

CEMETERY



BUDGET SUMMARY

Mission

The goal is to provide efficient access to cemetery records and quality grounds maintenance to ensure a serene and beautiful setting for all visitors.

Program

The Wasilla Aurora Cemetery is located at Mile 1.1 Wasilla Fishhook Road. The property was deeded to the City in 1980 from the Wasilla Cemetery Association. The cemetery currently has approximately 500 plots. The City has consistently made improvements to the cemetery since its acquisition. Per WMC 13.24.030, it is the intent of the City to sell all lots and to maintain the existing cemetery in perpetuity, with no further acquisitions of land. Funds from the sale of lots are deposited in an irreducible, non-expendable trust accounting fund, the interest of which shall be used exclusively for the maintenance, operation of and capital improvements in the cemetery, with actual operations continuing in the general fund.

Performance Goals, Objectives, and Measures

Since FY2014, interest earned on this fund is deposited within the General Fund to be used exclusively for the maintenance, operation of and capital improvements in the cemetery.

Significant Budget changes

In FY2014 the City has sold all plots available, therefore the City has opted to appropriate \$95,000 to fund capital improvements to the City cemetery to include a new sign, road paving and a columbarium. These projects are part of the Capital Improvement Fund and will continue into FY2016, but will add more space for those who wish to purchase space in the columbarium.

Cemetery Permanent Fund: 410

	FY2013 Actual	FY2014 Actual	FY2015 Adopted Budget	FY2015 Amended Budget	FY2016 Adopted Budget
<u>Assets</u>					
Cash and investments	253,745	285,734	260,915	289,215	289,215
Accrued interest receivable	-	-	-	-	-
Total assets	253,745	285,734	260,915	289,215	289,215
<u>Fund Balance</u>					
Fund balance - reserve for investment	253,745	285,734	260,915	289,215	289,215
Revenues:					
Lot sales	14,800	34,800	-	-	-
Investment income	-	-	-	-	-
Total revenues	14,800	34,800	-	-	-
Expenses:					
Capital outlay	-	3,481	-	-	-
Total expenses	-	3,481	-	-	-
Other financing sources - transfers in	3,273	670	-	3,481	-
Other financing uses - transfers out	-	-	-	-	-
Net change in fund balance	18,073	31,989	-	3,481	-
Beginning fund balance	235,672	253,745	260,915	285,734	289,215
Ending fund balance	253,745	285,734	260,915	289,215	289,215
Nonspendable fund balance:					
Permanent fund principal	253,745	285,734	260,915	289,215	289,215
Total nonspendable fund balance	253,745	285,734	260,915	289,215	289,215

DEBT SERVICE FUNDS

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for and the payment of general obligation and special assessment debt principal, interest and related cost for Local Improvement Districts (LIDs). Debt incurred by the Enterprise Funds are backed by the revenue generated from the Enterprise Funds and are listed and summarized in the Enterprise Fund section of the operating budget.

In FY2011 the City had paid in-full all its special assessment debt related to projects outside that financed and recorded within the Enterprise Funds. The City then opted to budget for the annual general obligation debt within the General Fund. By these combined efforts, the City currently does not have any Debt Service Funds. Therefore, the information contained in this section is for informational purposes regarding the City's debt policies.

Debt Administration

The City of Wasilla has incurred rapid population growth over the past ten years. The population of the City of Wasilla has increased by over 34% and the population of the Matanuska-Susitna Borough has increased by over 32% in the past ten years. This rapid growth has challenged the City of Wasilla's ability to meet the demands of the residents of the City of Wasilla and the residents of the Matanuska-Susitna Borough to expand public facilities. In order to meet the challenge of expanding public facilities, the City of Wasilla has used three techniques to finance the City of Wasilla's Capital Improvement Program: pay-as-you-go financing, debt financing (issuance of general obligation bonds) and public-private financing (special assessment districts).

The necessity to incur debt in order to finance the Capital Improvement program carries with it the obligation to manage the debt program effectively. Based on this obligation, the City of Wasilla passed an ordinance adopting debt policies (WMC 5.02.040) in Fiscal Year 2002. The objective of the City of Wasilla debt policies is to maintain the City's ability to incur present and future debt at the best interest rates available in amounts needed to finance the Capital Improvement plan without adversely affecting the City's ability to finance essential city services.

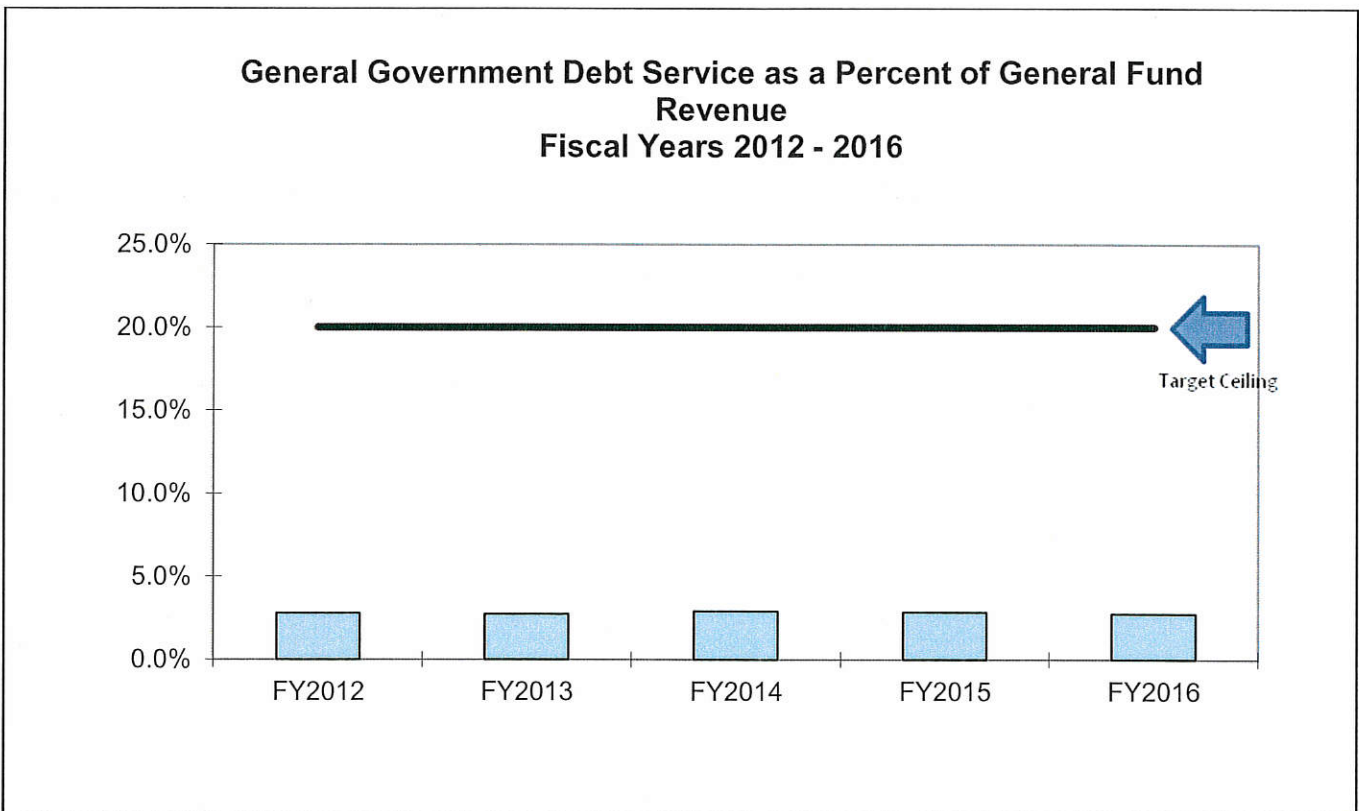
Policy statements include:

- A five-year capital improvement budget will be developed and updated annually along with corresponding anticipated funding sources.
- The City will not fund current operations from the proceeds of borrowed funds.
- Capital projects financed through the issuance of bonded debt will be financed for a period not to exceed the useful life of the project.
- Target debt ratios will be annually calculated and included in the review of financial trends.
- Annual general obligation debt service should not exceed 20 percent of annual general fund revenue.
- The City will maintain good communications about its financial condition with bond and credit institutions.
- The City will avoid borrowing on tax anticipation and maintain an adequate fund balance.
- Pay-as you-go financing will be an integral part of each capital program.

Debt Service Funds - Continued

Legal Debt Margin

Under Alaska State Statutes and the City of Wasilla Municipal Code, there is no legal debt limit. The amount of debt outstanding is determined by the residents of the City of Wasilla, and ultimately, by the market place. The City of Wasilla's new debt policy directs management to monitor direct city debt. Management will evaluate general government annual debt service as a percent of General Fund revenue. The target goal is that annual debt service will be less than 20 percent of General Fund revenue. Since the holders of the special assessment bonds have no claims against the City of Wasilla, except for the payments from the special assessments made for the improvements for which the special assessment bonds were issued, the special assessment debt is not included in the annual general debt service. The chart below shows how general government debt service compares to General Fund revenue (not including state dispatch contract revenue) from Fiscal Year 2012 through Fiscal Year 2016.



This chart indicates that the debt service as a percent of General Fund revenue remains constant from Fiscal Year 2012 through Fiscal Year 2016. Currently, the City only maintains a 2007 GO Bond for street improvements scheduled to be paid in full by FY2019.

**CITY OF WASILLA
SUMMARY OF DEBT SERVICE PAYMENTS
UNTIL MATURITY**

<u>Governmental Activities</u>			
<u>2007 GO Bond</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	355,000	65,819	420,819
2017	375,000	46,681	421,681
2018	395,000	28,241	423,241
2019	415,000	9,588	424,588
Total	<u>\$ 1,540,000</u>	<u>\$ 150,329</u>	<u>\$ 1,690,329</u>

<u>Business-Type Activities</u>			
<u>Loans</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	340,532	28,878	369,410
2017	202,744	23,770	226,514
2018	202,744	20,729	223,473
2019	202,744	17,688	220,432
2020	202,744	14,646	217,390
2021-2024	773,681	28,173	801,854
Total	<u>\$ 1,925,189</u>	<u>\$ 133,884</u>	<u>\$ 2,059,073</u>

**DEBT SERVICE FUNDS
LONG-TERM DEBT**

Fiscal Year 2015

	<u>Outstanding Balance 6/30/2014</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2015</u>
<u>Governmental Activities</u>				
General Obligation Debt	\$ 1,880,000	\$ -	\$ 340,000	\$ 1,540,000
Total	<u>\$ 1,880,000</u>	<u>\$ -</u>	<u>\$ 340,000</u>	<u>\$ 1,540,000</u>
<u>Enterprise Activities</u>				
Sewer Loan Payable	\$ 157,398	\$ -	\$ 36,972	\$ 120,426
Water Loan Payable	2,053,232	-	248,470	1,804,762
	<u>\$ 2,210,630</u>	<u>\$ -</u>	<u>\$ 285,442</u>	<u>\$ 1,925,188</u>
Total Governmental Activities and Enterprise Activities	<u>\$ 4,090,630</u>	<u>\$ -</u>	<u>\$ 625,442</u>	<u>\$ 3,465,188</u>

Fiscal Year 2016

	<u>Outstanding Balance 6/30/2015</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2016</u>
<u>Governmental Activities</u>				
General Obligation Debt	\$ 1,540,000	\$ -	\$ 355,000	\$ 1,185,000
Total	<u>\$ 1,540,000</u>	<u>\$ -</u>	<u>\$ 355,000</u>	<u>\$ 1,185,000</u>
<u>Enterprise Activities</u>				
Sewer Loan Payable	\$ 120,426	\$ -	\$ 120,426	\$ -
Water Loan Payable	1,804,762	-	220,106	1,584,656
	<u>\$ 1,925,188</u>	<u>\$ -</u>	<u>\$ 340,532</u>	<u>\$ 1,584,656</u>
Total Governmental Activities and Enterprise Activities	<u>\$ 3,465,188</u>	<u>\$ -</u>	<u>\$ 695,532</u>	<u>\$ 2,769,656</u>

Debt Service Requirement:

	<u>FY2016</u>
General Fund Revenue	16,899,499
Target Goal - less than 20%	3,379,900
Debt Requirement	695,532
Target Goal Met As Required	Yes