	35.90%	33.01%	31.16%
Interest and Non-Operating Revenue:	12.020	12,517	15,277	18,522	50.244
Interest Expense:	13,928 (5,000)	(2,500)	(4,375)	(4,375)	60,244 (16,250)
interest Expense.	(3,000)	(2,500)	(4,575)	(4,575)	
Total Non-operating Revenue & Expense:	8,928	10,017	10,902	14,147	43,994
Net Income:	189,535	75,139	155,052	_152,059	_571,785
	46.06%	16.23%	38.61%	36.40%	33.76%
Earnings Before Interest and Depreciation (EBIDA):	236,587	202,207	242,847	236,610	918,251
	57.49%	43.66%	60.48%	56.64%	54.21%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	245,515	212,224	253,749	250,757	962,245
Debt Principal	12,500	12,500	12,500	12,500	50,000
Debt Principal Coverage Surplus/Deficit	233,015	199,724	241,249	238,257	912,245
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	1924.49%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	233,015	199,724	241,249	238,257	912,245
Depreciation	55,980	137,085	98,697	98,698	390,460
Cash Accumulated For/(Taken From) Asset Replacement	177,035	62,639	142,552	139,559	521,785
Working Capital					
Beginning Undesignated Working Capital	2,295,838	2,546,354	2,726,158	2,113,769	2,295,838
Net Income Plus Depreciation Less Principal	245,515	212,224	253,749	250,757	962,245
CapEx, Accruals, and other Balance Sheet Changes	5,001	(32,420)	(866,138)	40,404	(853,153)
Ending Undesignated Working Capital	2,546,354	2,726,158	2,113,769	2,404,930	2,404,930
Working Capital Designated for CapEx	180,737	180,737	870,405	763,576	763,576
Total Working Capital	2,727,091	2,906,895	2,984,174	3,168,506	3,168,506

#### City and Borough of Sitka Central Garage Fund Income Statement

#### For The Twelve-Month Period From July 1, 2014 to June 30, 2016 (Unaudited)

	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	FY2016	FY2015	Variance To	FY2016 Plan	Variance To
	2015	2015	2016	2016	YTD	YTD	FY2015 YTD	(S/L - 50.00%)	FY2016 Plan
Revenue: Vehicle Billings	332,892	332,892			665,784	799,104	(133,320)	675,502	(9,718
Other Operating Revenue	68,658	84,845			153,503	34,155	119,348	11,844	141,659
Other Operating Revenue	66,638	84,843			133,363	34,133	113,340	11,044	141,033
Total Revenue:	401,550	417,737		12	819,287	833,259	(13,972)	687,346	131,941
Cost of Sales:									
Operations	81,229	113,552			194,781	173,792	(20,989)	242,944	48,163
Depreciation	98,697	98,698		-	197,395	195,952	(1,443)	197,395	
Total Cost of Sales:	179,926	212,250		<u>:</u>	392,176	369,744	(22,432)	440,339	48,163
Gross Margin:	221,624	205,487			427,111	463,515	(36,404)	247,008	180,104
	55.19%	49.19%	#DIV/0!	#DIV/0!	52.13%	55.63%	-3.49%	35.94%	16.20%
Selling and Administrative Expenses	77,474	67,575			145,049	175,721	30,672	217,740	72,691
Earnings Before Interest (EBI):	144,150	137,912			282,062	287,794	(5,732)	29,268	252,795
carnings before interest (cbi).	35.90%	33.01%	#DIV/0!	#DIV/0!	34.43%	34.54%	-0.11%	4.26%	30.17%
Non-operating Revenue and Expense:		AAAAAAA	00-00-00-00-00-00-00-00-00-00-00-00-00-		075-315/3TAE				
Interest and Non-Operating Revenue:	15,277	18,522			33,799	26,076	7,723	30,000	3,799
Interest Expense:	(4,375)	(4,375)	<u> </u>		(8,750)	(10,000)	1,250	(8,750)	:
Total Non-operating Revenue & Expense:	10,902	14,147			25,049	16,076	8,973	21,250	3,799
Total Hot-operating nevertee & Expense.	10,302	14,147							
Net Income:	155,052	152,059			307,111	303,870	3,241	50,518	256,594
	38.61%	36.40%	#DIV/0!	#DIV/0!	37.49%	36.47%	-23.20%	7.35%	30.14%
Earnings Before Interest and Depreciation (EBIDA):	242,847	236,610			479,457	483,746	(4,289)	226,663	252,795
	60.48%	56.64%	#DIV/0!	#DIV/0!	58.52%	58.05%	0.47%	32.98%	25.54%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	253,749	250,757			504,506	499,822	4,684	247,913	256,594
Debt Principal	12,500	12,500		<u> </u>	25,000	25,000		25,000	
Debt Principal Coverage Surplus/Deficit	241,249	238,257	<u> </u>	•	479,506	474,822	4,684	222,913	256,594
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	241,249	238,257			479,506	474,822	4,684	222,913	256,594
Depreciation	98,697	98,698			197,395	195,952	1,443	195,952	1,443
Cash Accumulated For/(Taken From) Asset Replacement	142,552	139,559		18 10 <b>-</b>	282,111	278,870	3,241	26,961	255,151
Working Capital									
Beginning Undesignated Working Capital	2,726,158	2,113,769	2,404,930	2,404,930	2,726,158	1,991,553	734,605	1,991,553	734,605
Net Income Plus Depreciation Less Principal	2,726,158	250,757	2,404,930	2,404,930	504,506	499,822	4,684	247,913	256,594
CapEx, Accruals, and other Balance Sheet Changes	(866,138)	40,404		HV CONTRACTOR	(825,734)	(195,537)	(630,197)	(496,200)	(329,534)
Ending Undesignated Working Capital	2,113,769	2,404,930	2,404,930	2,404,930	2,404,930	2,295,838	109,092	1,743,266	661,665
Working Capital Designated for CapEx	870,405	763,576	763,576	763,576	763,576		763,576	763,576	
Working Capital Designated for Capex	870,403	763,376	703,370	703,370	703,370		703,370	703,370	
Current Assets	3,041,612	3,225,473	3,225,473	3,225,473					
Current Liabilities	(7,438)	(6,967)	(6,967)	(6,967)					
CPLTD	(50,000)	(50,000)	(50,000)	(50,000)					
WCDFCapex	(870,405)	(763,576)	(763,576)	(763,576)					
Undesignated Working Capital	2,113,769	2,404,930	2,404,930	2,404,930	2,404,930	2,295,838	109,092		
Total Working Capital	2,984,174	3,168,506	3,168,506	3,168,506	3,168,506	2,477,127	691,379		
			3 19 11						

# Building Maintenance Fund Financial Analysis As Of, And For the Quarter Ending December 31, 2015

The Building Maintenance Fund continues to operate close to break even on a cash basis. During the 2<sup>nd</sup> fiscal quarter, total cash flow was approximately (\$8,000) per month, an improvement of \$4,200 per month over FY2015. The goal of the Fund is to first stabilize cash flow to breakeven, then, begin to build a small reserve.

Working capital declined by \$24.3K, to \$1,897.6K. While internal billings had a negative variance to plan of (\$67.6K), costs of operations were substantially under plan for FY2016, a positive variance of \$188.5K.

While substantial improvements have been obtained in its financial performance it is critical that continued focus be placed on controlling expenditures in this Fund in order to keep working capital at or near the target level of \$2.0M.

# City and Borough of Sitka Building Maintenance Fund

### Income Statement For The Twelve-Month Period From July 1, 2014 to June 30, 2016 lited)

(Unaudit

		Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 50.00%)	Variance To FY2016 Plan
Revenue:										
	Building Maintenance Charges Other Operating Revenue	137,997	152,850			290,847	189,796	101,051	358,461	(67,614)
Total Reve	nue:	137,997	152,850	*	1.51	290,847	189,796	101,051	358,461	(67,614)
Cost of Sal	es:									
	Operations Depreciation	165,121	165,689	2 S	2	330,810	273,397	(57,413)	519,325	188,515
	Depreciation	422	422	<u>_</u>		844	1,249	405	844	-
	Total Cost of Sales:	165,543	166,111		·	331,654	274,646	[57,008]	520,169	188,515
Gross Mar	gin:	(27,546)	(13,261)			(40,807)	(84,850)	44,043	(161,708)	120,901
		-19.96%	-8.68%	#DIV/0!	#DIV/0!	-14.03%	-44.71%	30.68%	-45.11%	31.08%
Selling and	Administrative Expenses	27,727	31,037			58,764	67,213	8,449	76,297	(17,533)
Earnings B	efore Interest (EBI):	(55,273)	(44,298)	21		(99,571)	(152,063)	52,492	(238,005)	138,434
		-40.05%	-28.98%	#DIV/0!	#DIV/0!	-34.23%	-80.12%	45.88%	-66.40%	32.16%
Non-opera	ting Revenue and Expense:									
	Interest and Non-Operating Revenue:	17,967	19,618			37,585	63,871	(26,286)	35,648	1,937
	Interest Expense:	<u>.</u>	<u>·</u>	<u>:</u>	•					<del></del>
	Total Non-operating Revenue & Expense:	17,967	19,618			37,585	63,871	(26,286)	35,648	1,937
Net Incom	e:	[37,306]	[24,680]			(61,986)	[88,192]	26,206	[202,357]	140,371
		-27.03%	-16.15%	#DIV/0!	#DIV/0!	-21.31%	-46.47%	25.93%	-56.45%	35.14%
Earnings B	efore Interest and Depreciation (EBID):	(54,851)	(43,876)		026	(98,727)	(150,814)	52,087	(237,161)	138,434
		-39.75%	-28.71%	#DIV/0!	#DIV/0!	-33.94%	-79.46%	45.52%	-66.16%	32.22%
Debt Princ	ipal Coverage									
Simple Cas Debt Princ	th Flow (Net Income Plus Depreciation)	(36,884)	(24,258)			(61,142)	(86,943)	25,801	(201,513)	140,371
Debt Princ	ipal Coverage Surplus/Deficit	(36,884)	(24,258)			(61,142)	(86,943)	25,801	(201,513)	140,371
Debt Princ	ipal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Ass	et Replacement Coverage									
Debt Princi Depreciation	pal Coverage Surplus/Deficit (From Above)	(36,884)	(24,258)			(61,142) 844	(86,943)	25,801	(201,513)	140,371
A STATE OF THE PARTY OF THE PAR	mulated For/(Taken From) Asset Replacement	(37,306)	(24,680)			(61,986)	(88,192)	26,206	(202,357)	140,371
						• • • • • • • • • • • • • • • • • • • •				
Working C	apital									
	Undesignated Working Capital	1,934,483	1,897,599	1,873,341	1,873,341	1,934,483	2,126,331	(191,848)	2,126,331	(191,848)
	e Plus Depreciation Less Principal ruals, and other Balance Sheet Changes	(36,884)	(24,258)			(61,142)	(86,943)	25,801 560	(201,513)	140,371
	designated Working Capital	1,897,599	1,873,341	1,873,341	1,873,341	1,873,341	2,038,828	(165,487)	1,924,819	(51,478)
working C	apital Designated for CapEx	CONTRACTOR OF THE PARTY OF THE	Na III de la companya		•	N ALUITA SAG			1000	
Current As	uets.	1,917,936	1,893,678	1,893,678	1,893,678					
Current Lia		(20,337)	(20,337)	(20,337)	(20,337)					
CPLTD										
WCDFCape										
		1,897,599	1,873,341	1,873,341	1,873,341	1,873,341	2,038,828	(165,487)		
Total Work	ing Capital	1,897,599	1,873,341	1,873,341	1,873,341	1,873,341	2,038,828	(165,487)		
			The State of the S		A PARTIES					

#### City and Borough of Sitka Building Maintenance Fund Income Statement

### For The Twelve-Month Trailing Period Ending December 31, 2015

(Unaudited)	
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	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	Oct-Dec 2015	ттм
Revenue:					
Building Maintenance Charges	89,903	138,767	137,997	152,850	519,517
Other Operating Revenue	<del></del> : .	91,416	<del></del> :		91,416
Total Revenue:	89,903	230,183	137,997	152,850	610,933
Cost of Sales:					
Operations	112,529	284,926	165,121	165,689	728,265
Depreciation	624	1,433	422	422	2,901
Total Cost of Sales:	113,153	286,359	165,543	166,111	731,166
Gross Margin:	(23,250)	(56,176)	(27,546)	(13,261)	(120,233)
	-25.86%	-24.40%	-19.96%	-8.68%	-19.68%
Selling and Administrative Expenses	28,630	8,930	27,727	31,037	96,324
Earnings Before Interest (EBI):	(51,880)	(65,106)	(55,273)	(44,298)	(216,557)
	-57.71%	-28.28%	-40.05%	-28.98%	-35.45%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	31,366	9,216	17,967	19,618	78,167
Interest Expense:		-,		-	
Total Non-operating Revenue & Expense:	31,366	9,216	17,967	19,618	78,167
Net Income:	(20,514)	(55,890)	(37,306)	(24,680)	(138,390)
The trigonity.	-22.82%	-24.28%	-27.03%	-16.15%	-22.65%
Earnings Before Interest and Depreciation (EBID):	(51,256)	(63,673)	(54,851)	(43,876)	(213,656)
	-57.01%	-27.66%	-39.75%	-28.71%	-34.97%
Debt Principal Coverage					
Simple Cash Flow (Net income Plus Depreciation)	(19,890)	(54,457)	(36,884)	(24,258)	(135,489)
Debt Principal					
Debt Principal Coverage Surplus/Deficit	(19,890)	(54,457)	(36,884)	(24,258)	(135,489)
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	(19,890)	(54,457)	(36,884)	(24,258)	(135,489)
Depreciation	624	1,433	422	422	2,901
Cash Accumulated For/(Taken From) Asset Replacement	(20,514)	(55,890)	(37,306)	(24,680)	(138,390)
Working Capital					
Beginning Undesignated Working Capital	2,038,828	2,018,932	1,934,483	1,897,599	2,038,828
Net Income Plus Depreciation Less Principal	(19,890)	(54,457)	(36,884)	(24,258)	(135,489)
CapEx, Accruals, and other Balance Sheet Changes	(6)	(29,992)	<del>-</del>	<u> </u>	(29,998)
Ending Undesignated Working Capital	2,018,932	1,934,483	1,897,599	1,873,341	1,873,341
Working Capital Designated for CapEx		•	•	-	-