

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

N/A

Significant Budget changes

In FY2014 the City has sold all plots available. In FY2015 the City funded capital improvements to the City cemetery that included a new sign, road paving and a columbarium. These projects were completed in FY2016 with the City selling space in the columbarium in FY2016-2017, the proceeds of which will fund the next columbarium.

Cemetery Permanent Fund: 410

	FY2014 Actual	FY2015 Actual	FY2016 Proposed Budget	FY2016 Adopted Budget	FY2017 Adopted Budget	FY2018 Adopted Plan
<u>Assets</u>						
Cash and investments	285,734	289,215	289,215	289,215	289,475	289,702
Accrued interest receivable	-	-	-	-	-	-
Total assets	285,734	289,215	289,215	289,215	289,475	289,702
<u>Fund Balance</u>						
Fund balance - reserve for investment	285,734	289,215	289,215	289,215	289,475	289,562
Revenues:						
Lot sales	34,800	-	-	-	-	-
Investment income	-	-	-	-	-	-
Total revenues	34,800	-	-	-	-	-
Expenses:						
Capital outlay	3,481	-	-	-	-	-
Total expenses	3,481	-	-	-	-	-
Other financing sources - transfers in	670	3,481	-	-	260	87
Other financing uses - transfers out	-	-	-	-	-	-
Net change in fund balance	31,989	3,481	-	-	260	87
Beginning fund balance	253,745	285,734	289,215	289,215	289,215	289,475
Ending fund balance	285,734	289,215	289,215	289,215	289,475	289,562
Nonspendable fund balance:						
Permanent fund principal	285,734	289,215	289,215	289,215	289,475	289,562
Total nonspendable fund balance	285,734	289,215	289,215	289,215	289,475	289,562

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 28% and the population of the Matanuska-Susitna Borough has increased by over 22% 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.

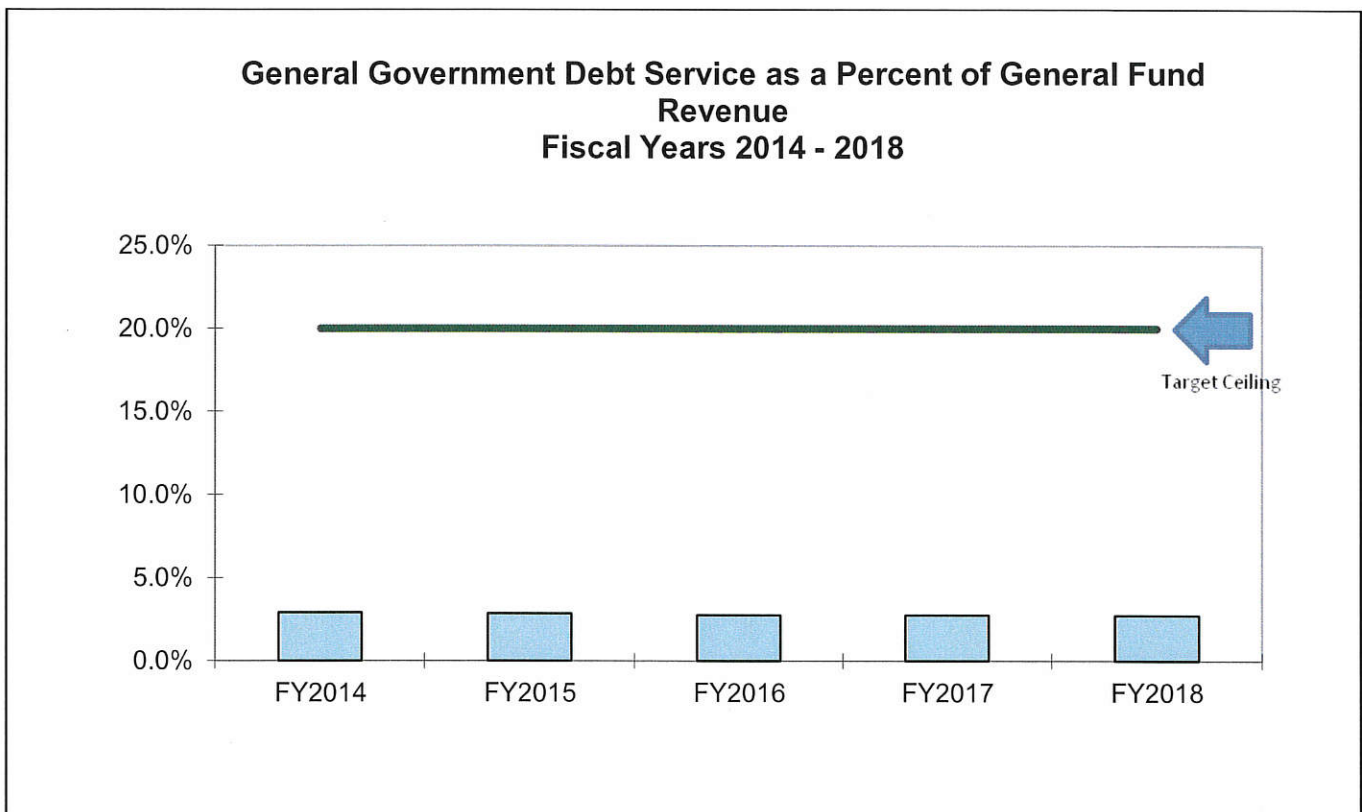
Policy statements include:

- 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 2014 through Fiscal Year 2018.



This chart indicates that the debt service as a percent of General Fund revenue remains constant from Fiscal Year 2014 through Fiscal Year 2018. 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>
2017	375,000	46,681	421,681
2018	395,000	28,241	423,241
2019	415,000	9,588	424,588
Total	<u>\$ 1,185,000</u>	<u>\$ 84,510</u>	<u>\$ 1,269,510</u>

<u>Business-Type Activities</u>			
<u>Loans</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	426,507	23,770	450,277
2018	165,450	17,372	182,822
2019	165,450	14,891	180,341
2020	165,450	12,409	177,859
2021-2024	661,800	24,817	686,617
Total	<u>\$ 1,584,657</u>	<u>\$ 93,259</u>	<u>\$ 1,677,916</u>

**DEBT SERVICE FUNDS
LONG-TERM DEBT**

Fiscal Year 2017

	<u>Outstanding Balance 6/30/2016</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2017</u>
<u>Governmental Activities</u>				
General Obligation Debt	\$ 1,185,000	\$ -	\$ 375,000	\$ 810,000
Total	<u>\$ 1,185,000</u>	<u>\$ -</u>	<u>\$ 375,000</u>	<u>\$ 810,000</u>
<u>Enterprise Activities</u>				
Water Loan Payable	1,584,657	-	426,507	1,158,150
	<u>\$ 1,584,657</u>	<u>\$ -</u>	<u>\$ 426,507</u>	<u>\$ 1,158,150</u>
Total Governmental Activities and Enterprise Activities	<u>\$ 2,769,657</u>	<u>\$ -</u>	<u>\$ 801,507</u>	<u>\$ 1,968,150</u>

Fiscal Year 2018

	<u>Outstanding Balance 6/30/2017</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2018</u>
<u>Governmental Activities</u>				
General Obligation Debt	\$ 810,000	\$ -	\$ 395,000	\$ 415,000
Total	<u>\$ 810,000</u>	<u>\$ -</u>	<u>\$ 395,000</u>	<u>\$ 415,000</u>
<u>Enterprise Activities</u>				
Water Loan Payable	1,158,150	-	165,450	992,700
	<u>\$ 1,158,150</u>	<u>\$ -</u>	<u>\$ 165,450</u>	<u>\$ 992,700</u>
Total Governmental Activities and Enterprise Activities	<u>\$ 1,968,150</u>	<u>\$ -</u>	<u>\$ 560,450</u>	<u>\$ 1,407,700</u>

Debt Service Requirement:

	<u>FY2017</u>	<u>FY2018</u>
General Fund Revenue ⁽¹⁾	15,063,311	15,166,566
Target Goal - less than 20%	3,012,662	3,033,313
Debt Requirement	801,507	680,876
Target Goal Met As Required	Yes	Yes

⁽¹⁾ Total General Fund Revenue (less) reimbursements