

CITY OF WASILLA



**FISCAL YEAR 2005
ANNUAL BUDGET**

CITY OF WASILLA

ANNUAL BUDGET

FOR

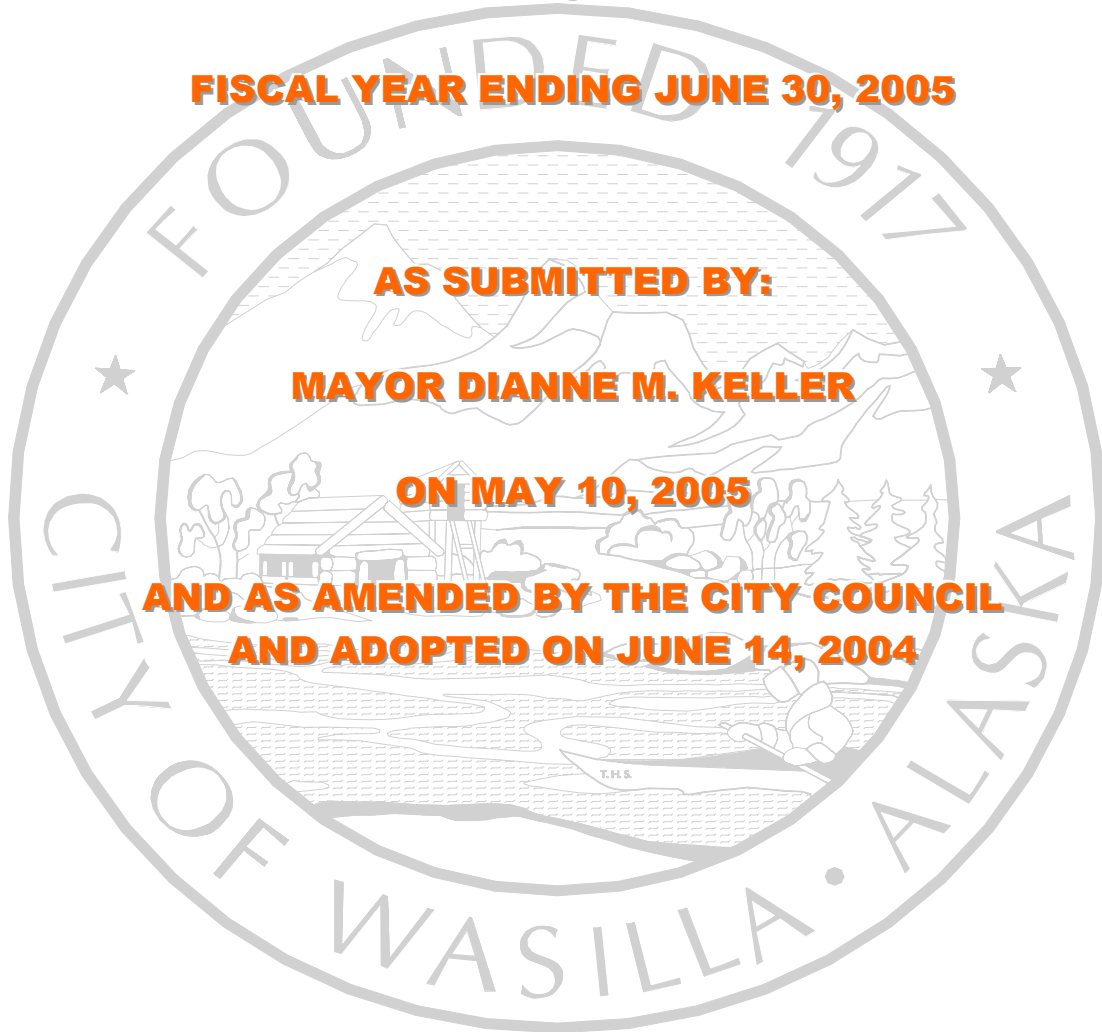
FISCAL YEAR ENDING JUNE 30, 2005

AS SUBMITTED BY:

MAYOR DIANNE M. KELLER

ON MAY 10, 2005

**AND AS AMENDED BY THE CITY COUNCIL
AND ADOPTED ON JUNE 14, 2004**



CITY OF WASILLA COUNCIL

HOWARD O'NEIL, DEPUTY MAYOR, SEAT A
DIANA L. STRAUB, SEAT B
NOEL H. LOWE, SEAT C
ROBERT SANDE, SEAT D
RON COX, SEAT E
VERDIE A. BOWEN, SEAT F

TABLE OF CONTENTS

BUDGET MESSAGE	1
BUDGET CALENDAR	9
MISSION AND GOALS	15
FINANCIAL SUMMARIES	19
FUND STRUCTURE.....	19
FINANCIAL POLICIES.....	21
BUDGET SUMMARY.....	27
GENERAL FUND	39
FUND BALANCE.....	39
REVENUE SOURCES.....	41
EXPENDITURES.....	47
CLERK/COUNCIL.....	52
MAYOR.....	56
GENERAL ADMINISTRATION SERVICES.....	60
FINANCE.....	64
MANAGEMENT INFORMATION SERVICES.....	68
ECONOMIC DEVELOPMENT.....	72
POLICE.....	76
PUBLIC WORKS.....	80
MUSEUM.....	96
RECREATION SERVICES.....	100
RECREATION FACILITIES MAINTENANCE.....	104
NONDEPARTMENTAL.....	108
SPECIAL REVENUE FUNDS	111
LIBRARY.....	114
YOUTH COURT.....	118
ASSET FORFEITURE.....	122
TECHNOLOGY REPLACEMENT.....	124
CAPITAL RESERVE.....	126
ENTERPRISE FUNDS	129
UTILITY.....	132
MUNICIPAL AIRPORT.....	137
MULT-USE SPORTS COMPLEX.....	140
FIDUCIARY FUNDS	145
CEMETARY.....	146

TABLE OF CONTENTS

DEBT SERVICE FUNDS	149
GENERAL OBLIGATION.....	154
SEWER.....	156
WATER.....	160
GAS.....	164
PAVING.....	168
BOND GUARANTEE.....	168
 CAPITAL PROJECTS.....	 171
CAPITAL FUNDS' PROJECTS.....	175
CAPITAL PROJECT FUND.....	178
VEHICLE FUND.....	193
RIGHT-OF-WAY FUND.....	199
HONOR GARDEN FUND.....	203
REGIONAL DISPATCH CENTER FUND.....	207
ENTERPRISE FUNDS' CAPITAL PROJECTS.....	211
UTILITY FUND.....	213
AIRPORT FUND.....	223
MULTI-USE SPORTS COMPLEX FUND.....	227
 APPENDIX/STATISTICAL TABLES.....	 231
 GLOSSARY.....	 257



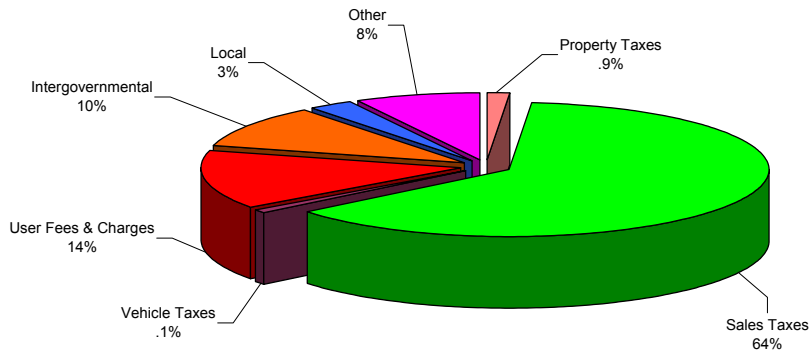
FISCAL YEAR 2005 AT A GLANCE

Monies generated from sales tax continue to be one of the largest single revenue sources for the City of Wasilla. It is projected that revenue from sales tax collections will be 80% of the General Fund's revenue and 64% of total revenue (transfers) generated by the city. The General Fund expenditure budget including debt service and transfers is projected to increase by approximately \$528,240 (a 5.73% increase).

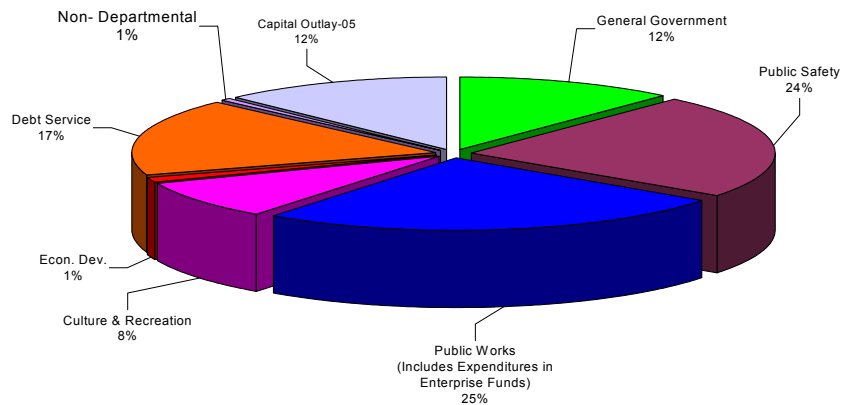
The City of Wasilla mill rate is proposed to be set at .4 mills. This mill rate will be decreased by 20% from the previous Fiscal Year.

Shown below is a breakdown of total revenue (not including transfers) and total expenditures (not including depreciation or transfers) appropriated in Fiscal Year 2005 by category for the City of Wasilla:

REVENUE BREAKDOWN BY CATEGORY (ALL FUNDS)



EXPENDITURE BREAKDOWN BY CATEGORY (ALL FUNDS)





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Wasilla
Alaska**

For the Fiscal Year Beginning

July 1, 2003

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Wasilla, Alaska for its annual budget for Fiscal Year beginning for Fiscal Year beginning July 1st, 2003. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to the program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



BUDGET MESSAGE

CITY OF WASILLA
FISCAL YEAR 2005
BUDGET LETTER OF TRANSMITTAL

June 14, 2004

To the Residents of the City of Wasilla:

Transmitted herewith is the Fiscal Year 2005 annual budget document for the City of Wasilla. This budget is submitted according to the Wasilla City Municipal Code Section 5.04.020 and State Statutes, which includes the goals and objectives for Fiscal Year 2005.



Mission Statement

It is the mission of the City of Wasilla to provide optimum service levels to the public as cost effectively as possible to ensure a stable and thriving economy, promote a healthy community, provide a safe environment and a quality lifestyle, and promote maximum citizen participation in government.

Major Issues

The City of Wasilla is one of the fastest growing communities in the United States. Along with this growth come challenges for the City of Wasilla to keep up with the increased demand for services made upon the City based on the population growth and offset the continued trend of unfunded mandates and continued trend in decreased funding by both the federal and state of Alaska governments. My commitment and the City Council's goals are to keep our local government small, efficient and accountable, while pro-actively assisting private sector businesses and residents. Based on this commitment, and the City Council's Fiscal Year 2005 (FY 05) budget initiatives, the city's departments have actively improved and refined the performance measurement system used to measure the performance of the city's departments in providing services to our citizens. Throughout this budget document, the reader will see the new performance measurements that the departments will use to keep the city's budget accountable to the citizens of Wasilla. Another budget initiative is to encourage a strong and diverse economic base in the City Of Wasilla. In order to accomplish this goal the City of Wasilla has set up an Economic Development Department to assist businesses to locate in the City of Wasilla and also to assist current businesses to stay healthy and expand. We hope that we will have the Economic Development Director position filled by the end of the fiscal year. We believe that this department will be a key cornerstone in continuing the expansion trend that the City is experiencing.

Our main goal is to prioritize tax dollars to support Wasilla's much needed infrastructure improvements and public safety needs. We are proud of this budget. We "held the line" and are able to present a General Fund Operating budget that is only 5.35% higher than last year and if you factor out the additional projected expenditures to be incurred for providing dispatch services to the Alaska State Troopers, the budget will be actually 9% lower than last year. Due

to the fact that the City is able to achieve a level-funded budget, the City of Wasilla will be able to transfer over \$1,200,000 to the Capital Improvement Project budget to fund needed infrastructure projects and at the same time transfer \$318,627 (a 9% increase) to the Library Special Revenue Fund.

One of the Fiscal 2005 Budget initiatives is to lower property taxes to the low rate of .4 mills. Based on the budget document submitted, the City of Wasilla will be able to accomplish this commitment of again reducing property taxes to 0.4 mills. Since 1997, the City of Wasilla has reduced property taxes by over 80%.

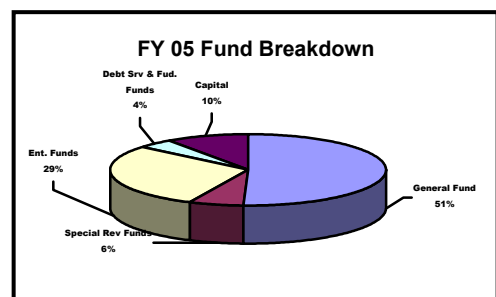
Since Fiscal Year 1997, general government expenditures have increased 29% (average of 3% per year – not including council’s budget) while expenditures for public safety have increased approximately 100% (11% per year) and expenditures on public work functions (not including Enterprise Fund’s expenditures) have increased approximately 153% (17% per year). The FY05 budget is based on this same fiscally conservative philosophy of maintaining a small and efficient general government while at the same time increasing the funding of functions that directly benefit the citizens. Total expenditures for general government in the General Fund (not including the Council Budget) is actually less in this Fiscal Year’s Budget (\$4,979 – a .37% reduction). Projected growth in the FY05 budget will continue to center around increased funding of services for the Public Safety and the Public Works functions such as road maintenance.

In FY01, one of our major policy issues was to pass a Fiscal Policy on stabilization of funds (WMC 5.04.025). The reason for passing this code was to ensure that the City would maintain fund balances and retained earnings at levels sufficient to maintain the City’s creditworthiness and to provide financial resources for unforeseeable emergencies. Having a stable General Fund fund balance will also allow the City to react to adverse changes in economic conditions should they arise and provide the City’s Administration and Council with the flexibility to respond to unexpected opportunities that may help the City achieve its goals and objectives today and into the future.

Through this fiscal policy, the Council has set the target rate for the unreserved General Fund Balance to be not less than 50% of the succeeding budgeted general fund expenditures plus general obligation debt service, and not higher than 60% of succeeding budgeted general fund expenditures plus general obligation debt service. The reason for having such a large unreserved fund balance is that City’s main revenue source is sales tax revenue. This year over 80 percent of the General Fund Revenue is generated from sales tax. Due to this dependence on sales tax revenue, the City Council and Administration believes that a healthy fund balance is needed to offset any dramatic swings in the economy. The policy states that all of the Enterprise Funds would maintain positive retained earnings in each Fund. The FY05 Budget is predicated on meeting each of these targets. My administration is proposing a balanced budget, which will allow us to meet these targets while at the same time transferring \$1,200,000 for infrastructure investment.

Budget Highlights and Fiscal Analysis

The total proposed budget including debt service for the City of Wasilla is \$15,050,032 (does not include transfers to other funds). The breakdown of expenditures are as follows: 51% for the General fund operating expenditures (not including transfers to other funds), 6% for Special

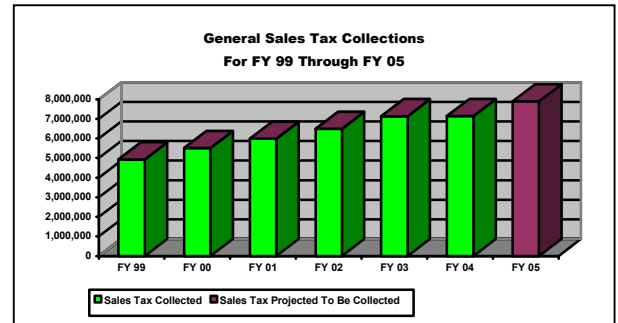


Revenue Fund expenditures, 10% for Capital Funds, 29% for Enterprise Fund operations (does not include projected depreciation expense), and 4% for debt service (including GO bond debt service).

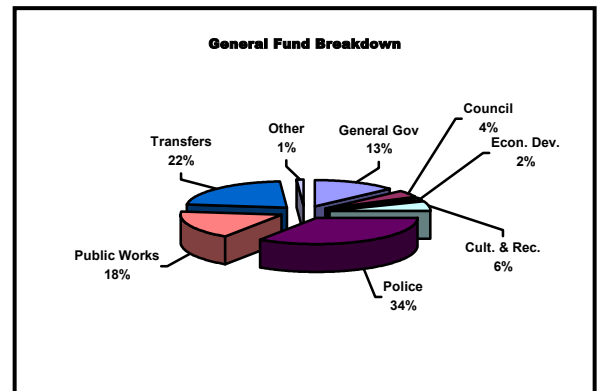
General Fund

The General Fund budget submitted is based on a property tax mill rate of four-tenths of a mill (0.4 mill). This mill rate will again be decrease from the FY04 rate.

In FY05, the main source of revenue for the General Fund is still sales tax revenue. Sales Tax revenue is projected to be approximately 80% of all General Fund revenue. General Sales Tax revenue is projected to increase by 10% over the projected total collections in FY04. As seen in the graph, Sales Tax collections have continually increased each year. Based on the economic and population trend projections, it is projected that this Sales Tax collection trend will not decrease in the foreseeable future. Local taxes, fines and other locally generated revenue will be approximately 17% of the General Fund revenue and intergovernmental revenue will be approximately 3% of the General Fund revenue.



The General Fund Budget including transfers is \$9,755,182. The breakdown of the Fiscal 2005 budget is as follows: 404,257 (4%) for Council, \$1,309,437 (13%) for general government, \$158,550 for Economic Development (2%), \$556,582 (6%) for culture and recreation, \$3,362,343 (34%) for Public Safety, \$1,727,539 (18%) for Public Works, \$113,727 for non-departmental (1%) and \$2,122,747 for transfers to other funds (22%).



Special Revenue Funds

Special Revenue funds are used to account for the expenditures for Library services and for providing a Youth Court services for the youth of the Matanuska-Susitna Borough. Total expenditures for Library services will increase by approximately \$29,454 (4.1% increase from FY04). This budget increase is based on the Borough and City each funding the Library \$20,000 more. Presently, the Borough Administration is recommending a \$150,000 cut in funding for the Library but the city is hoping that the Borough Assembly will recognize the drastic consequences of this reduction in funding and will restore the funding requested to continue Library services for the city and borough residents as currently provided by the City of Wasilla.

The Youth Court expenditures are projected to increase by approximately 13%. These expenditures are funded through grants, donations and interest income. Funding from the state of Alaska for this program has been cut this year and in order to live within their budget Youth Court will make adjustments in operating expenses, as needed depending on revenues this program is able to generate.

Capital Improvement Budgets (Including Enterprise Fund Capital Project Budgets)

Based on the Operating Budget presented, the City of Wasilla will be able to provide over \$1,200,000 from various funds to finance new Capital Projects. The Capital Project budget is based on the 5-year capital improvement plan that is included in this document. The new capital project expenditures will be approximately \$1,822,500 for Road, Storm Drain, Water & Sewer projects and Public Safety Regional Dispatch Center. During FY 05, the City is projected to expend approximately \$11,831,731 on projects that had funds appropriated in prior Fiscal Years. The estimated total expenditures on Capital Projects will be \$13,654,231. Below is listed the main projects that the City of Wasilla will be working on this Fiscal Year:

- Storm-water Projects – estimated expenditures of \$1,570,297;
- Construction of Regional Dispatch Center (Phase 1& 2) – estimated expenditures of \$1,725,615;
- Road projects - \$2,421,273
- Continued expansion of Water/Sewer lines west towards Wasilla's Municipal Airport and east towards trunk road – estimated expenditures of \$1,757,135.

This construction season is a very ambitious one for the City of Wasilla. These projects are projected to have positive economic impacts, including economic development spin-offs that will be incorporated into future revenue projections.

Enterprise Funds

The goal of this administration is to make the Enterprise Funds operationally self-sufficient. The City of Wasilla has made significant strides in meeting this goal over the last two fiscal years. The City of Wasilla brought forward a new sewer and water rate structure in FY 03. This new rate structure has allowed the City to meet the debt coverage required by our contracts and also make the utilities more self-sufficient. For the first time the transfer for Fiscal Year 2005 to the utility fund will be zero. The City of Wasilla is still transferring funds to cover operating cost of the Airport. Administration is looking for ways to enhance revenue (i.e. increase lease and tie-down spaces) and reduce expenditures in order to lower the transfer to that fund.

The City of Wasilla has completed the construction of the Multi-Use Sports Complex (MUSC) and has opened the facility. Fiscal Year 05 will be the first full year of operation. The city has elected to use an enterprise fund to account for the operation of the facility and for collecting the funds and disburse funds from a dedicated sales tax for the retirement of general obligation bond used to fund construction of facility. It is the goal of the City, for the facility to generate enough funds to cover its cost of operation. Based on the FY 05 budget, administration believes that it will be able to meet that goal. The fund balance of the fund will increase by \$330,158. This amount represents that amount that will be reserved to retire the MUSC general obligation bond.

Staffing, Compensation and Benefits

In Fiscal Year 2004, the City needed to increase its staff by approximately 25% due to opening the new Dispatch Center and the Multi-Use Sports Complex. In FY 05 in this Fiscal Year, the City will be only increasing staff by 11%. If you factor out the staff for the dispatch center that will be hired to fulfill the state contract to dispatch for the State Troopers, the increase would have been only 2.9%. The City of Wasilla will be adding 2.75 full time equivalent (FTE) of new employee positions for regular city functions. The City of Wasilla is adding a .5 FTE of a new

Patrol Officer, 1 FTE of a new Code Compliance Officer, .5 FTE of an administrative assistant, and a .75 fulltime equivalent of an accounting technician into the General Operating Fund. To offset the increases in personnel, the city has been able to realign duties in other departments in order to cut 2.0 FTE of current employee positions. The net increase in employees will be .75 FTE for general city operations. The city will also hire 9 FTE positions for the dispatch center. These new positions will be vital to meeting the goals and initiative set by council. Summary of personnel by year is:

Fiscal Year	FY 02	FY 03	FY 04	FY 05
Full-Time Personnel	66.50	69.75	87.15	97.40

The City of Wasilla is projecting that Health Insurance costs will increase by approximately 10%, Workers Compensation Insurance by approximately 25% and the city's contribution to the State's retirement system by 78%. These increases have resulted in an estimated total increase in the cost of labor of approximately 12%. The city will absorb most of these increased salary and benefit costs without increasing the city's overall operational budgets. The City of Wasilla has implemented a new evaluation process called a "focal review" process. Administration believes that this process has helped in ensuring consistent and fair evaluations for employees which has resulted in equitable yearly increases to employees and has helped the City to better control personnel cost.

Financial Position

The Financial Summaries section of the budget document includes a Budget Summary (all Funds) schedule and a Fund Balance Summary schedule that presents ending fund balances categorized by fund type and fund. The General Fund Balance is projected to remain near the same level as Fiscal Year 2004 at \$4,222,826. The reason for the General Fund Balance remaining near the same level is that it was the Administration's goal to propose a fiscally balanced budget. Even with the current unpredictable economic environment, the city's overall financial position will remain strong in FY 05 and again allows us to reduce the property taxes to our residents.

The other funds' fund balances remain healthy. The Special Revenue Funds' fund balances will increase by approximately by \$48,822. This increase is mainly in the Technology Replacement Fund's fund balance. This fund is used as a mechanism to gather funds in order to replace computer equipment that is broken or outdated. The Debt Service Funds are able to meet their debt obligations and the total fund balance of the funds will grow in FY 05 by approximately \$47,922 as the city accumulates funds to pay off the special assessment bonds. The Capital Funds' fund balances will be reduced by a total of \$670,486 (41.96% reduction). This reduction in fund balance is attributed to the projected use of fund balance to fund capital projects in FY 05. The Enterprise Funds fund balance remains positive. On the operation section, the Enterprise Funds were able to maintain their fund balance with a reduced subsidy from the General Fund in FY 05 and with the revised rate structure will have the funds to cover the debt service in those funds. The Multi-Use Sports Complex (MUSC) Enterprise Fund's fund balance will continue to grow as the enterprise fund accumulates funds through a dedicated sales tax of ½ percent to retire the General Obligation Bond issued to fund the construction of the Multi-Use Sports Complex. The total Fund Balance in all three of the funds will be reduced by a total of \$1,076,030 (27.69% reduction). The drop in fund balance in all three of the enterprise funds are attributed to the use of projected fund balance in financing capital projects. A more detailed explanation of each fund's fund balance increases and decreases can be obtained in the individual fund section.

In the midst of a slowing and unpredictable economy, the City of Wasilla has positioned itself to have a strong healthy position through good planning and proper administration of public funds. Based on this strong financial position, the City of Wasilla will continue to be able to provide a high level of service to its citizens and to be able to continue its aggressive capital improvement program for capital expenditures through grants and local monies with minimal debt.

Future Outlook

The City of Wasilla, through economic development and investment in the city's infrastructure has developed itself into the retail trade center for the Matanuska-Susitna (Mat-Su) Borough. It is estimated that the City of Wasilla provides services to over 40,000 citizens. Based on the investment trends of large retail companies and small business entrepreneurs locating in Wasilla, and the demographic trend for the Mat-Su Borough, the City of Wasilla will continue to retain its position as the financial and retail center in the Mat-Su Borough today and for years to come.

One of the key economic factors in the continuing financial health of the City, and one of the key ingredients for the robust economy that the City of Wasilla has seen over the past years, is population growth. The Mat-Su Borough's population has grown by almost 35% in the last 10 years and the City of Wasilla's population has grown by over 52% in this same period. We believe that based on factors such as our superb quality of life here in the Valley, the availability of developable land and less expensive housing compared to Anchorage, and our improved transportation infrastructure, that this robust population growth trend will continue into the foreseeable future. It is projected that the population of the Borough could surpass 100,000 residents by the year 2018.

Other factors that will continue to fuel the economic growth in the City of Wasilla will be the continued expansion of the tourism industry and the continued creation of private sector jobs. The City of Wasilla will continue to support the development of these businesses in the City and the Mat-Su Borough.

In summary, the future looks very bright for the City of Wasilla and our economy. Based on population trends, the City of Wasilla could be servicing over 75,000 people by the Year 2018. Retail and service expansion will continue to dominate our economy. The City of Wasilla's economy is ultimately linked to the Mat-Su Borough's and the Municipality of Anchorage's. As long as South-Central Alaska's economy expands, the City of Wasilla will retain its place as one of the strongest performing economies in the State of Alaska.

Acknowledgement

I would like to thank the entire City of Wasilla staff for the cooperative, efficient and dedicated service given to our residents and the community. Our city employees have a "roll up your sleeves and get the job done" attitude and I know our residents and community appreciate this. Because we face the challenges of reduced revenues and the deletion of the state revenue sharing program, increased population growth and heavy demand for quality services, our city departments began budget preparation work early this year and came together as a team to address our challenges. Individual departments were able to come up with creative solutions to satisfy the needs of their department customers and the citizens of the City of Wasilla, while holding the line on expenses so that the City of Wasilla would not have to increase the mill rate as would have been the first option of other governments.

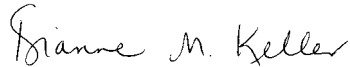
Particularly, I would like to point out that the preparation of this budget document could not have been accomplished without the dedicated services of the Finance Department. Based on their hard work and dedication the city again received the Distinguished Budgetary Presentation Award for Fiscal Year 2004. I would like to express my appreciation to Ted Leonard, Susan Colligan, Deborah Davis, Connie James, Sharon Sinko, Carrie Wininger, April Dwyer, Connie Goza, Link Fannon and Sally Schug. I would like to also thank Bill Harvey and Archie Giddings of the Public Works Department, Sandra Garley our city Planner and our newest management staff member Bruce Urban, Cultural and Recreation services director. Thanks also go the clerk's office for their participation and cooperation in the budget process. Last, certainly not least, special thanks to Mary Bixby my assistant- without her hard work and dedication the Mayor's office would not run as smoothly and efficiently for me, and our residents and businesses.

I would also like to thank the city Council for their interest and support in planning and conducting the financial operations of the city in a fiscally conservative and responsible manner.

Conclusion

As my Administration entered and worked through the budget process for FY05 we addressed the reduced revenues and are able to present a responsible, balanced and accountable budget to the Council and our residents as well as reducing the property taxes again in FY05. In doing so, we kept in mind the long-range goals and budget initiatives set out by the Council to address issues we face today and the tomorrows to come. The city is blessed to welcome two large businesses to our community and with their addition we are able to keep up with the changes we must face. With the changes this budget recommends, I am sure our government will better serve our residents and surrounding community Because of the dedication of our Council, Commissioners and staff the city is able to rise to the challenge to keep our government small, accountable and efficient, something we can all be proud of!

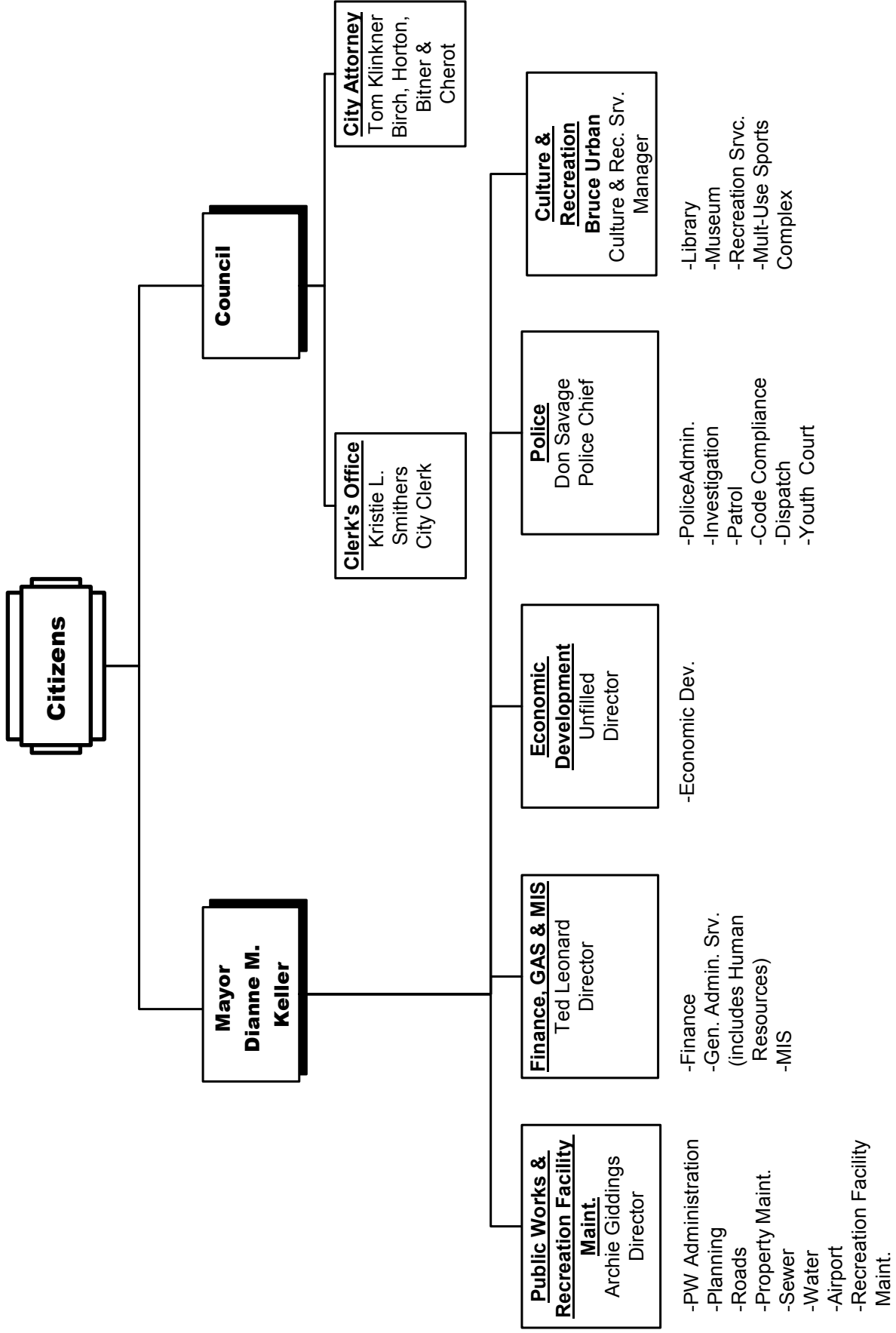
Respectfully submitted,



Dianne M. Keller
Mayor

City of Wasilla

Organizational Chart



BUDGET CALENDAR

CITY OF WASILLA
FISCAL YEAR 2005

The following schedule outlines the City of Wasilla's plan for the formation of the Fiscal Year 2005 budget (July 1, 2004 through June 30, 2005).

Date	Facilitator	Action
January 2004	Finance Director	Finance Director prepares preliminary revenue projections.
February 12, 2004	Mayor/Council/ Clerk	Work session to revise City of Wasilla's strategic goals and to set Fiscal Year 2005 budget initiatives. Council gives direction to Clerk for Council's Fiscal Year 2005 budget.
February 16, 2004	Finance Director	Distribution of budget worksheets to aid departments in submitting their budget request.
February 16 thru February 20, 2004	Mayor	Work sessions with department heads to set FY 2005 goals and objectives for Departments
February 27, 2004	Mayor	Department Heads submit staffing needs to the Mayor.
March 5, 2004	Finance Department	Finance Department submits estimated staffing cost to Department Heads.
March 19, 2004	Department Heads/ Clerk	Final day for Department Heads and Clerk to submit budget request to the Finance Department.
April 9, 2004	Finance Director	Proposed budget submitted to the Mayor.
April 10 thru April 28, 2004	Mayor	Work meetings with the Department Heads to resolve or justify differences of department budgets.
April 29, 2004	Mayor	Mayor submits approved proposed department budgets to the Finance Director with the Mayor's Budget Message.
May 10, 2004	Finance Director	Introduction of Operating Budget Ordinance.
May 17, 2004	Council	Special council meeting to review proposed budget.
May 24, 2004	Council	Scheduled Public Hearing and possible adoption.

BUDGET CALENDAR

CITY OF WASILLA
FISCAL YEAR 2005

Date	Facilitator	Action
May 26, 2004	Council	Reserved for special meeting if required.
June 7, 2004	Council	Adoption of the Fiscal Year 2005 Operating Budget (final).
June 14, 2004	Council	Introduction of Capital Budget Ordinance. Absolute deadline for setting Fiscal Year 2005 mill rate.
June 28, 2004	Council	Adoption of the Fiscal Year 2005 Capital Budget.
July 01, 2004	All Concerned	Budget implementation and monitoring.

THE BUDGET PROCESS

The mission of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process. Several essential features characterize the City of Wasilla's budget process:

- Incorporates a long-term perspective.
- Establishes linkage to broad organizational goals.
- Focuses budget decisions on results and outcomes.
- Involves and promotes effective communication with stakeholders.

The development of the City of Wasilla's FY 2005 budget is an open process designed to reflect the needs and desires of the community as seen in the exhibit on the following page. Through out the year, the Mayor, Council Members and City Staff have obtained input from the citizens in regards of what services are needed. The citizens' needs are incorporated into the goals and objectives for the FY 2005 and are reflected in the FY 2005 Budget that is submitted to Council for adoption.

The budget process for the City of Wasilla begins in January of each year. At this time, the Finance Department's staff prepares a financial forecast for the following year including revenue projections and inflation projections. In February, worksheets are distributed to the various departments to aid them in preparing their budget requests.

During March and April, the Mayor will meet with the Department Heads to finish setting the goals and objectives for each department for Fiscal Year 2005. The Mayor and Department Heads will agree on which measurements will be used to assess whether or not the FY 2005 goals have been met. The Department Heads will submit to the Mayor an estimate of the number of needed personnel to meet the goals and the objectives of the City of Wasilla in the upcoming Fiscal Year. This approved list of personnel needs is then forwarded to the Finance Department to calculate the labor cost.

In February, the Finance Department will calculate the projected cost of labor based on the approved personnel needs. The cost of labor projections along with a six-month expense summary is forwarded to the Department Heads to be used in the formulation of their budget request. During February and March, the Department Heads with assistance from the Finance department complete their budget requests.

During April, work sessions are held between the Mayor, Finance Director, and Department Heads to review the department's budget request. In these work sessions, the budget requests are compared to the City's goals and objectives for the department and how these budget requests will affect the performance and outcomes of the department and the City of Wasilla in the upcoming Fiscal Year.

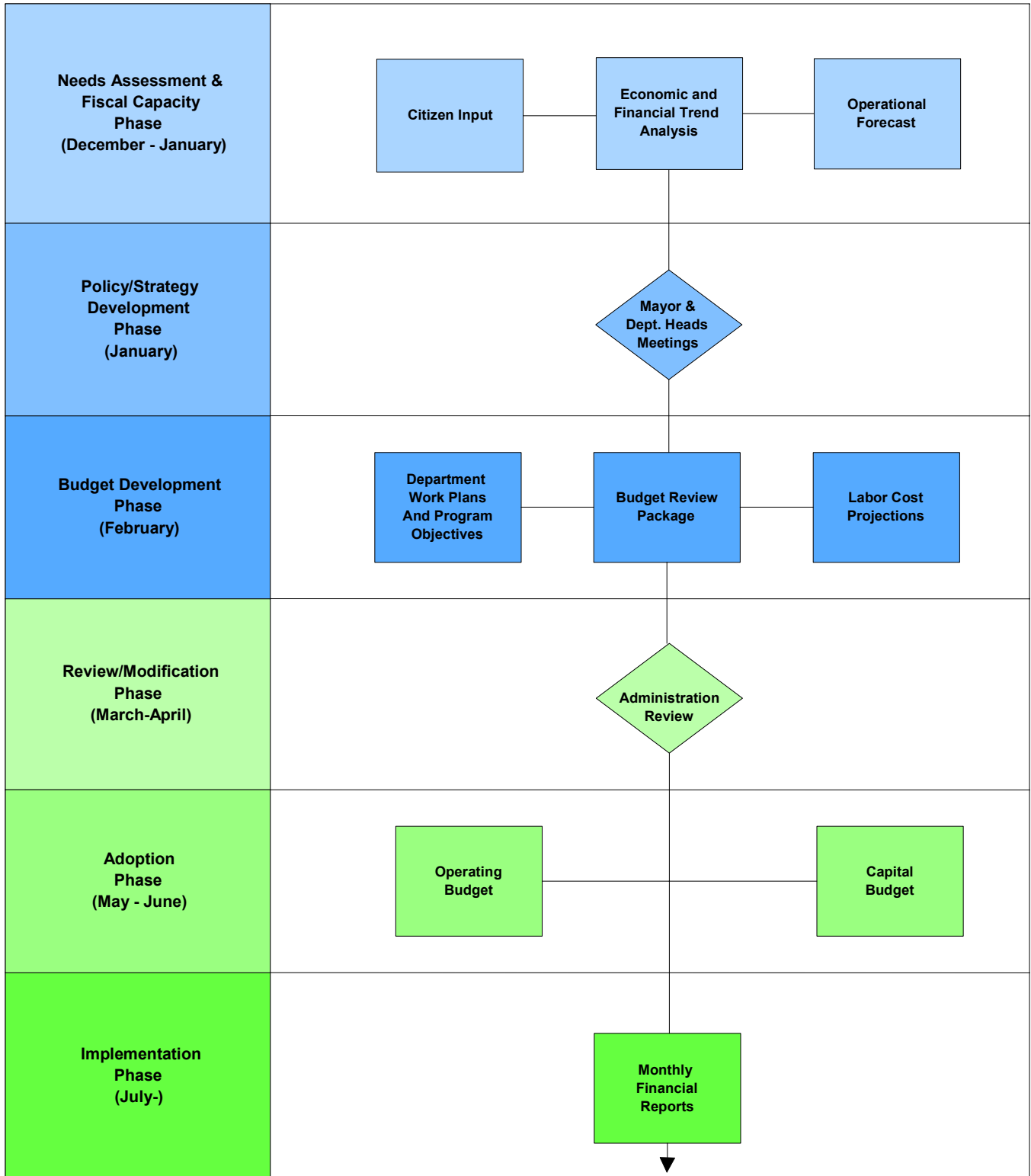
In May, the proposed operating budget and is introduced in a budget ordinance. During the month of May, the Council will review the budget and capital program with the Mayor and Department Heads. During May, there will be at least one public hearing on the budget. The goal of the Council is to adopt the budget ordinance by June 14th, 2004 and

THE BUDGET PROCESS CONT.:

set the millage rate for the upcoming Fiscal Year. The FY 2005 Budget must be adopted before June 30th per WMC 6.02.020 (C).

On July 1st, the Fiscal 2005 budget will be implemented. During Fiscal 2005, the departments will be accountable for budgetary control throughout the fiscal year. Expenditure patterns will be examined, compared to budget plans, and corrective action, if necessary will be taken. The City Council throughout the year will be given financial reports disclosing the City's actual performance as compared to the budget plan.

BUDGET PROCESS FLOWCHART



AMENDING THE BUDGET

Amendments to the budget can occur anytime during the fiscal year through the Council or administrative action. Generally, the following actions are required at the level of the particular change:

1. All new appropriations and moving amounts between funds are authorized by an appropriation ordinance that amends the annual budget ordinance.
2. A resolution of the Council is required to move (appropriate) amounts of over \$10,000 between departments and projects. Amounts under \$10,000 can be moved through administrative action by approval of the Mayor between departments. The Mayor has authority through administrative action to move unlimited amount of funds within a department.

BASIS OF BUDGETING

The City of Wasilla uses the same basis for budgeting as it does for its financial record keeping and for financial statement presentation.

Governmental fund types (General Fund and Special Revenue Funds) are accounted for under the modified accrual basis of accounting. Revenues are recognized when measurable and available to finance current expenditures; expenditures are recognized when the liability has been incurred, with the exception that principal and interest payments on general long-term debt are recognized when due.

Proprietary fund types (Enterprise Funds) are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of GAAP and on a budgetary basis. In most cases this conforms to the way the city prepares its budgets. Exceptions are as follows:

- Compensated absences liabilities, in the Enterprise funds that are expected be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) and opposed to being expended when paid (Budget).
- Principal payments on long-term debt within the Enterprise funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a budget basis.
- Capital outlay within the Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis.
- Depreciation is not recognized on a budgetary basis.

MISSION AND GOALS

Preface

The City of Wasilla is one of the fastest growing communities in the State of Alaska and the United States. The City of Wasilla's population has grown by approximately 55 percent since 1992. Along with this population growth has come dramatic economic expansion. An indication of this expansion is the growth in sales tax revenue over the last seven years. It is projected that sales tax revenue has grown by over 79 percent since fiscal year 1994. Based on projections from state and local sources, these population and economic trends are projected to continue into the foreseeable future.

Along with this expansion have come unique challenges for the City of Wasilla. It is the commitment of the City of Wasilla to ensure that the City meets these challenges and to ensure that the necessary services will be available when the citizens and businesses needs them in the future to meet the dynamic growth that the City of Wasilla will continue to experience.

Mission Statement

It is the mission of the City of Wasilla to provide optimum service levels to the public as cost effectively as possible to ensure a stable and thriving economy, promote a healthy community, provide a safe environment and a quality lifestyle, and promote maximum citizen participation in government.

City Powers and Responsibilities

The City of Wasilla was organized to execute the powers that have granted to it through legislative action and voter mandate. Powers that have been given to the City of Wasilla include the following:

Taxation and assessments	Police
Planning	Roads
Economic Development	Airport
Parks, Recreation & Library	Utilities (Water & Sewer)

Long-Range Goals And Fiscal Year 2005 Budget Initiatives

The City of Wasilla has selected six long-term goals as its top priorities. These goals are multi-year in nature and will be revisited periodically to fit changing conditions as they occur. Along with these long-term goals are the City of Wasilla's Fiscal Year 2005 budget initiatives. The long-range goals and Fiscal Year 2005 budget initiatives are:

Keep Local Government Small, Efficient And Accountable To The Citizens Of Wasilla

Fiscal Year 2005 Budget Initiatives

- Achieve level-funding budget for Fiscal Year 2005 to maintain and improve existing services while reducing the property tax mill rate to .40 mills and transferring at least \$1,000,000 for infrastructure investments.

- Improve and refine the performance measurement system used to measure the performance of the City's departments in providing services to citizens.
- Design and implement an Intranet system to allow employees easier access to forms, standardize city forms and foster better interdepartmental communication.
- Enhanced and expand city website to implement Electronic Government (e-government) which will allow citizens to obtain city forms from the city website, make payments over the internet, and communicate with City Departments and City Council.
- Establish a citizen focus group to assist in the development of long-term objectives for the City.

Encourage A Strong And Diverse Economic Base In The City Of Wasilla

Fiscal Year 2005 Budget Initiatives

- Encourage and promote recreation programs for the City's and Borough's youth and adults through the use of the Multi-use Sports Complex facilities.
- Investigate and encourage co-location of various state agencies into the City of Wasilla.
- Encourage development of overnight accommodations projects (hotel and R.V. sites).
- Continue to encourage new business to locate and invest into the City of Wasilla.
- Construct utilities along the Palmer-Wasilla Highway Extension to encourage development of the corridor between the Parks Highway and Knik-Goose Bay Road.

Refine And Improve The Long-Term Capital Project Plan To Preserve And Improve City Infrastructure To Provide For Future Growth

Fiscal Year 2005 Budget Initiatives

- Continue to coordinate and integrate DOT, Mat-Su Borough, Alaska Railroad, and City transportation projects.
- Construct Down-town Storm Drain System through FY 05 and ending in FY 06.
- Resolve Wastewater Permitting issues to allow expanded sewer service through FY 15.
- Continue to develop Regional Communication Center by obtaining & implementing a Computer Aided Dispatch and Records Management system.

Develop Stable And Equitable Sources Of Revenue That Will Provide The Needed Funding To Accomplish The Mission Statement

Fiscal Year 2005 Budget Initiatives

- Continue lobbying efforts on Federal and State level to obtain federal and state funding for needed infrastructure projects.
- Continue to seek funding from private foundations for funding of infrastructure projects listed in the Multi-use Sports Complex master plan.
- Complete five year Financial Forecast and five year Financial Plan.

Continue Progress In Making The Enterprise Funds (Water, Sewer, Airport, and Multi-use Sports Complex) Self-Sufficient While Ensuring The Systems Meet Environment And Development Needs Of The Citizens And The Businesses In The City Of Wasilla

Fiscal Year 2005 Budget Initiatives

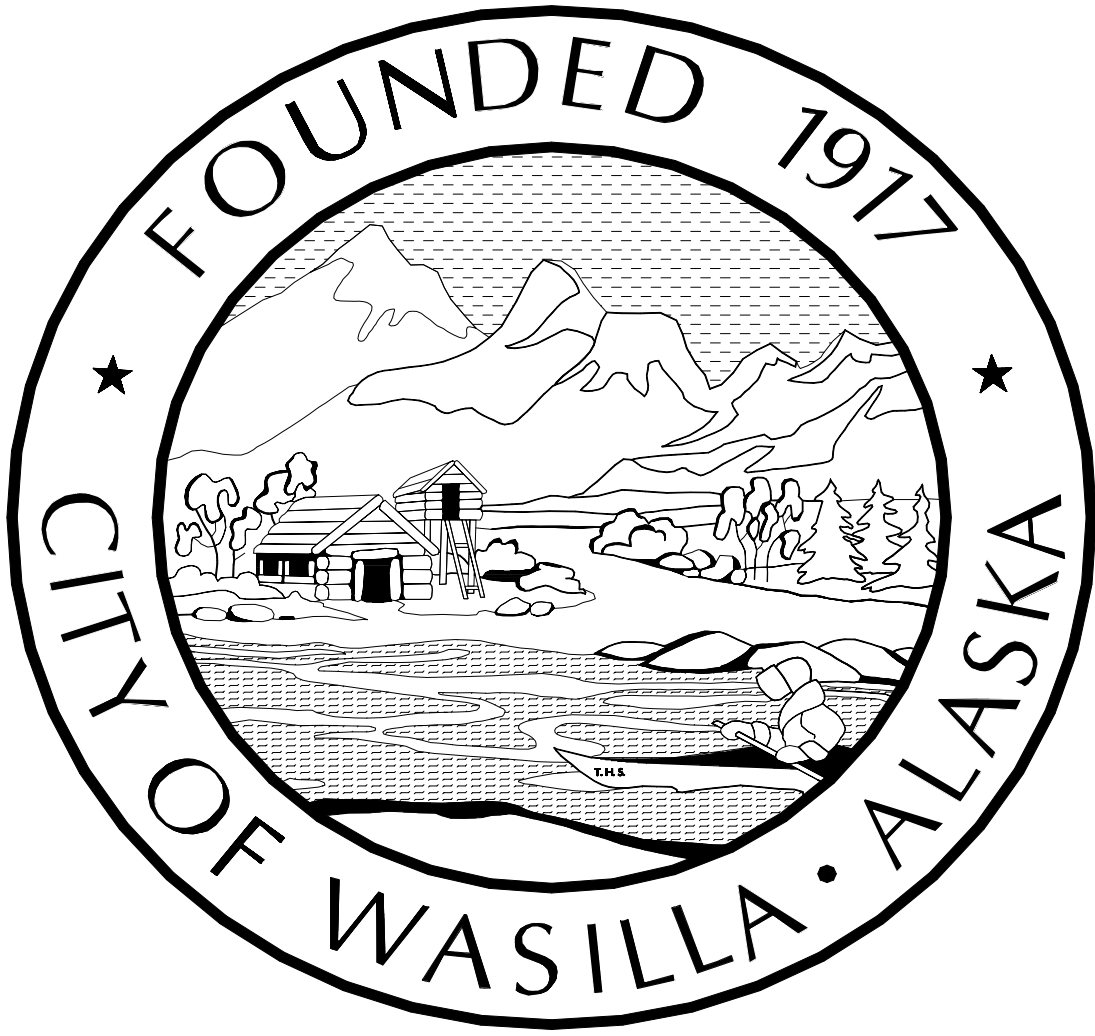
- Encourage new water and sewer connections of Businesses and Residential property owners.
- Broaden customer base by continuing expansion of City's water and sewer system west towards the Wasilla Municipal Airport, and east along Bogard Road, Palmer-Wasilla Highway and the Parks Highway.
- Expand Airport Lease Lot Acreage.
- Promote use of the Multi-use Sports Complex for large events such as trade shows and regional conferences.

Continue To Provide The Citizens With The Highest Quality Of Law Enforcement Service Possible In The Most Efficient And Effective Manner Available

Fiscal Year 2005 Budget Initiatives

- Continue to explore and participate in efforts to establish a Joint Powers Agreement for regional communication for public safety.
- Continue to provide funding through grants for increased enforcement of drug/alcohol laws in order to reduce related crimes involving drug and alcohol abuse and violence.
- Implement program to update law enforcement equipment and related response capabilities.
- Promote more visibility of marked police units in residential areas of the City of Wasilla.
- Continue to fund law enforcement training to update Police Officer skills where new police techniques and technologies are being developed.
- Establish a Code Compliance department under the Public Safety Division for timely resolution of code compliance issues.

The goals and budget initiatives in this year's budget reflect the dedication of the city's elected officials to the City of Wasilla's commitment to provide the highest level of public service while tackling the complex issues that the City of Wasilla must address to preserve the quality of life our residents desire and deserve. The departments of the City have used these long-range goals and budget initiatives as the foundation in building their mission, goals, objectives and strategies for Fiscal Year 2005. The goals and objectives of each department will be listed in the appropriate sections of this budget document.



FUND STRUCTURE

The City accounts are organized on the basis of fund and account groups, each of which is considered a separate accounting entity. Operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds in this report are grouped into six generic fund types within three broad fund categories. All funds of the City of Wasilla are appropriated. The City of Wasilla's fund structure for budgetary purposes is the same as the fund structure for its Audited Financial Statements.

Governmental Fund Types

General Fund – The General Fund is the operating fund of the City and is used to account for all financial resources, except those required to be accounted for in another fund. This fund is classified as a major fund under GASB 34.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. There are five funds under this category: 1. Library; 2. Youth Court; 3. Asset Forfeiture; 4. Technology Replacement; and 5. Capital Reserve. None of these funds are classified as major funds under GASB 34 (see Special Revenue section for detailed description of funds).

Debt Service Funds – The Debt service Funds are used to account for the accumulation of, resources for, and the payment of general long-term debt principal, interest, and related costs. There are six funds listed under this category: 1. General Obligation Debt Service; 2. Sewer Special Assessment; 3. Water Special Assessment; 4. Gas Special Assessment; 5. Paving Special Assessment; and 6. Bond Guarantee. None of these funds are classified as major funds under GASB 34 (see Debt Service section for detailed description of funds).

Capital Project Funds – Capital Projects Funds are used to account for financial resources to be used for acquisition or construction of major capital facilities and equipment. There are five funds listed under this category: 1. Capital Project; 2. Vehicle; 3. Right Of Way; 4. Honor Garden; and 5. Regional Dispatch Center. Out of these funds the Capital Project Fund and Regional Dispatch Fund are classified as major funds under GASB 34 (see Capital Project section for detailed description of funds).

Proprietary Fund Types

Enterprise Funds – Enterprise Funds are used to account for the operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. There are three funds listed under this category: 1. Utility; 2. Airport; and 3. Multi-Use Sports Complex. The Utility and Multi-Use Sport Complex funds are classified as major funds under GASB 34 (see Enterprise section for detailed description of funds).

Fiduciary Funds Types

Trust & Agency Funds – Trust and Agency Funds account for assets held in a trustee capacity or as an agent for individuals, private organizations and other funds. These include non-expendable trust funds and agency funds. Non-expendable trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is essential. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. There is one fund listed under this category: 1. Cemetery. This fund is not classified as major fund under GASB 34 (see Fiduciary Fund section for detailed description of fund).

FINANCIAL POLICIES

INTRODUCTION

The financial policies establish the framework for overall fiscal planning and management and set forth guidelines for both current activities and long-range planning. These policies are reviewed annually to assure the highest standards of fiscal management. The Mayor and the Department Director's have the primary role of reviewing financial actions and providing guidance on financial issues to the City Council.

OVERALL GOALS

The overall financial goals underlying these policies are:

1. **Fiscal Conservatism:** To ensure that the city is in a solid financial condition at all times. This can be defined as:
 - A. Cash Solvency – the ability to pay bills
 - B. Budgetary Solvency – the ability to balance the budget
 - C. Solvency – the ability to pay future costs
 - D. Service Level Solvency – the ability to provide needed and desired services
2. **Flexibility:** To ensure that the city is in a position to respond to changes in the economy or new service challenges without an undue amount of financial stress.
3. **Adherence to the Highest Accounting and Management Practices:** As set by the Government Finance Officers' Association standards for financial reporting and budgeting, the Governmental Accounting Standards Board, and other professional standards.

Based on the overall goals listed above the following Financial Policies are provided:

1. Operating Budget Policies

The budget is a plan for allocating resources. The objective is to enable service delivery with allocated resources. Services must be delivered to the citizens at a level that will meet real needs as efficiently and effectively as possible.

- The City's goal is to pay for all recurring expenditures with recurring revenues and to use non-recurring revenues for non-recurring expenditures.
- It is important that a positive undesignated fund balance and a positive cash balance be shown in all governmental funds at the end of each fiscal year.

- When deficits appear to be forthcoming within a fiscal year, spending during the fiscal year must be reduced sufficiently to create a positive undesignated fund balance and a positive cash balance.
- When possible, the City will integrate performance measurement and productivity indicators within the budget. This should be done in an effort to improve the productivity of City programs and employees. Productivity analysis should become a dynamic part of the City administration.
- The budget must be structured so that the Council and the general public can readily establish the relationship between expenditures and the achievement of service objectives.
- The individual department budget submissions must be prepared with the basic assumption that the Council will always attempt to maintain the current tax rates.
- Budgetary review by the Administration and Council will focus on the following basic concepts:

Staff Economy

The size and distribution of staff will be a prime concern. The Council will seek to limit staff increases to areas where approved program growth and support absolutely requires additional staff and to reduce staff where this can be done without adversely affecting approved service levels.

Capital Construction

Emphasis will be placed upon continued reliance on a viable level of pay-down capital construction to fulfill needs in a City approved comprehensive capital improvements program.

Program Expansions

Proposed expansion to existing programs and services must be submitted as budgetary increments requiring detailed justification. Every proposed program or service expansion will be scrutinized on the basis of its relationship to the health, safety, and welfare of the community.

New Programs

New programs or services must also be submitted as budgetary increments requiring detailed justification. New programs or services will be evaluated on the same basis as program expansion plus an analysis of long term fiscal impacts.

Existing Service Costs

The justification for base budget program costs will be a major factor during budget review.

Administrative Costs

In all program areas, administrative overhead costs should be kept to an absolute minimum.

Functions of all departments and agencies should be reviewed in an effort toward reducing duplicate activities within the City government.

The budget will provide for adequate maintenance of capital plant and equipment and for its orderly replacement.

The administration will maintain budgetary controls at the character level within each organizational unit. (Characters are broad classifications of expenditures: fringe benefits, contractual services.)

The preparation and distribution of monthly budget status reports, interim financial statements, and annual financial reports is required.

The City will develop and annually update a long-range (three to five years) financial forecasting system that will include projections of revenues, expenditures, and future costs and financing of capital improvements that are included in the capital budget.

2. Debt Policies

- The City will not fund current operations from the proceeds of borrowed funds.
- The City will consider short-term borrowing or lease/purchase contracts for financing major operating capital equipment when the Finance Director, along with the City's Financial Advisor, determines that this is in the City's best financial interest. Lease/purchase decisions should have the concurrence of the appropriate operating Manager.
- The ratio of short-term debt as a percent of revenue should not exceed five percent and ratio of short-term debt as a percent of total debt should not exceed 20 percent.
- When the City finances capital projects by issuing bonds, it will repay the debt within a period not to exceed the expected useful life of the project.
- Target debt ratios will be annually calculated and included in the review of financial trends.
- The ratio of general obligation debt service expenditure as a percent of General Fund Revenue should not exceed 20 percent of General Fund Revenue.
- The City will maintain good communications about its financial condition with bond and credit institutions.
- The City will follow a policy of full disclosure in every annual financial statement and bond official statement.
- The City will avoid borrowing on tax anticipation and maintain an adequate fund balance.

3. Revenue Policies

- The City will try to maintain a diversified and stable revenue structure to shelter it from short-run fluctuations in any one-revenue source.

- The City will attempt to maintain a diversified and stable economic base by supporting policies that promote tourism, agriculture, commercial, and industrial employment.
- The City will estimate its annual revenues by an objective, analytical process.
- The City, where possible and reasonable, will institute user fees and charges for specialized programs and services. Rates will be established to recover operational, as well as capital or debt service costs.
- The City will regularly review user fee charges and related expenditures to determine if pre-established recovery goals are being met.
- The City should routinely identify governmental aid funding possibilities. However, before applying for and accepting intergovernmental aid, the City will assess the merits of a particular program as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits as a budgetary increment.

4. Investment Policies

- The City will maintain an investment policy based on the Government Finance Officers Association (GFOA) model investment policy.
- The City will conduct an analysis of cash flow needs on an ongoing basis. Disbursements, collections, and deposits of all funds will be scheduled to ensure maximum cash availability and investment potential.
- When permitted by law, the City will pool its various funds for investment purposes.
- The City will obtain the best possible return on all investments consistent with the underlying criteria of liquidity and safety of principal.
- The City will regularly review contractual opportunities for consolidated banking services.

5. Accounting, Auditing, and Reporting Policies

- The City will establish and maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principles (GAAP).
- The accounting system will maintain records on a basis consistent with accepted standards for government accounting according to the Government Accounting Standards Board (GASB).
- Regular monthly financial statements and annual financial reports will present a summary of financial activity by departments and agencies within all funds.
- Where possible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and revenue by fund.

- An independent firm of certified public accountants will perform an annual financial and compliance audit and will publicly issue an opinion, which will be incorporated into the Comprehensive Annual Financial Report (CAFR).
- The City will annually strive for the GFOA Certificate of Achievement for Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award.

6. Capital Budget Policies

- The City will make all capital improvements in accordance with an adopted capital improvements program.
- The City will develop a multi-year plan for capital improvements that considers its development policies and links the development process with the capital plan.
- The City will enact an annual capital budget based on the multi-year capital improvements program.
- The City will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital projects will be projected and included in operating budget forecasts.
- The City will maintain all its assets at a level adequate to protect its capital investments and to minimize future maintenance and replacement costs.
- The City will identify the “full-life” estimated cost and potential funding source for each capital project proposal before it is submitted to the Council for approval.
- The City will determine the total cost for each potential financing method for capital project proposals.
- The City will identify the cash flow needs for all new projects and determine which financing method best meets the cash flow needs of the project.

7. Fund Stabilization Policy

- The City will maintain the fund balances and retained earnings of the various city operating funds at levels sufficient to maintain the city’s creditworthiness, and to provide financial resources for unforeseeable emergencies.
- The City will maintain in the undesignated fund balance of the General Fund an amount between sixty (60) percent and fifty (50) percent of the sum of total budgeted general fund operating expenditures, plus the budget amount of general obligation debt (not including GO Debt with dedicated sales tax source).
- The City will transfer to the Capital Reserve Fund any amount over the 60 percent target set for the undesignated fund balance of the General Fund when the annual audit is accepted by the City Council

- The City will not approve an appropriation from the general fund that would cause the undesignated general fund balance to be less than the minimum undesignated fund balance, except in an emergency expenditure or a major capital purchase.
- The City will maintain a positive retained earnings balance in each of the enterprise funds to provide sufficient reserves for emergencies and revenue for emergencies and revenue shortfalls. Sufficient retained earnings will be defined as twenty percent of total budgeted expenditures less budget expenditures for debt service and the budgeted allowance for depreciation.
- The City will maintain a reserve in each of its debt service funds an amount not less than the sum of all reserve fund balances required by the bond ordinances applicable to that fund.

2005 BUDGET ASSUMPTIONS & FINANCIAL PROJECTIONS

Certain assumptions and projected financial forecasts were decided on as a foundation for developing the City of Wasilla's annual budget. These assumptions and revenue forecasts were used to guide the City Council, the Mayor and City staff in determining the goals, budget initiatives and the level of services that will be provided to the citizens and how those services will be funded.

General Assumptions

1. The population of the City of Wasilla will increase by approximately 5% or 335 residents. Total population is estimated to be approximately 7,050.
2. Annexations. No new annexations in FY 05.
3. Inflation for FY 05 is projected to be approximately 3 percent, up slightly from the percentage forecasted in FY 04. The inflation rate is based on the Anchorage Municipality CPI-U.

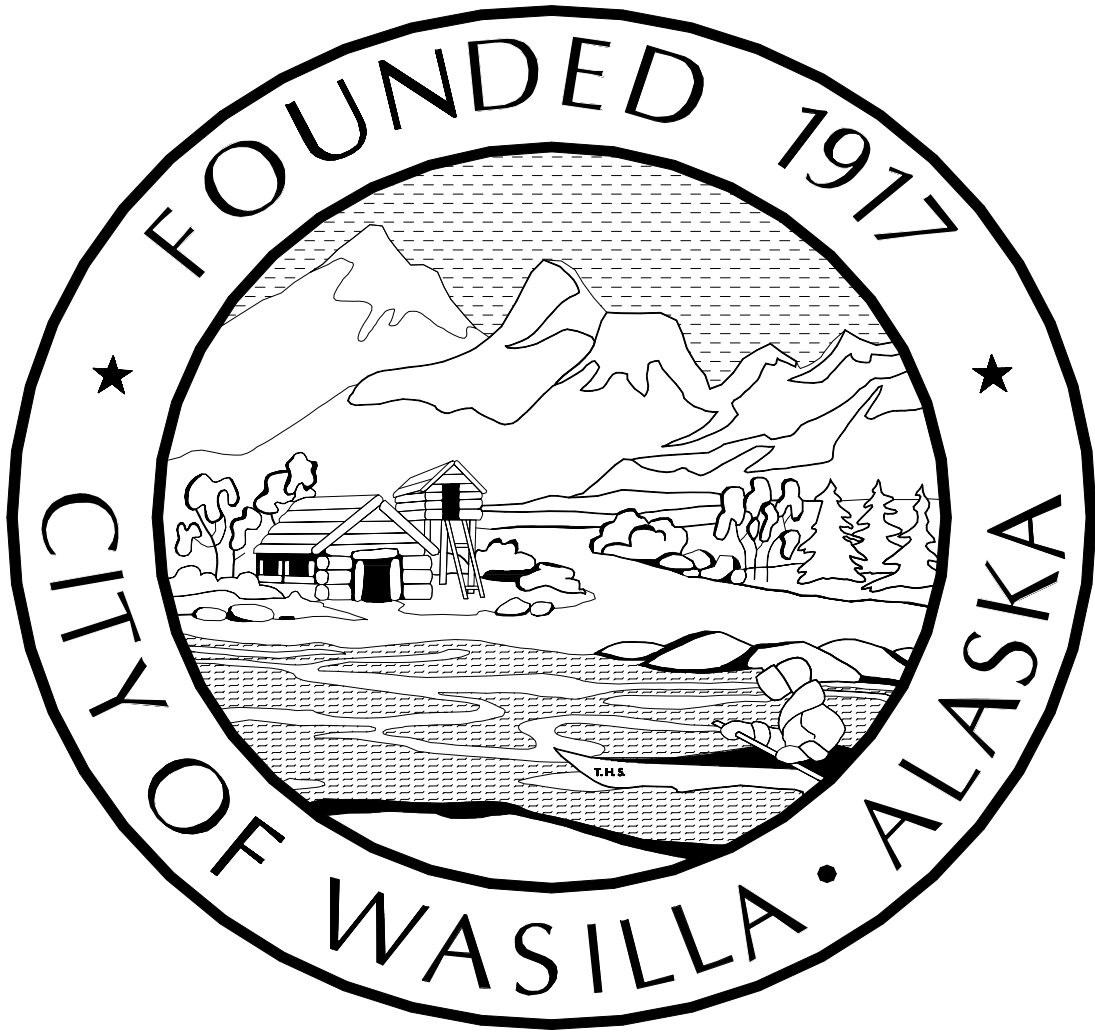
Revenue Assumptions

1. Sales and Use Taxes – Collections for sales taxes are projected to increase 10%. Total sales tax revenue is projected to be \$9,868,750. This trend is consistent with the growth trend over the past 5-years and is based on the 10-year sales tax forecast generated by Northern Economics for the City of Wasilla. Normal growth rate is approximately 6 to 7 percent a year, this years estimates include additional sales tax revenue that is projected to be generated from the opening of new retail establishments.
2. Property Taxes – The City's mill levy for FY 05 will be .4 mills based on the target the City Council set in their budget initiative. Total property tax projected to be collected will be 198,269. See appendix for historic detail for property tax rates, assessed valuations and property tax collections.
3. Intergovernmental Revenue – Intergovernmental revenue consist of grants from State and Federal sources. It is projected that total intergovernmental revenue funds for general government funds (not including Capital Funds) will be approximately \$991,456. Total new intergovernmental revenue is projected to be 19 percent lower that last year. This projection is based on several federal grants not being carried forward in the Public Safety area. Also, it is projected that the City will not receive any revenue sharing this fiscal year (a reduction of \$96,136).
4. User Fees and Charges – user fees and charges main consist of fees charged for utility services. Total user fees and charges are projected to \$2,223,541. User Fees have gone up dramatically over FY 04 due to the opening of the Multi-Use Sports Complex. Fiscal Year 2005 will be the first full year of operation. At the end of FY03, the city had to adjust the utility rate structure in order to generate enough funds to cover projected operating costs and future debt service. Based on FY 04 projected revenue and next Fiscal Year's projection, the city will not have to adjust the utility rates in the foreseeable future. See enterprise fund section for historical trend of collection of user charges for enterprise funds.

5. Local Revenue - Total local revenue projected to be collected is \$208,192. The single largest component of local revenue is interest earned on investments (45%). The City of Wasilla is projecting an increase in investment earnings this year based on the fact that the City Council adopted a new investment policy that allows the city to invest in longer maturity governmental investment vehicles. Based on the new policy, the City is projecting an average return on investments of approximately 1.8%.
6. Other Revenue - The two main components of other revenue are the fees from the State of Alaska for dispatch services (905,028) and the fee for naming rights to the Multi-Use Sports Complex (\$180,000). The fee for dispatch services is a set fee and will be paid quarterly. A Request for Proposal (RFP) is being issued for the naming rights and should be advertise by early FY 05 and completed by September 04. Both these revenue sources are projected to be constant over the next few years.

Expenditure Assumptions

1. Personnel Services – This category includes expenditures for wages (including overtime) and salaries and other forms of compensation – life and health insurance, Medicare contribution, and pension contributions (PERS). The cost of personnel is provided to departments by the Finance Department. Proposed personal services are based on the following assumptions:
 - a) Average merit increase of 3% (no cost of living) for all eligible employees.
 - b) Health Insurance will increase by 10%.
 - c) Workers Compensation will increase by 25%.
 - d) PERS retirement contribution will increased to 11.44% of wages – a 78% increase.
2. Operating Expenditures and Capital Outlays (over \$5,000) – This category includes expenditures for running a governmental program not classified as personnel services or expenditure for a Capital Project. The following assumptions were used for the FY 05 budget:
 - a) Projected increases (and decreases) are based on a department level decision-making process.
 - b) The departments are given a total departmental target budgets and given complete flexibility over allocation in the various line items. The departments are expected to come in within the target budget. Expenditures associated with proposed “increments” to existing service levels (due to Council goals and budget initiatives) were added to the budget.
3. Insurance - This category includes expenditures for property insurance and general liability insurance.
 - a) Projected increases for General Liability insurance is 15%.
 - b) Projected increase for Property Insurance is 10%.



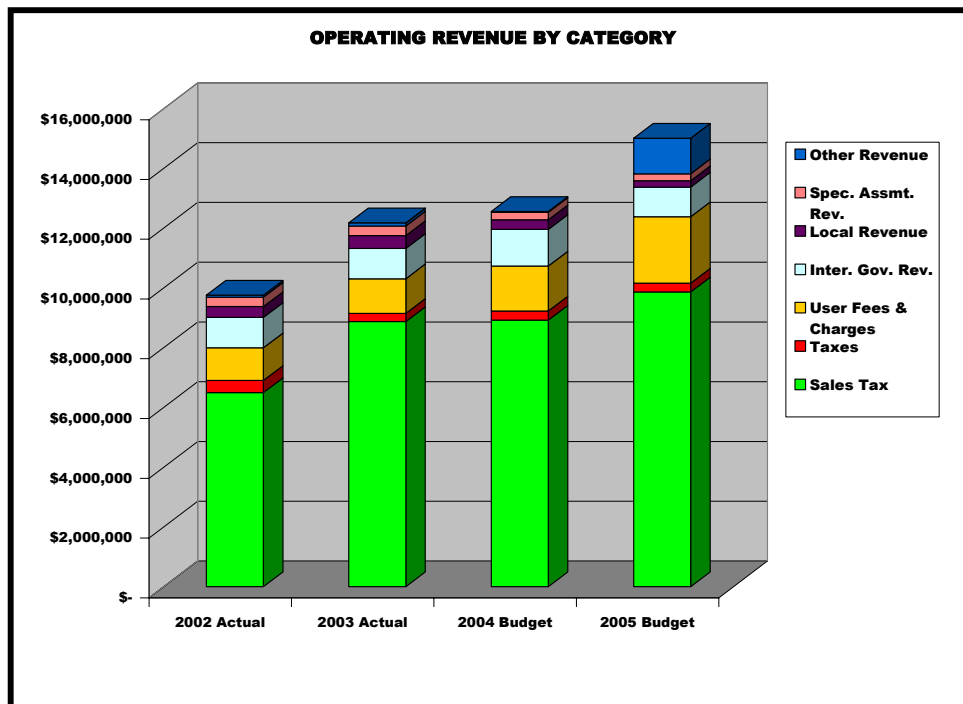
OPERATING BUDGET SUMMARY

OPERATING REVENUE

Total revenue for financing the Fiscal Year 05 operating budget is \$15,012,376. This is an increase of over \$2,451,724 over Fiscal Year 04's operating revenue. As seen in the Operating Revenue by Category Graph and the Operating by Revenue tables on the following page, the main increases in revenues come from three sources: 1. Sales tax (\$943,002 increase); 2. Other local Revenue (\$1,163,758 increase); and 3. User Fees & Charges (\$719,595).

Sales Tax revenue increases are projected to increase due to the normal growth rate of 6% and due to the fact that two large retail stores will be opening in late fall of calendar year 2004 or early winter of calendar year 2005. The dramatic increase in other income is due to two factors. The City of Wasilla has entered into a contract with the State of Alaska to provide dispatch services for the Alaska State Troopers for \$905,028 and also the City of Wasilla will be selling the naming rights to the Multi-Sports Complex. The City of Wasilla estimates that these rights are valued at approximately \$180,000. The main factor in user fees increasing from Fiscal Year 04 is due to the fact that the Multi-Use Sports complex will be open for a full year. The Multi-Use Sports Complex opened in late February of this calendar Year. It is estimated that the Multi-Use Sports will generate operating income of \$690,695, an increase of \$594,695 over the Fiscal Year 04. The remaining increase in user fees & charges is mainly attributed to growth in utility revenue due to growth of the utility's customer base.

The most dramatic decrease in revenue from a revenue sources is the revenue generated from intergovernmental revenue. This revenue source has seen a reduction from FY 04 of \$235,094 (20%). The main factors for the reduction in revenue is due to the fact that the State of Alaska has cut out all appropriations for revenue sharing (\$96,000) to municipalities and also grant revenue has been cut by both the Federal and State governments. This trend of decreased intergovernmental revenue is projected to continue in the future. The City of Wasilla continues to look at new ways to generate local revenue to offset the loss of intergovernmental revenue though economic development.



OPERATING BUDGET SUMMARY

OPERATING REVENUE BY FUND	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
General Fund	7,863,408	8,483,444	8,543,874	9,869,962
Library Fund	349,337	354,407	407,969	426,319
Youth Court Fund	140,272	124,784	165,085	183,650
Asset Forfeiture Fund	27,457	8,751	100	100
Tech. Replacement Fund	-	130	500	200
Capital Reserve Fund	2,298	2,459	5,000	804
General Obligation Fund	-	-	-	-
Sewer Spec. Assmt. Fund	30,312	41,617	23,900	20,300
Water Spec. Assmt. Fund	52,187	60,002	40,698	36,650
Gas Assessment Fund	1,765	4,086	60	200
Paving Spec. Assmt. Fund	237,004	220,120	193,823	185,000
Bond Guarantee Fund	6,125	-	900	900
Cemetery Fund	7,942	11,615	6,000	12,000
Utility Fund	1,011,510	1,089,547	1,249,838	1,387,846
Airport Fund	32,640	36,300	41,500	44,000
Musc.Fund Revenue	-	1,740,790	1,881,405	2,844,445
Total Operating Revenue (transfers not inc.)	<u>9,762,257</u>	<u>12,178,052</u>	<u>12,560,652</u>	<u>15,012,376</u>

OPERATING REVENUE BY CATEGORY	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
Sales Tax	6,497,069	8,876,901	8,925,748	9,868,750
Prop. & Veh. Tax	404,632	273,619	302,000	293,269
User Fees, Licenses, Permits & Fines	1,097,301	1,158,650	1,503,946	2,223,541
Intergovernmental Revenue	1,016,519	1,016,567	1,226,550	991,456
Local Revenue	362,535	425,381	325,127	208,192
Special Assessment Rev	310,691	322,078	249,871	236,000
Other Revenue	73,510	104,856	27,410	1,191,168
Total Operating Revenue (transfers not inc.)	<u>9,762,257</u>	<u>12,178,052</u>	<u>12,560,652</u>	<u>15,012,376</u>

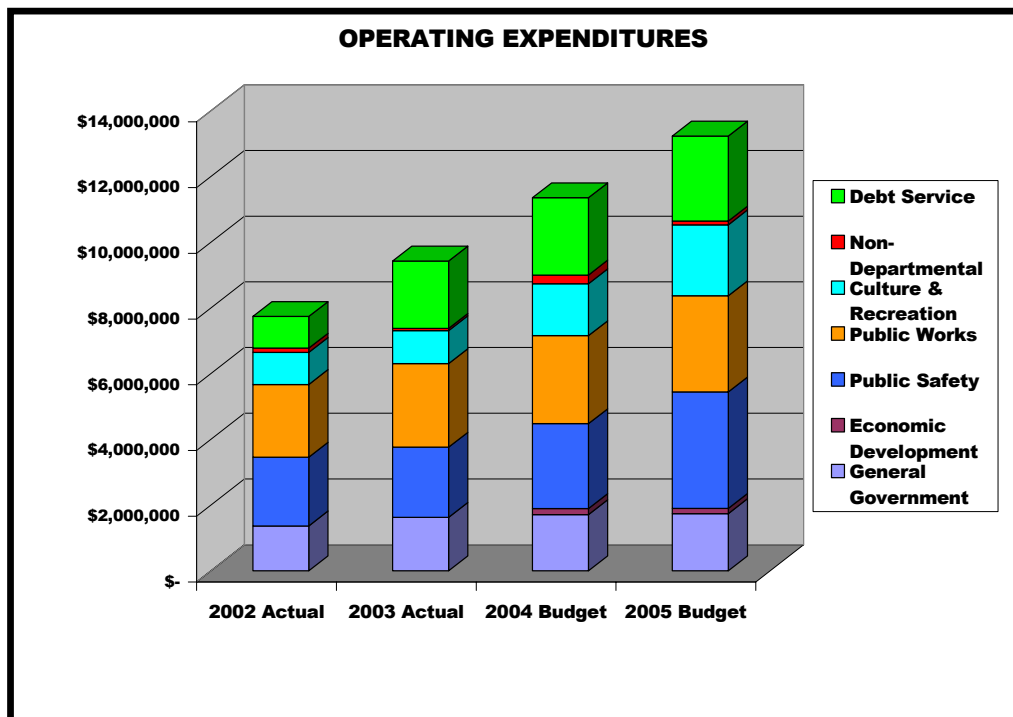
OPERATING BUDGET SUMMARY

OPERATING EXPENDITURES

The FY 05 operating budget was balanced without the need for increases in any taxes. The total operating expenditures (not including transfers) is \$13,227,822, which is an increase of \$1,877,781 or 16.5% over the FY 04 Budget.

As seen in the graph below and the expenditure tables on the next page, the main increases come in the public safety function and the cultural and recreation function. As with the operating revenue trends, the two main factors dealing with the expenditure increases in FY 05 is the contract with the State of Alaska for providing dispatch services and the fact that Fiscal Year 05 will be the first full year of operation for the Multi-Sports Complex. It is estimated that it will cost the City of Wasilla approximately \$825,000 to provide dispatch services to the Alaska State Troopers. Also in the public safety function, the City of Wasilla has added a Code Compliance division and hired an additional full-time police officer. The estimated cost for these two items is approximately \$160,000. The increase in operating expense for having the Multi-use Sports Complex open for a full year is \$525,118.

The remaining \$367,841 (3%) will be used for ongoing funding to meet both inflationary and growth-related expenses by the various city departments in order to ensure that existing levels of service are maintained. Please see the fund sections for the breakdown by category of expenditures for the function. The fund sections will discuss the trends in expenditures for each fund.



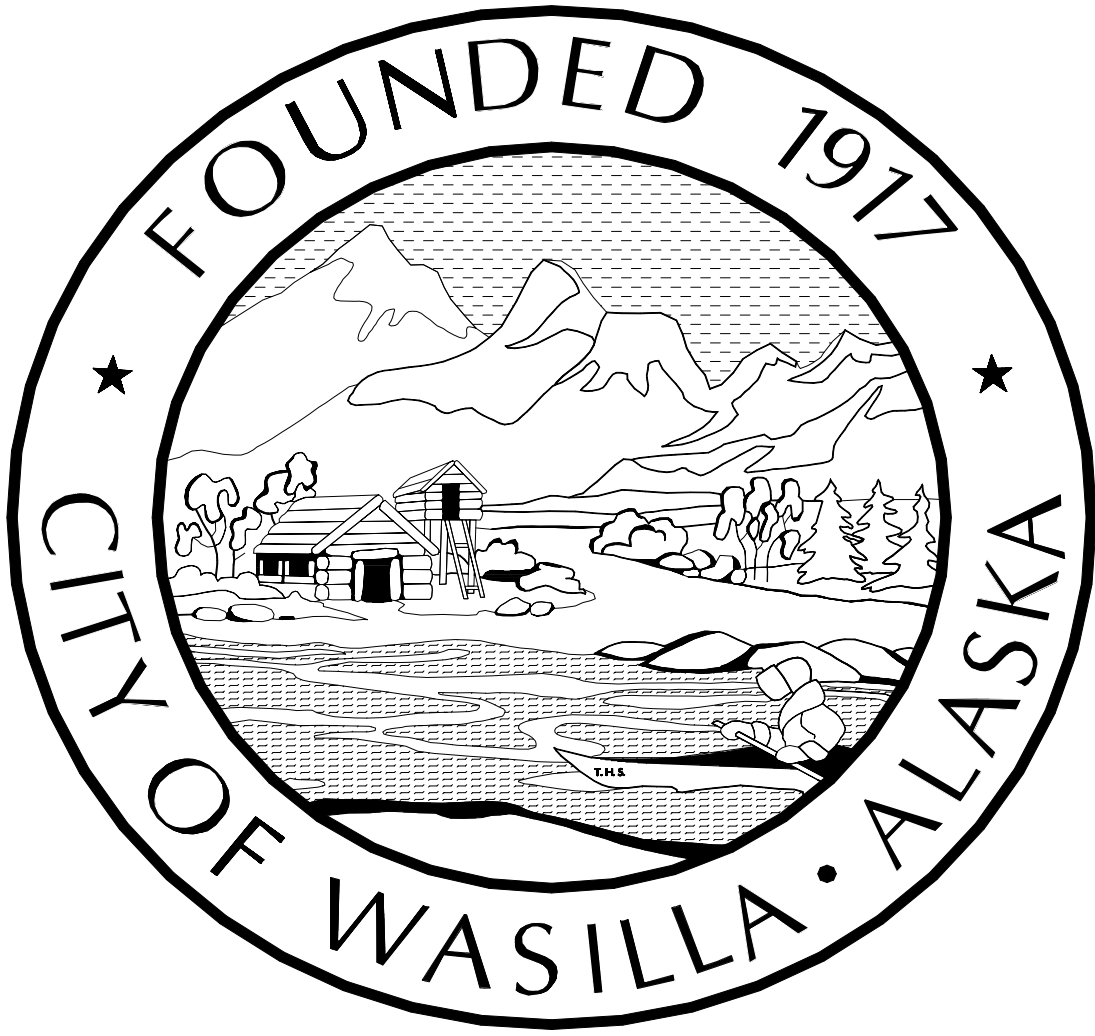
OPERATING BUDGET SUMMARY

Oper. Expenditure by Fund	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
General Fund	5,502,880	5,509,775	6,637,539	7,632,435
Library Fund	584,356	602,949	715,463	734,917
Youth Court Fund	141,343	145,369	161,527	182,861
Asset Forfeiture Fund	28,395	-	-	-
Tech. Replacement Fund	-	83,971	24,000	25,600
Capital Reserve Fund	-	-	-	-
General Obligation Fund	-	439,398	438,026	436,347
Sewer Spec. Assmt Fund	10,830	10,983	10,738	10,247
Water Spec. Assmt. Fund	12,290	12,047	11,805	11,563
Gas Assmt Fund	152,789	-	13,167	-
Paving Spec. Assmt. Fund	322,925	195,749	212,707	155,542
Bond Guarantee Fund	-	-	-	-
Cemetery Fund	-	-	-	-
Utility Fund	920,906	982,629	1,114,210	1,384,250
Airport Fund	62,716	76,089	96,090	139,773
Musc. Fund	-	1,366,275	1,914,769	2,514,287
Total Operating Expenditures	<u>7,739,430</u>	<u>9,425,234</u>	<u>11,350,041</u>	<u>13,227,822</u>

Oper. Expenditure by Function	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
General Government	1,366,027	1,626,426	1,708,113	1,739,294
Economic Development	-	-	184,704	158,550
Public Safety	2,091,526	2,134,777	2,583,412	3,545,204
Public Works	2,210,763	2,542,113	2,676,588	2,926,309
Culture & Recreation	977,563	1,003,384	1,580,959	2,158,267
Non-Departmental	129,455	69,472	263,974	113,727
Debt Service	964,096	2,049,062	2,352,291	2,586,471
Total Operating Expenditures	<u>7,739,430</u>	<u>9,425,234</u>	<u>11,350,041</u>	<u>13,227,822</u>

**BUDGET SUMMARY
ALL FUNDS**

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Fiduciary Funds	Total
Estimated Beginning Balances 7/01/04	\$ 4,108,046	\$ 92,701	\$ 944,755	\$ 1,598,048	\$ 3,886,583	\$ 140,305	\$ 10,770,438
Sources							
Property Taxes	\$ 198,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198,269
Sales Taxes	7,895,000	-	-	-	1,973,750	-	9,868,750
Vehicle Taxes	95,000	-	-	-	-	-	95,000
Licenses, Permits & Fines	119,100	-	-	-	-	-	119,100
Intergov. Revenues-Appropriated Prior Year:	-	-	-	5,262,776	4,440,159	-	9,702,935
Intergov. Revenues-Appropriated in FY 05	431,137	560,319	-	530,500	75,000	-	1,596,956
User Fees & Charges	-	29,400	-	28,250	2,064,041	11,000	2,132,691
Local Revenues	178,788	21,354	7,050	-	-	1,000	208,192
Special Assessment Revenue	-	-	236,000	-	-	-	236,000
Other Revenues	952,668	-	-	-	248,500	-	1,201,168
Transfers In	1,000	391,127	436,347	920,888	405,161	-	2,154,523
Total Sources	\$ 9,870,962	\$ 1,002,200	\$ 679,397	\$ 6,742,414	\$ 9,206,611	\$ 12,000	\$ 27,513,584
Total Available Funds	\$ 13,979,008	\$ 1,094,901	\$ 1,624,152	\$ 8,340,462	\$ 13,093,194	\$ 152,305	\$ 38,284,022
Uses							
Council/Clerk	\$ 404,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 404,257
General Government	1,309,437	25,600	-	-	-	-	1,335,037
Economic Development	158,550	-	-	-	-	-	158,550
Public Safety	3,362,343	182,861	-	-	-	-	3,545,204
Public Works	1,727,539	-	-	-	2,065,538	-	3,793,077
Culture & Recreation	556,582	734,917	-	-	-	-	1,291,499
Non-Departmental (inc. Comm. Dev.)	113,727	-	-	-	-	-	113,727
Debt Service	-	-	613,699	-	1,972,772	-	2,586,471
Capital Outlay-Prior Year Appropriations	-	-	-	5,965,400	5,866,331	-	11,831,731
Capital Outlay- FY 05 Appropriations	-	-	-	1,447,500	375,000	-	1,822,500
Transfer To Other Funds	2,122,747	10,000	17,776	-	3,000	1,000	2,154,523
Total Use of Funds	\$ 9,755,182	\$ 953,378	\$ 631,475	\$ 7,412,900	\$ 10,282,641	\$ 1,000	\$ 29,036,576
Estimated Funds Available 6/30/05	\$ 4,223,826	\$ 141,523	\$ 992,677	\$ 927,562	\$ 2,810,553	\$ 151,305	\$ 9,247,446
Change in Fund Balance	\$ 115,780	\$ 48,822	\$ 47,922	\$ (670,486)	\$ (1,076,030)	\$ 11,000	\$ (1,522,992)



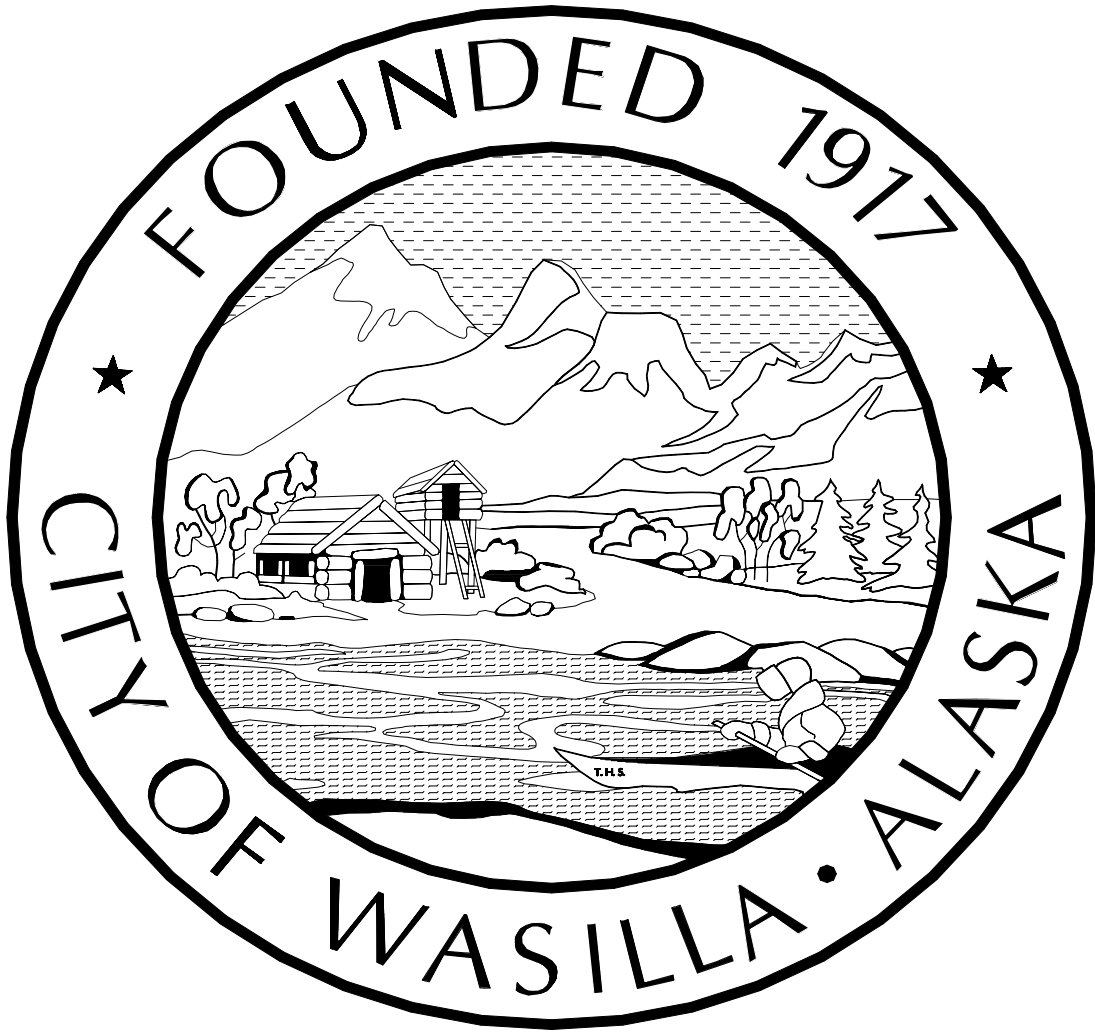
**FUND BALANCE SUMMARY
ALL FUNDS**

	Beginning Fund Balance 07/01/04	Revenues*	Transfers In	Total Sources	Operating Expenditures
GOVERNMENTAL FUNDS					
GENERAL OPERATING FUND	4,108,046	9,869,962	1,000	9,870,962	7,632,435
SPECIAL REVENUE FUNDS					
Library Fund	20	426,319	318,627	744,946	734,917
Youth Court	6,798	183,650	-	183,650	182,861
Asset Forfeiture	8,757	100	-	100	-
Technology Replacement	32,453	200	72,500	72,700	25,600
Capital Reserve	44,673	804	-	804	-
TOTAL SPECIAL REVENUE FUNDS	92,701	611,073	391,127	1,002,200	943,378
DEBT SERVICE FUNDS					
General Obligation	-	-	436,347	436,347	-
Sewer Special Assessment	285,567	20,300	-	20,300	-
Water Special Assessment	214,479	36,650	-	36,650	-
Gas Special Assessment	37,124	200	-	200	-
Paving Special Assessment	361,771	185,000	-	185,000	-
Bond Guarantee	45,814	900	-	900	-
TOTAL DEBT SERVICE FUNDS	944,755	243,050	436,347	679,397	-
CAPITAL FUNDS					
Capital Fund	1,278,584	4,625,644	708,888	5,334,532	-
Vehicle	256,732	2,000	155,000	157,000	-
Right of Way	38,284	200	-	200	-
Honor Garden	17,355	50	-	50	-
Regional Dispatch Center	7,093	1,193,632	57,000	1,250,632	-
TOTAL CAPITAL FUNDS	1,598,048	5,821,526	920,888	6,742,414	-
TOTAL GOVERNMENTAL FUNDS	6,743,550	16,545,611	1,749,362	18,294,973	8,575,813
FIDUCIARY FUNDS					
Cemetery	140,305	12,000	-	12,000	-
TOTAL FIDUCIARY FUNDS	140,305	12,000	-	12,000	-
PROPRIETARY FUNDS					
ENTERPRISE					
Utility	2,166,781	4,037,664	308,888	4,346,552	1,058,997
Airport	225,950	1,909,341	96,273	2,005,614	139,773
Multi-Use Sports Complex	1,493,852	2,854,445	-	2,854,445	866,768
TOTAL PROPRIETARY FUNDS	3,886,583	8,801,450	405,161	9,206,611	2,065,538
TOTAL	10,770,438	25,359,061	2,154,523	27,513,584	10,641,351

* Note - Revenues and Capital Outlays include prior year appropriations for Capital Projects started in prior years but not completed as the end of FY 04.

**FUND BALANCE SUMMARY
ALL FUNDS**

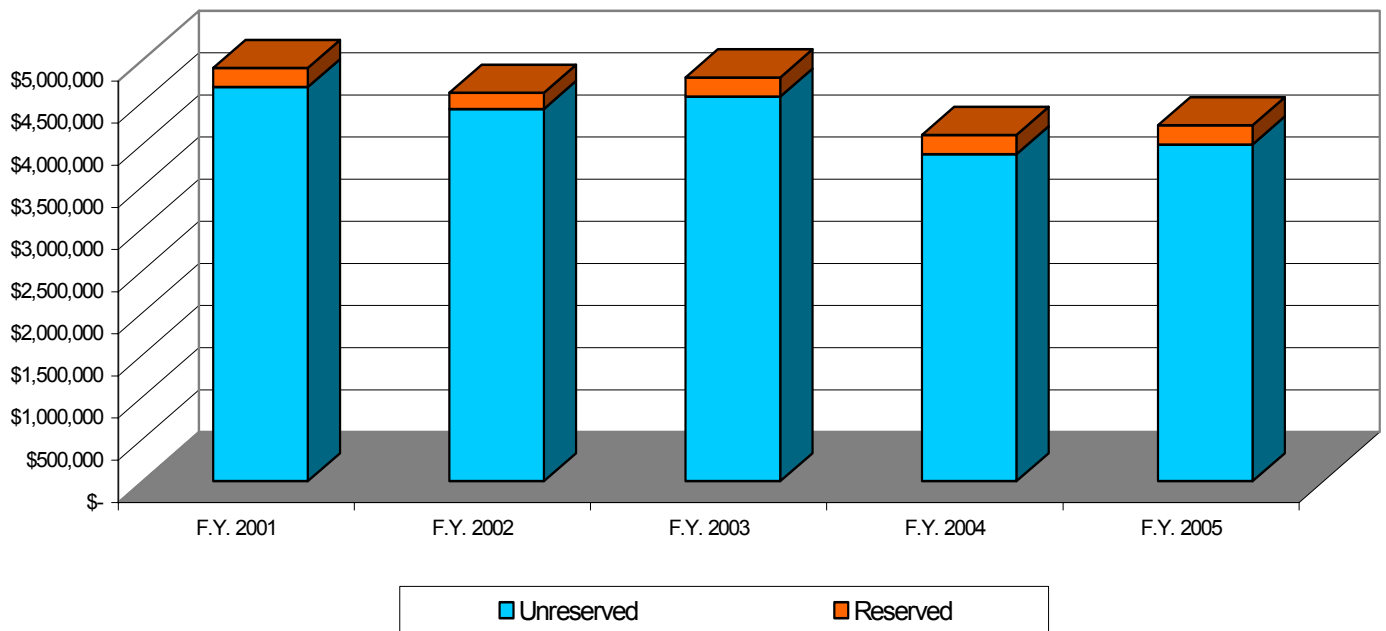
Capital Outlays*	Transfers Out	Debt Service	Total Uses	Ending Fund Balance 06/30/05	Change In Fund Balance	% Change
-	2,122,747	-	9,755,182	4,223,826	115,780	2.82%
-	10,000	-	744,917	49	29	145.00%
-	-	-	182,861	7,587	789	11.61%
-	-	-	-	8,857	100	1.14%
-	-	-	25,600	79,553	47,100	145.13%
-	-	-	-	45,477	804	1.80%
-	10,000	-	953,378	141,523	48,822	52.67%
-	-	436,347	436,347	-	-	0.00%
-	-	10,247	10,247	295,620	10,053	3.52%
-	17,776	11,563	29,339	221,790	7,311	3.41%
-	-	-	-	37,324	200	0.54%
-	-	155,542	155,542	391,229	29,458	8.14%
-	-	-	-	46,714	900	1.96%
-	17,776	613,699	631,475	992,677	47,922	5.07%
5,986,997	-	-	5,986,997	626,119	(652,465)	-51.03%
160,000	-	-	160,000	253,732	(3,000)	-1.17%
-	-	-	-	38,484	200	0.52%
8,399	-	-	8,399	9,006	(8,349)	-48.11%
1,257,504	-	-	1,257,504	221	(6,872)	-96.88%
7,412,900	-	-	7,412,900	927,562	(670,486)	-41.96%
7,412,900	2,150,523	613,699	18,752,935	6,285,588	(457,962)	-6.79%
-	1,000	-	1,000	151,305	11,000	7.84%
-	1,000	-	1,000	151,305	11,000	7.84%
3,650,026	3,000	325,253	5,037,276	1,476,057	(690,724)	-31.88%
1,929,458	-	-	2,069,231	162,333	(63,617)	-28.16%
661,847	-	1,647,519	3,176,134	1,172,163	(321,689)	-21.53%
6,241,331	3,000	1,972,772	10,282,641	2,810,553	(1,076,030)	-27.69%
13,654,231	2,154,523	2,586,471	29,036,576	9,247,446	(1,522,992)	-14.14%

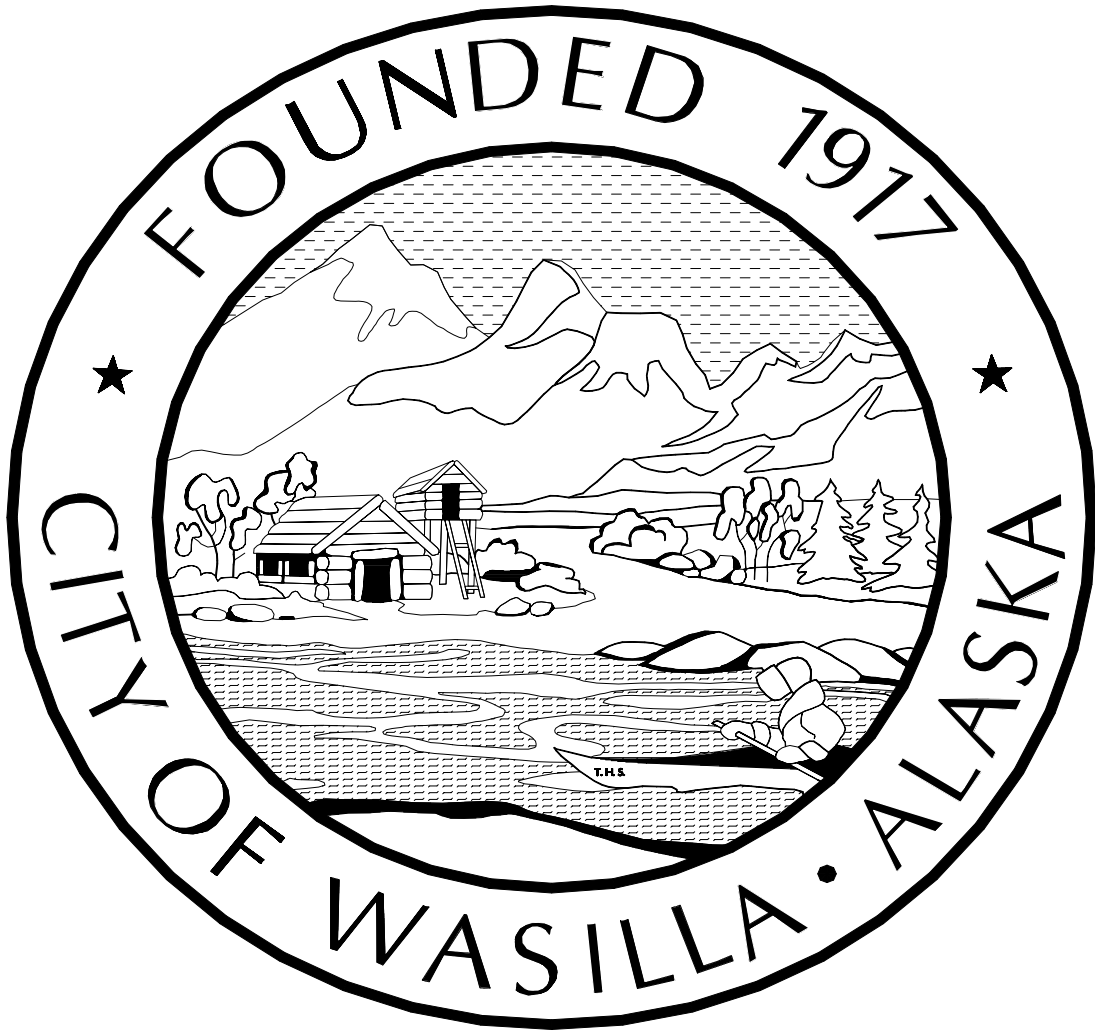


GENERAL FUND BALANCE

Based on the projected budget for FY 05, the total fund balance will be approximately \$4,223,826. In Fiscal Year 2001, the Wasilla City Council enacted a Fund Stabilization policy (WMC 5.04.025). This Fund Stabilization policy sets the targeted General Fund Unreserved Fund Balance at 50 to 60% of budgeted General Fund expenditures and general obligation debt service (not including debt service with dedicated revenue source). The unreserved General Fund's fund balance target set by fiscal policy WMC will be in the range of between \$3,641,538 and \$4,369,846. The projected General Fund's unreserved fund balance for FY05 will be \$3,996,326. The City of Wasilla will have approximately \$227,520 in reserve fund balance based on this target. The Unreserved fund balance will increase by approximately \$115,800 from FY 04. This increase in fund balance is attributed to the cost savings that the City is projecting from combining dispatch services with the State of Alaska.

General Fund Balance – 5 Years





GENERAL FUND REVENUES

Revenue Sources and Estimates

Sales Taxes. Alaska Statutes (AS) 29.45.700-29.45.710: A general retail sales tax of two percent is levied on all retail sales, rentals and services made within the city limits per WMC 5.16. In Fiscal Year 2005 (FY 05), it is estimated that the amount of General sales tax collected will be \$7,895,000, which is approximately 10.56% higher than the amount of sales tax that is projected to be collected in FY 04 (\$7,140,594 projection). The projected growth is approximately 4% higher than the normal growth rate due to the fact that the City is projecting the two large retail establishments will be completed and operating in the later part of FY 05. The voters of Wasilla have enacted a temporary sales tax of ½ of 1 percent in FY 2002. These funds are reported in the Multi-Use Sports Complex Enterprise Fund.

Real Property Taxes. Alaska Statutes (AS) 29.45.010-29.45.500: The estimated assessed valuation as of 01/31/03 for net taxable property is projected to be \$500,679,700, an 19% growth from last year. The tax levy for real property tax is 0.4 mills. The tax levy is 20 percent lower than the mill rate of .5 mills in FY 04. The total estimated property tax revenue based on the estimated assessed valuation would be \$198,269.

Motor Vehicle Taxes. Alaska Statute (AS) 29.10.431 provides an alternative to the collection of property tax on motor vehicles. A motor vehicle tax is levied and collected by the Department of Public Safety, Division of Motor Vehicles, and remitted to the Matanuska-Susitna Borough, which then passes through the amount collected for the City of Wasilla. Revenue from this source is estimated to be approximately \$95,000.

Licenses, Permits & Fines. This category includes revenue from the City of Wasilla issuance of licenses & permits, foreclosure fees, animal control fines and vehicle fines. It is estimated that these sources of revenue will not grow significantly from last Fiscal Year.

Intergovernmental Revenue. This category includes revenue from Federal, State and Borough sources:

1. **Federal Sources:** The main sources of revenue from the Federal government are two federal grants: 1. a grant to offset cost of a Police Officer to participate in a statewide drug control and system improvement multitask group, and 2. a grant to help offset cost of adding a sexual abuse of minor Investigator. Total estimated funding for federal grants is \$177,637.
2. **State Sources:** The main sources of revenue under State sources are the Electric and Telephone Cooperative Revenue Sharing (AS 10.25.570). The Electric and Telephone Cooperative Revenue is a refund to local governments of the gross revenue tax collected from electric and telephone cooperatives within the City, less the cost expended by the State in their Collection. The estimate for this source is approximately \$220,000. Based on information at the State Level, it is projected that the City will not receive any other state revenue sharing from the state. The loss from state revenue sharing is estimated to be approximately \$96,388.
3. **Matanuska-Susitna Borough Sources:** The main source of revenue received from the Borough in prior Fiscal Years was for the maintenance of parks located in the City of Wasilla. The Borough Assembly cut out the \$10,000 for maintenance of the parks from their budget in Fiscal Year 2002, therefore revenue from the Borough is estimated to remain at \$1,000 for the upcoming Fiscal Year.

GENERAL FUND REVENUES

Estimated total revenue from intergovernmental is \$431,137, which is an estimated 38.57% decrease from the previous Fiscal Year.

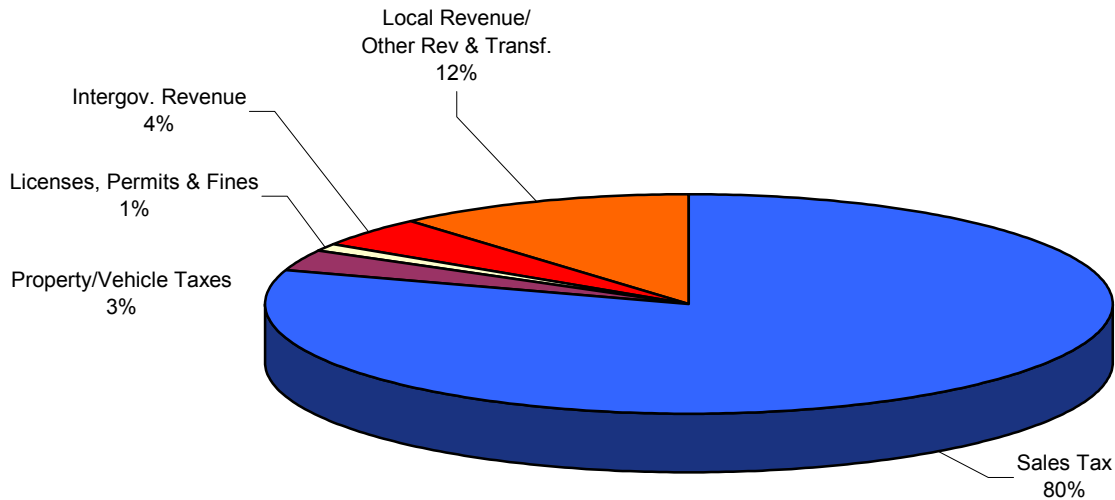
Local Revenue: This category includes revenue from interest earning for investment of City's monies, revenues generated from animal licensing and fines, sales of copies and maps, and other miscellaneous revenues. Total revenue generated from these sources is estimated to be \$178,788. Approximately 76% of local revenue is from investing of available monies, which are invested under the guidelines established by Wasilla Municipal Code Chapter 5.12. We are estimating a 1.8% return on our investments. Estimated revenue from Interest Earnings will be approximately \$135,000.

Other Revenues & Transfers In: This category includes revenue generated from special assessments, administration fees charged to other funds, sales of fixed assets, other financing sources, and operating transfers in from other funds. Our estimated revenue from these sources is approximately \$48,640. Another revenue listed in this category is the revenue generated from providing dispatch services to the State of Alaska. The contract with the State of Alaska is projected to generate \$905,028.

General Fund Revenue Summary

	<u>Fiscal Year 2002 Actual</u>	<u>Fiscal Year 2003 Actual</u>	<u>Fiscal Year 2004 Budget</u>	<u>Fiscal Year 2005 Budget</u>
Sales Tax	\$ 6,497,069	\$ 7,136,111	\$ 7,140,598	\$ 7,895,000
Property Tax	321,112	191,584	207,000	198,269
Vehicle tax	83,520	82,035	95,000	95,000
Licenses, Permits & Fines	92,067	76,162	108,300	119,100
Intergovernmental Revenue	541,698	577,253	701,796	431,137
Local Revenue	297,864	326,629	268,870	178,788
Other Revenues	67,949	94,160	22,310	953,668
Total General Fund Revenue	\$ 7,901,279	\$ 8,483,934	\$ 8,543,874	\$ 9,870,962

General Fund Revenue Breakdown – Fiscal Year 2005



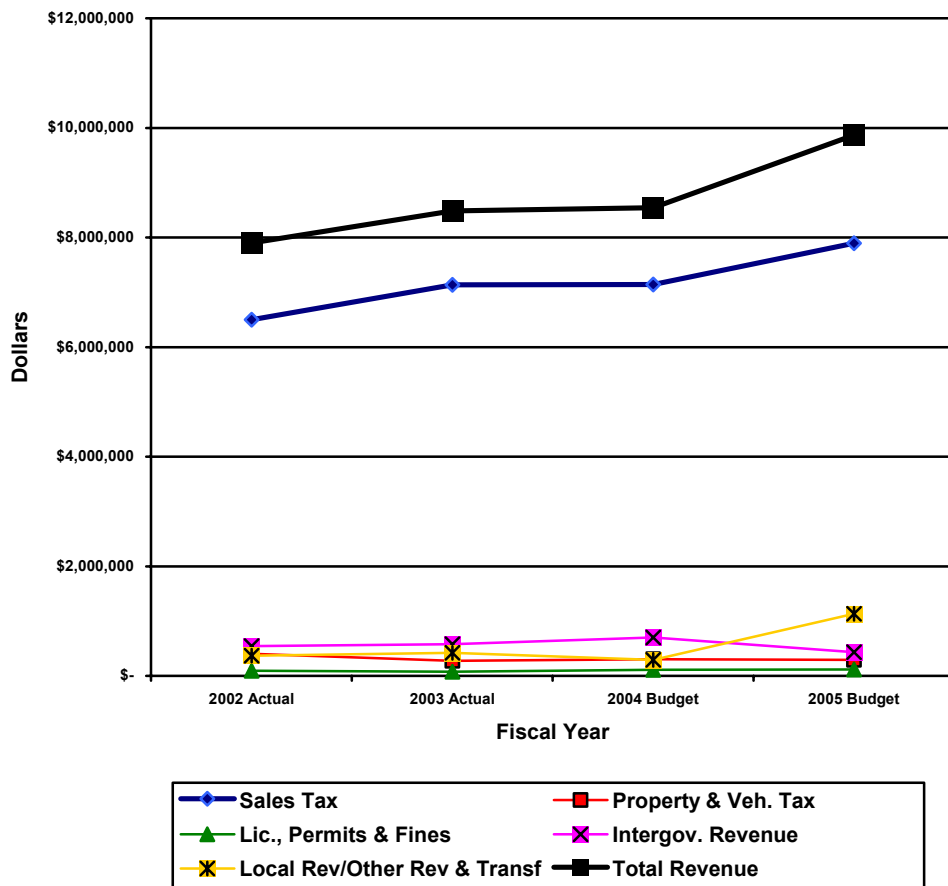
GENERAL FUND REVENUES

General Fund Revenue Breakdown – Fiscal Year 2005 (cont.)

The largest single source of revenue for the General Fund continues to be Sales Tax Revenue at 81% of total revenue. All other local taxes including property taxes are predicted to account for 3% of the General Fund Revenue budget and all other locally generated revenue including transfers for other funds will account for 12% of the budget. Total revenue generated locally will be approximately 95% of the budget while Intergovernmental Revenue generated from Federal, State and Borough sources will be approximately 4 % of the total General Fund Revenue budget.

In comparing to the proposed Fiscal Year 2005 budget with the Fiscal Year 2004 budget, total revenue will increase by approximately 15.5%. The increase in revenue from Fiscal Year 2004 is mainly the result of the projected growth in the sales tax based on the growth trend that sales tax revenues have consistently had in the previous years plus the projected increase in sales tax revenue due to opening of two large retail projects in Fiscal Year 2005 and the user fees of \$905,028 charged to the State of Alaska for providing dispatch services to the State Troopers. The City projects that the intergovernmental revenue will be drastically reduce in FY 05 as State and Federal governments continue to cut assistance to local municipal governments (approximately a 38.6% reduction). Interest earnings on local funds will be \$135,000 which is approximately 40% lower than last year. This reduction in investment earnings is contributed to the fact that the long-term interest rates remain at all time lows. The City of Wasilla has taken a proactive role in trying to increase interest earnings by modifying its investment policy to allow the City to invest in investments with longer maturities.

General Fund Revenue Trends



GENERAL FUND REVENUES

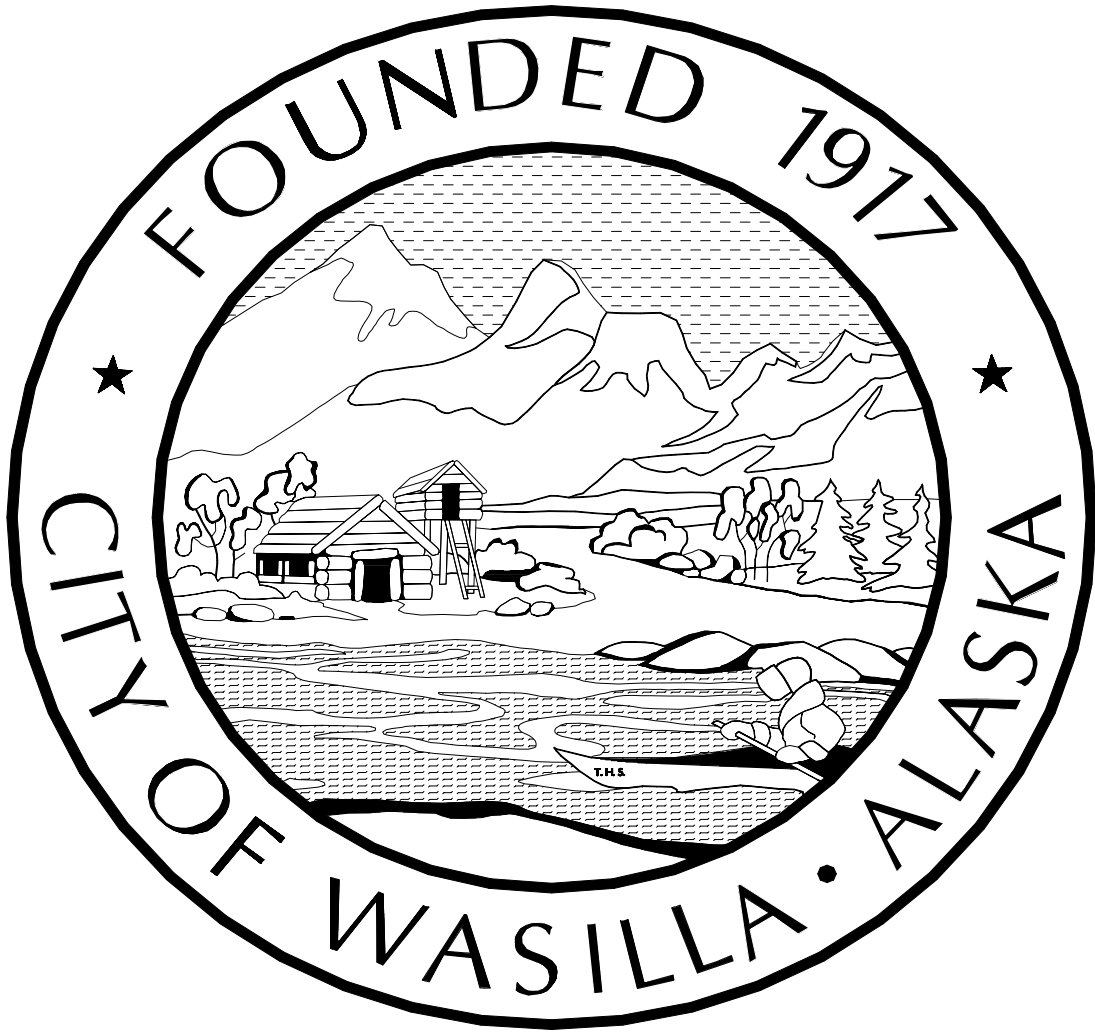
Revenue Details

	F.Y. 2002	F.Y. 2003	F.Y. 2004	F.Y. 2004	F.Y. 2005	Over Last	% Budget
	Actual	Actual	Budget	Actual	Budget	Year's Budget	Over Last
				3/31/2004			Year's Budget
TAXES (INC. PENALTIES & INTEREST)							
Property	\$ 321,112	\$ 191,584	\$ 207,000	\$ 205,389	\$ 198,269	\$ (8,731)	-4.22%
Sales	6,497,069	7,136,111	7,140,598	6,243,771	7,895,000	754,402	10.56%
Vehicle	83,520	82,035	95,000	71,358	95,000	-	0.00%
TOTAL TAXES	\$ 6,901,701	\$ 7,409,730	\$ 7,442,598	\$ 6,520,518	\$ 8,188,269	\$ 745,671	10.02%
LICENSES & PERMITS							
City License	\$ 16,566	\$ 17,612	\$ 20,000	\$ 16,300	\$ 20,000	\$ -	0.00%
Animal License	30	273	100	80	100	-	0.00%
Taxi Cab Permits	2,875	1,650	2,500	1,225	2,500	-	0.00%
Land Use Permits	8,127	9,700	7,500	11,150	10,000	2,500	33.33%
Utility Permits	6,591	7,561	8,500	1,872	8,500	-	0.00%
Drive Way Permits	1,350	2,000	1,500	1,150	1,500	-	0.00%
Vendor Permits	-	200	200	200	500	300	150.00%
TOTAL LICENSES & PERMIT FEES	\$ 35,539	\$ 38,996	\$ 40,300	\$ 31,977	\$ 43,100	\$ 2,800	6.95%
FINES							
Animal Fines	\$ 1,782	\$ 1,277	\$ 3,500	\$ 500	\$ 3,500	\$ -	0.00%
Foreclosure Fees	-	1,537	2,500	-	2,500	-	0.00%
Court Fines	54,746	34,352	62,000	27,380	70,000	8,000	12.90%
TOTAL FINES	\$ 56,528	\$ 37,166	\$ 68,000	\$ 27,880	\$ 76,000	\$ 8,000	11.76%
INTERGOVERNMENTAL REVENUE							
Federal Revenue							
Cop Hiring Grants	\$ 44,472	\$ -	\$ 75,554	\$ -	\$ 30,000	\$ (45,554)	-60.29%
Public Safety Grant (Byrne)	55,598	60,234	67,140	32,206	66,934	(206)	-0.31%
Technology Policing Equipment Grant	11,295	-	52,584	46,966	-	(52,584)	-100.00%
Bullet Proof Vest	3,442	425	10,961	-	5,000	(5,961)	-54.38%
Public Safety Grant (Byrne)-Sam Investigator	21,041	64,641	77,742	29,938	75,703	(2,039)	-2.62%
Other	1,326	506	39,620	-	-	(39,620)	-100.00%
Total Federal Revenue	\$ 137,174	\$ 125,806	\$ 323,601	\$ 109,110	\$ 177,637	\$ (145,964)	-45.11%
State Revenue							
Museum Grant-In-Aid	\$ -	\$ -	\$ 9,077	\$ 9,077	\$ -	\$ (9,077)	-100.00%
Museum Exhibit Dev Wslorkshop	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)	-100.00%
ABC Grant	-	-	-	-	-	-	0.00%
ERAD Grant	975	574	-	1,621	1,500	1,500	0.00%
Safety-Seatbelt Grant	34,722	4,387	10,000	2,714	5,000	(5,000)	-50.00%
Other Misc. State Grants	749	750	5,000	5,000	-	(5,000)	-100.00%
State Revenue Sharing	41,164	37,897	28,421	-	-	(28,421)	-100.00%
Road Maintenance	23,072	22,709	17,032	-	-	(17,032)	-100.00%
Health Facilities	2,443	4,280	3,615	-	-	(3,615)	-100.00%
Safe Communities	127,883	126,800	95,100	96,368	-	(95,100)	-100.00%
Alcoholic Beverage Taxes	11,000	24,200	19,950	4,900	24,000	4,050	20.30%
Electric & Telephone Co-op Taxes	157,749	227,189	180,000	-	220,000	40,000	22.22%
Avaition Fuel Tax	3,767	1,661	2,000	-	2,000	-	0.00%
Total State Revenue	\$ 403,524	\$ 450,447	\$ 377,195	\$ 126,680	\$ 252,500	\$ (124,695)	-33.06%
Matanuska-Susitna Borough							
Solid Waste	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.00%
Parks & Recreation	-	-	-	-	-	-	0.00%
Other	-	-	-	4,500	-	-	0.00%
Total Matanuska-Susitna Borough Revenue	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,500	\$ 1,000	\$ -	0.00%
TOTAL INTERGOVERNMENTAL REVENUE	\$ 541,698	\$ 577,253	\$ 701,796	\$ 241,290	\$ 431,137	\$ (270,659)	-38.57%
LOCAL REVENUE							
Investment Revenue							
Interest Earnings	\$ 261,685	\$ 234,542	\$ 225,000	\$ 88,558	\$ 135,000	\$ (90,000)	-40.00%
Total Investment Revenue	\$ 261,685	\$ 234,542	\$ 225,000	\$ 88,558	\$ 135,000	\$ (90,000)	-40.00%
Rental Revenue							
City Hall	\$ -	\$ 8,100	\$ 10,800	\$ 7,200	\$ 10,800	\$ -	0.00%
Museum Facilities	-	-	-	-	-	-	0.00%
Outdoor Facilities	-	314	500	100	500	-	0.00%
Valley Performing Arts	100	100	100	100	100	-	0.00%

GENERAL FUND REVENUES

Revenue Details

	F.Y. 2002		F.Y. 2003		F.Y. 2004		F.Y. 2005		% Budget	
	Actual	Actual	Budget	Actual	Budget	Actual	Budget	Over Last Year's Budget	Over Last Year's Budget	
Total Rental Revenue	\$ 100	\$ 8,514	\$ 11,400	\$ 7,400	\$ 11,400	\$ -	\$ -	\$ -	0.00%	
Other Local Revenue										
Miscellaneous Revenue	\$ 23,363	\$ 72,566	\$ 16,824	\$ 12,034	\$ 15,600	\$ (1,224)	\$ -	\$ (1,224)	-7.28%	
Donations	2,350	2,570	5,500	3,776	4,000	(1,500)	-	(1,500)	-27.27%	
Alpar Youth Liter Patrol	3,500	3,500	5,000	-	5,000	-	-	-	0.00%	
NSF Fees	200	250	200	300	200	-	-	-	0.00%	
Copy Machine Fees	531	129	177	58	177	-	-	-	0.15%	
Maps & Publication Fees	270	563	495	240	495	-	-	-	0.09%	
Vehicle Inspection Fees	3,035	1,235	2,015	-	2,015	-	-	-	0.01%	
Sewer Loan Application Fees	-	278	183	300	400	217	-	217	118.58%	
Museum Admission Fees	2,730	2,482	1,576	2,800	4,000	2,424	-	2,424	153.81%	
Recreation Fees	100	-	500	-	500	-	-	-	0.00%	
Other Local Revenue	-	-	-	-	-	-	-	-	-	
Total Other Local Revenue	\$ 36,079	\$ 83,573	\$ 32,470	\$ 19,508	\$ 32,388	\$ (82)	\$ -	\$ (82)	-0.25%	
TOTAL LOCAL REVENUE	\$ 297,864	\$ 326,629	\$ 268,870	\$ 115,466	\$ 178,788	\$ (90,082)	\$ -	\$ (90,082)	-33.50%	
OTHER REVENUE										
Special Assessment Revenue										
Aspen Gas - Principal	\$ 525	\$ 180	\$ 525	\$ 208	\$ 500	\$ (25)	\$ -	\$ (25)	-4.76%	
Aspen Gas - Interest	245	24	245	13	200	(45)	-	(45)	-18.37%	
Total Special Assessment Revenue	\$ 770	\$ 204	\$ 770	\$ 221	\$ 700	\$ (70)	\$ -	\$ (70)	-9.09%	
Administration Fees										
State Dispatch Contract	-	-	-	-	905,028	-	-	-	100.00%	
Admin. Fees - Capital Fund	\$ 22,225	\$ 42,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
Admin. Fees - Library Maint.	-	5,400	5,940	-	5,940	-	-	-	0.00%	
Admin. Fees - Library General	-	-	-	-	-	-	-	-	0.00%	
Admin Fees - Special Assessments	114	450	1,600	576	1,000	(600)	-	(600)	-37.50%	
Total Administration Fees	\$ 22,339	\$ 48,366	\$ 7,540	\$ 576	\$ 911,968	\$ 904,428	\$ -	\$ 904,428	11995.07%	
Transfers from Enterprise Funds										
For Expenditures Paid By General Fund										
Capital Reserve Fund	\$ 13,090	\$ -	\$ 7,000	\$ -	\$ -	\$ (7,000)	\$ -	\$ (7,000)	-100.00%	
Cemetery Fund	1,542	490	1,000	-	1,000	-	-	-	0.00%	
Sewer Utility	11,547	-	-	-	-	-	-	-	0.00%	
Water Utility	11,694	-	-	-	-	-	-	-	0.00%	
Total Transfers From Funds	37,873	490	8,000	-	1,000	(7,000)	-	(7,000)	-87.50%	
Other Financing Sources										
Sale Of General Fixed Assets	\$ 6,967	\$ 45,100	\$ 6,000	\$ 4,621	\$ 40,000	\$ 34,000	\$ -	\$ 34,000	566.67%	
Shop Loan Repayment	-	-	-	-	-	-	-	-	0.00%	
Total Other Financing Sources	\$ 6,967	\$ 45,100	\$ 6,000	\$ 4,621	\$ 40,000	\$ 34,000	\$ -	\$ 34,000	566.67%	
TOTAL OTHER REVENUE	\$ 67,949	\$ 94,160	\$ 22,310	\$ 5,418	\$ 953,668	\$ 931,358	\$ -	\$ 931,358	4174.62%	
TOTAL REVENUES, OTHER FINANCING SOURCES	\$ 7,901,279	\$ 8,483,934	\$ 8,543,874	\$ 6,942,549	\$ 9,870,962	\$ 1,327,088	\$ -	\$ 1,327,088	15.53%	



GENERAL FUND EXPENDITURES

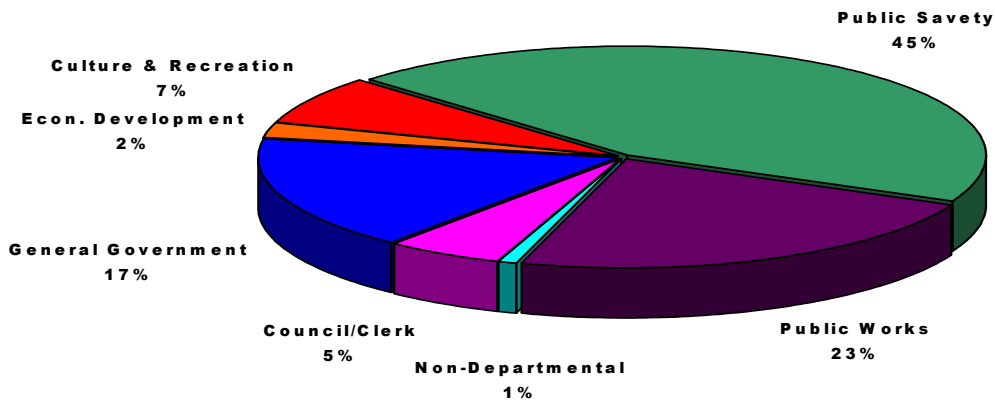
General Fund Operating Expenditures By Function

The total General Fund Operating Budget is \$7,803,208 (including transfer to vehicle and technology replacement funds) for Fiscal Year 2005, approximately a 15.77 percent increase over Fiscal Year 2004. The total General Fund Budget including transfers is \$9,755,182, a 5.73% increase over last Fiscal Year. As seen in the table, the expenditures for Public Safety are the largest function of expenditures (approximately 44.6%) in the General Fund Operating Budget. It is projected that expenditures for Public Safety will increase by 39.5 percent over Fiscal 2004. The dramatic increase in this function's expenditures is due to a contract for the City of Wasilla to provide dispatch services for the State of Alaska Troopers. The cost of fulfilling that contract is estimated to be \$825,513. If these expenditures were factored out, the growth in public safety function would have been approximately 6.3%. Council/Clerk expenditures will be approximately 5.2% of the budget. General Government expenditures will account for approximately 17.1 percent of the Operating Budget. It is projected that expenditures for the General Government Function will decrease by approximately .37%. Economic Development budget will be approximately 2% of the operating budget. The Economic Development budget will decrease by approximately 14.12%. The Public Works budget is projected to be 22.9% of the budget, an increase of 10.44 percent over last fiscal year. Culture and Recreation Budget, which includes the Museum Department and the Parks and Recreation Department, is projected to be approximately 7.3% percent of the Operating Budget. The budgeted expenditures in this function are expected to increase by 6.2%, which is attributed mainly to increases in expenditures in the Park and Recreation Department. The Non-Departmental budget is projected to be .9% of the budget. The Non-Department budget is projected to decrease by over 65.65% due to the fact that the projected cost of animal control will be \$50,000 and in FY 04 the budget was based on \$120,768.

	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Proposed Fiscal Year 2005 Budget	Increase Over FY 04	% Budget Over FY04 Budget
Council/Clerk	\$ 361,564	\$ 355,756	\$ 364,697	\$ 406,757	\$ 42,060	11.53%
General Government	1,008,961	1,181,205	1,341,916	1,336,937	(4,979)	-0.37%
Economic Dev.	-	-	185,204	159,050	(26,154)	-14.12%
Culture & Recreation	463,925	477,584	535,848	569,082	33,234	6.20%
Public Safety	1,979,787	2,061,908	2,494,385	3,478,343	983,958	39.45%
Public Works	1,302,082	1,568,109	1,614,517	1,783,039	168,522	10.44%
Non-Departmental*	499,561	71,534	203,797	70,000	(133,797)	-65.65%
Total	\$ 5,615,880	\$ 5,716,096	\$ 6,740,364	\$ 7,803,208	\$ 1,062,844	15.77%

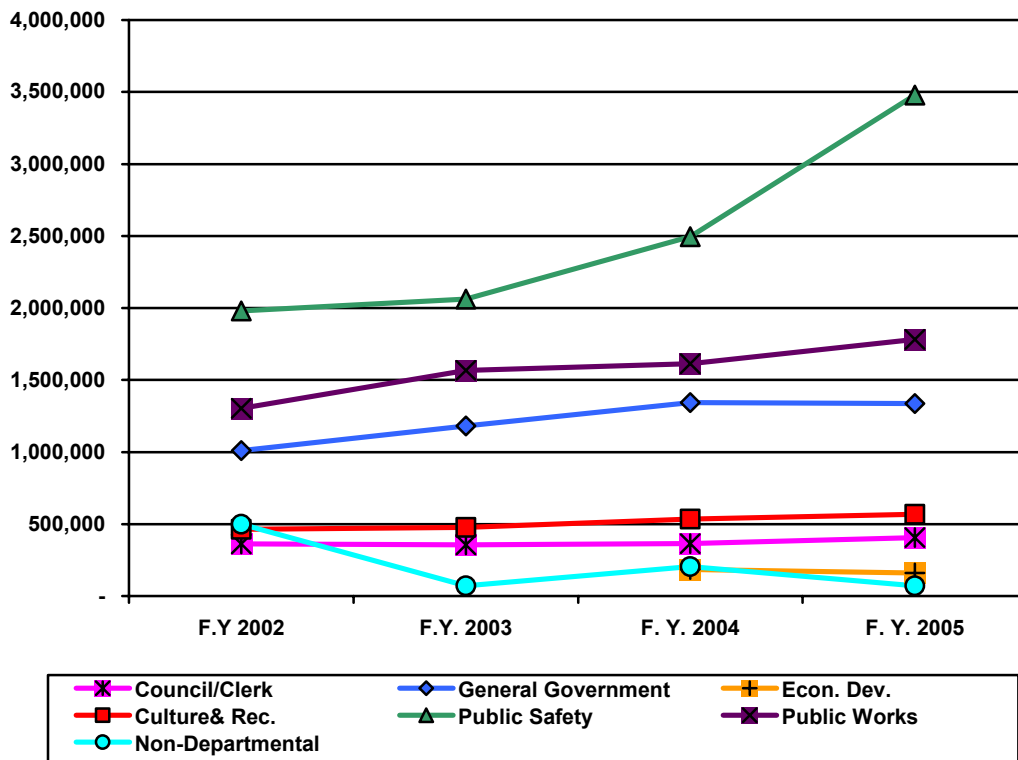
* Totals do not include transfers or budgeted contingencies to other funds except for transfers to Vehicle and Technology Replacement funds.

General Fund Operating Expenditures By Function For F.Y. 2005 (Does Not Inc. Transfers or Contingencies)



GENERAL FUND EXPENDITURES

General Fund Expenditure Trend By Function For F.Y. 2005 (Does Not Inc. Transfers To Other Funds)



General Fund Expenditures By Category

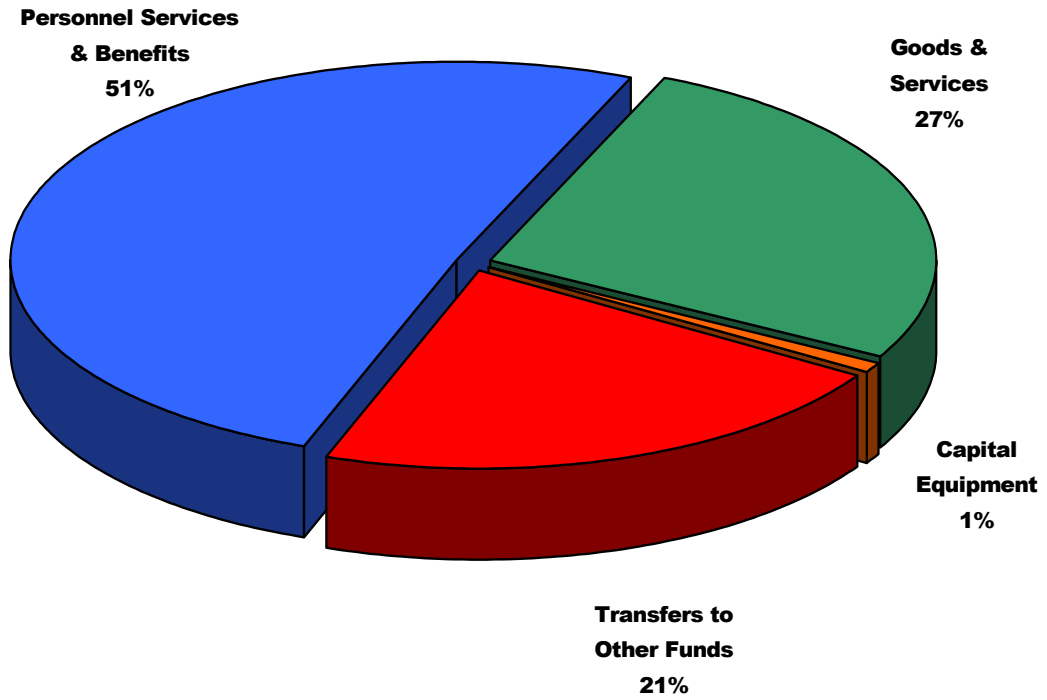
As seen in the graph on the following page, personnel services and benefits comprise the largest category of expenditures in the General Fund Operating Budget. Personnel services and benefits are 51 percent of the total General Fund Operating Budget. The cost in this category includes all wages and fringe benefits. Due to increases in Health Insurance (10% estimated increase), Workers Compensation (25% estimated increase), State Retirement contribution Cost (5% increase) and Labor cost (estimated 3% increase), total personnel cost in the General Fund is projected to increase by approximately 12 percent from the previous fiscal year.

Goods and services expenditures are approximately 27 percent of the General Fund Budget. Expenditures for goods and services are projected to be reduced by approximately 5 percent over Fiscal Year 2004. The main increase in the goods and service category is in the cost of insurance (10 to 20 percent increase) but the increase in the cost of insurance will be offset by a reduction in the overall purchase of services.

Capital equipment is estimated to be 1 percent of the total budget. These expenditures are for purchase of capital operating equipment, which has a value of over \$5,000.

Transfer to other funds represents funds transferred to fund the city's share of library expenses, fund operating losses in the enterprise funds and to fund construction of infrastructure. The total funds that will be transferred will be \$2,122,747 (a 21% decrease from FY 04). The transfer to the Library fund will increase by approximately 7% and funding to the enterprise funds will be reduced by 79%. Total funding for infrastructure investment will be approximately reduced by 21%.

General Fund Expenditures By Category For F.Y. 2005



GENERAL FUND EXPENDITURES

Operating Expenditures By Department & Function

DEPARTMENT	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y. 2004 BUDGET	F.Y. 2004 ACTUAL 3/31/2004	F.Y. 2005 BUDGET	Increase over FY 04	% Budget Over Last Year's Budget
Council	\$ 361,564	\$ 355,756	\$ 364,697	\$ 256,908	\$ 406,757	\$ 42,060	11.53%
Mayor	288,367	304,787	220,670	154,169	211,480	(9,190)	-4.16%
General Administration Services	154,719	238,830	349,840	288,275	363,864	14,024	4.01%
Finance	418,445	477,514	565,166	393,167	567,857	2,691	0.48%
Management Information Services	147,430	166,074	206,240	147,980	193,736	(12,504)	-6.06%
General Government	1,008,961	1,187,205	1,341,916	983,591	1,336,937	(4,979)	-0.37%
Economic Development	-	-	185,204	34,262	159,050	(26,154)	-14.12%
Economic Development	-	-	185,204	34,262	159,050	(26,154)	-14.12%
Police	1,979,787	2,061,908	2,494,385	1,729,893	3,478,343	983,958	39.45%
Public Safety	1,979,787	2,061,908	2,494,385	1,729,893	3,478,343	983,958	39.45%
Public Works - Administration	260,361	271,105	305,548	220,757	396,568	91,020	29.79%
Public Works - Road Maint.	638,771	712,579	702,931	505,950	738,656	35,725	5.08%
Public Works - Property Maint.	244,628	341,007	424,846	214,874	436,142	11,296	2.66%
Public Works - Planning	158,322	243,418	181,192	125,751	211,673	30,481	16.82%
Public Works	1,302,082	1,568,109	1,614,517	1,067,332	1,783,039	168,522	10.44%
Museum	65,718	67,499	90,939	50,023	91,327	388	0.43%
Recreation Services	-	-	42,532	21,014	54,525	11,993	28.20%
Recreation Facilities Maintenance	398,207	410,085	402,375	267,198	423,230	20,855	5.18%
Culture and Recreation	463,925	477,584	535,846	338,235	569,082	33,236	6.20%
Non-departmental*	499,561	44,213	263,794	57,145	113,727	(150,067)	-56.89%
Transfers To Other Funds	2,583,957	2,793,778	2,425,983	837,720	1,908,247	(517,736)	-21.34%
Non-Departmental	3,083,518	2,837,991	2,689,777	894,865	2,021,974	(667,803)	-24.83%
Total Expenditures							
Including Transfers	\$ 8,199,837	\$ 8,488,553	\$ 9,226,342	\$ 5,305,086	\$ 9,755,182	\$ 528,840	5.73%

*amount included payment for GO paving Debt service. In FY 03,
debt service transferred over to debt service fund for payment of debt service.

DEPARTMENT BUDGET SUMMARY

Council/Clerk

Mission

To provide efficient administrative support to the City Council, administer city elections, provide policy guidance, direction, and assistance to the public and administration, and to allow for a uniform method of records management for city records in order to provide increased administrative efficiency and reduce administrative costs.

Program

The Wasilla City Council is the legislative body of the City of Wasilla. The City Council enacts the laws of the city, sets the mill rate for property taxes within the city, and approves the annual budget for the city to include operations, maintenance, and capital projects. The City Council appoints the City Clerk and City Attorney. The City Clerk's Office is responsible for administrative support to the City Council, and the administration of elections, record management, and public information. Other areas of responsibility are defined in Alaska Statute.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y. 2003	Estimated F. Y 2004	Proposed F. Y. 2005
	Goal: To provide efficient support to the City Council, administration And the public.			
	Objective:			
1.	The average time to complete & publish Council meeting minutes will be less than three days.			
	Measures:			
	% of time that minutes are completed within three days.	90%	95%	98%
	# of Ordinances presented to council.	82	116	116
	# of Resolutions presented to council.	41	50	50
	Objective:			
2.	To provide council and staff with council meeting material 3 business days prior to scheduled council meeting			
	Measures:			
	% of council material delivered within 3 business days prior to scheduled city council meeting.	30%	95%	98%
	Objective:			
3.	To respond to public request within 3 days.			
	Measures:			
	% of time responses to public requests is within 3 days.	70%	95%	98%
	Goal: To provide for a uniform method of records management for city records in order to provide increased administrative efficiency and reduced administrative cost.			
	Objective:			
1.	Implement a uniform records management inventory.			
	Measures			
	Have uniformed city wide retention schedule	No	No	Yes
	% of city records inventoried	0%	75%	80%
2.	Provide City-Wide Vital Records Protection Plan			
	Implementation of Vital Records Protection Plan	No	Yes	Yes
	% of Vital Records Plan	0%	2%	100%
3.	Provide microfilm copies of valuable records			
	Implementation of process	No	No	Yes
	% of Microfilm process	0%	0%	50%

Council/Clerk Cont.

#	Performance Goals, Objectives & Measures (Cont.)	F. Y. 2003	Estimated F. Y 2004	Proposed F. Y. 2005
	Goal: To provide a CD equipment for recording council meetings			
	Objective:			
1.	To web-cast the council meetings over the web page.			
	Implementation	No	No	Yes
	% of meetings that have public audio/visual capabilities from home	0%	0%	50%

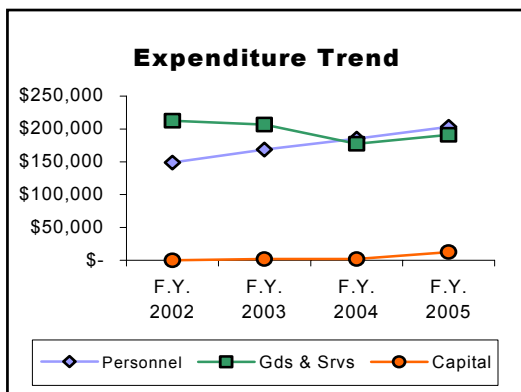
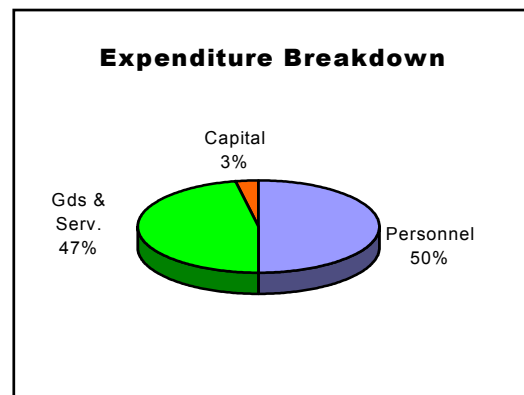
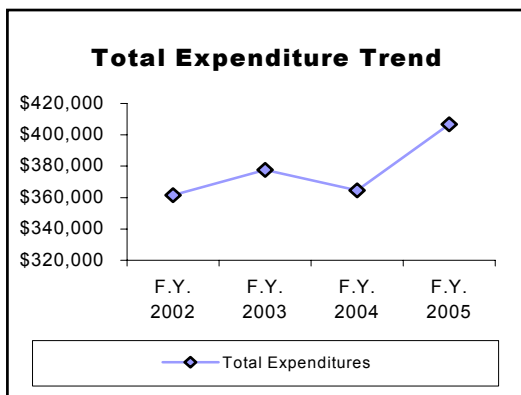
Significant Budget changes

This significantly impacts our budget for records management. This will provide for professional services to assist the clerk's office in the continued implementation and training of the records management program. By allowing the professional service an additional position will not be needed for records management.

Other areas of impact include the legal services budget that has been increased due to increased costs of services of our own attorney. Also as with all the other departments, employee benefit costs have risen substantially over the last year.

Previous Year's Accomplishments

- Completed the One-Time Purge Process as the first step in implementing a city-wide Records Management Program.
- Began with the first step of the Vital Records Protection Plan in relation to the Records Management Program.
- Continued to streamline office procedures to provide a uniform and efficient service to the public, administration and City Council.
- Continued to submit code amendments to the council to provide up-to-date laws of the city for the administration and residents of the city.



Council/Clerk Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Records Management	\$ -	\$ -	\$ -	\$ -	\$ 88,335	-
Elections	-	-	-	-	61,682	-
Council Support	-	-	-	-	256,740	-
Total	\$ 361,564	\$ 377,648	\$ 364,697	\$ 219,703	\$ 406,757	11.53%

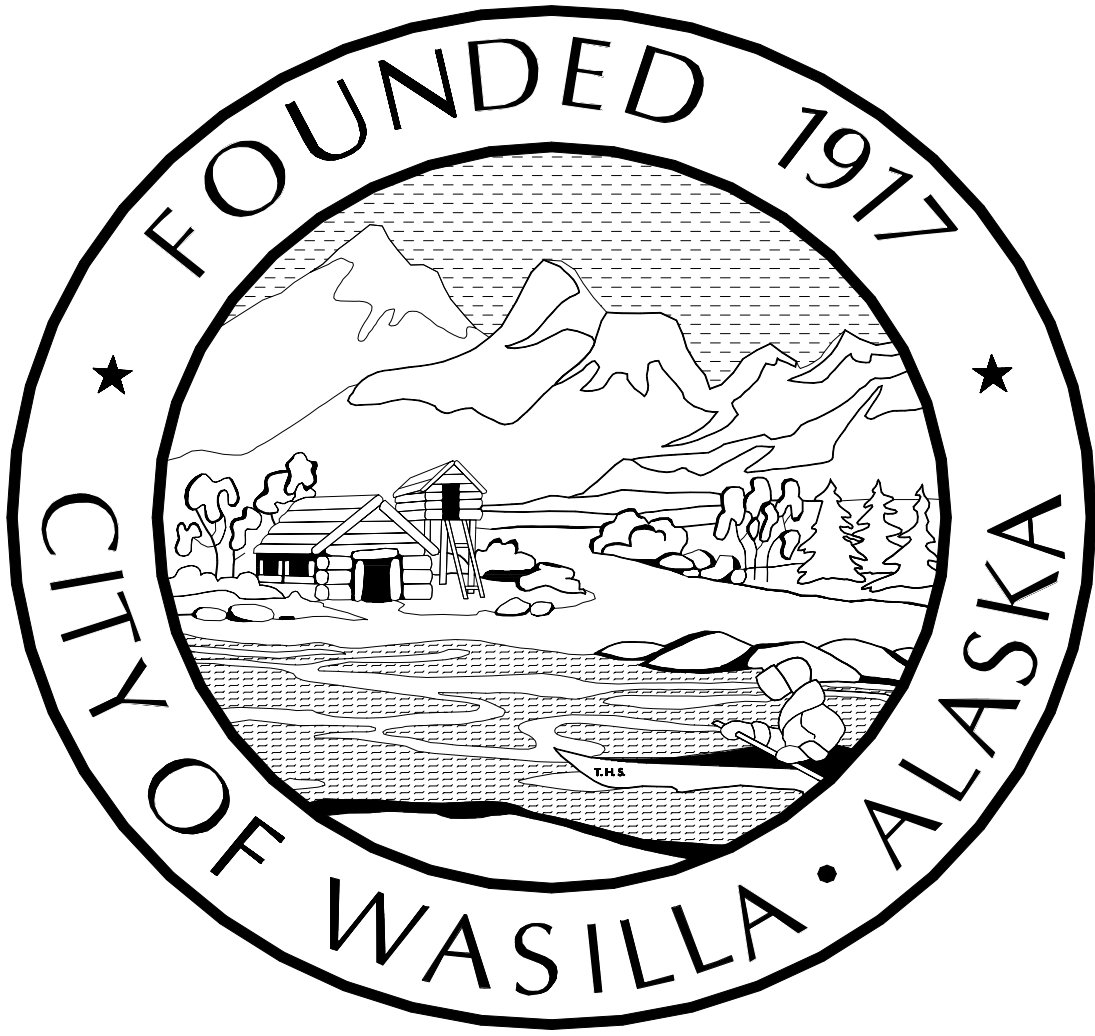
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 119,083	\$ 129,940	\$ 141,959	\$ 87,372	\$ 148,998	4.96%
Fringe Benefits	29,754	38,765	43,363	23,354	54,259	25.13%
Support Goods & Services	212,727	206,943	177,375	106,977	191,000	7.68%
Capital Outlay	-	-	-	-	10,000	0.00%
Transfers to Other Funds	-	2,000	2,000	2,000	2,500	0.00%
Total	\$ 361,564	\$ 377,648	\$ 364,697	\$ 219,703	\$ 406,757	11.53%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ 361,564	\$ 377,648	\$ 364,697	\$ 219,703	\$ 406,757	11.53%
Total	\$ 361,564	\$ 377,648	\$ 364,697	\$ 219,703	\$ 406,757	11.53%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y. 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Council Members	6.00	6.00	6.00	6.00	6.00	0.00%
Clerk	1.00	1.00	1.00	1.00	1.00	0.00%
Deputy Clerk	1.00	1.00	1.00	1.00	1.00	0.00%
Student Intern	0.50	0.50	0.50	0.00	0.00	0.00%
Total	8.50	8.50	8.50	8.00	8.00	-5.88%



DEPARTMENT BUDGET SUMMARY

Administration

Program

As set forth in WMC 2.16.005, the Mayor is the chief administrator of the city and has the same powers and duties as those of a manager under AS Title 29. The Mayor performs all duties required by law, including serving as personnel officer, preparing and executing the annual budget and capital improvement program, exercising legal custody over all city property, supervising the enforcement of city law, presiding at council meetings and acting as ceremonial head of the city.

Goal

To continue our successful service to Alaska's fastest growing community in the most fiscally conservative, accountable and accessible manner possible by: prioritizing budgets to take care of infrastructure improvements; continuing to gain ground in our efforts to become a more self-sufficient and self-determined city by studying the benefits of working towards Home Rule status; continuing the Mayor's Office "open door" policy of hearing all concerned citizens and putting forth extreme effort to find solutions for concerns brought to our attention; spending our residents' tax dollars judiciously and watchfully while leveraging resources to produce positive gain; fostering teamwork in our organization by encouraging team members who recognize and respect our mission here, which is to *literally* serve the public and continue training programs that will enhance their job skills to better serve the public; continue our success with securing grants for our major infrastructure projects, versus relying on sales tax revenues to meet all needs; continue to foster and encourage responsible development to attract new businesses and assist current businesses with their business needs; continue to encourage responsible construction of homes and multi-family development projects within the city limits; advertise the multi-use sports complex to the public as well as increase advertising sales to offset operating costs; ensure that the City of Wasilla staff are trained to address emergency management issues that from time to time may arise, identify and train an incident management team to work with the cities of Houston and Palmer as well as the Matanuska-Susitna Borough when needed; establish memorandums of agreement and memorandums of understanding to pre-determine associated costs and levels of service from outside agencies that may be needed during an emergency event.

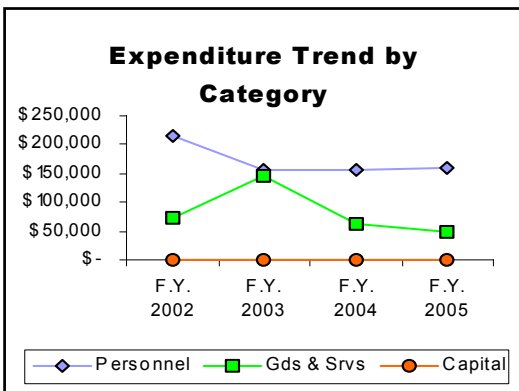
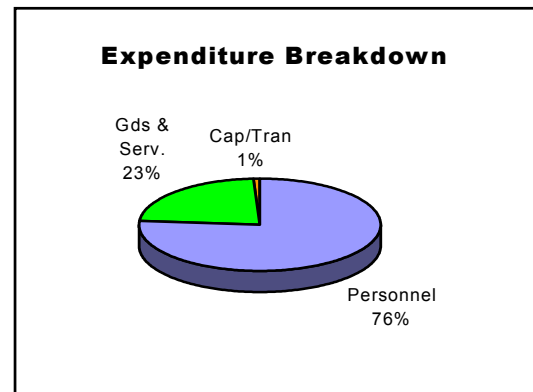
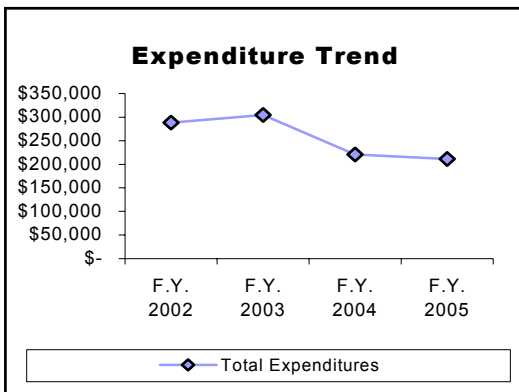
Administration Cont.

Significant Budget Changes

None. Submitted a operation budget reflects the Mayor's directive to all departments to again hold the line, and even reduce, operation costs, while considering personnel and inflationary costs.

Previous Year's Accomplishments

- Continued agenda of serving and progressing Alaska's fastest growing community.
- Oversaw major capital improvement projects and operations in all city departments that allows property taxes to remain at the low rate set last Fiscal Year and encourages progress, which leads to a higher quality of life with more private-sector services available in our community.
- Wasilla voters mandate a non-intrusive, yet energetic and pro-active local government that allows positive private-sector progress. We continue to meet this mandate
- Revised job duties of Directors in order to reduce administrative overhead by 1 Full-time equivalent position (estimated savings of over \$93,000).
- Secured another 750,000 dollars of grant funding for developing a Regional Dispatch Center.
- All accomplishments are attributed to the outstanding staff at Wasilla City Hall, and to the support and vision provided by Wasilla's residents.



Administration Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Administration	\$ 288,367	\$ 304,787	\$ 220,670	\$ 154,170	\$ 211,480	-4.16%
Total	\$ 288,367	\$ 304,787	\$ 220,670	\$ 154,170	\$ 211,480	-4.16%

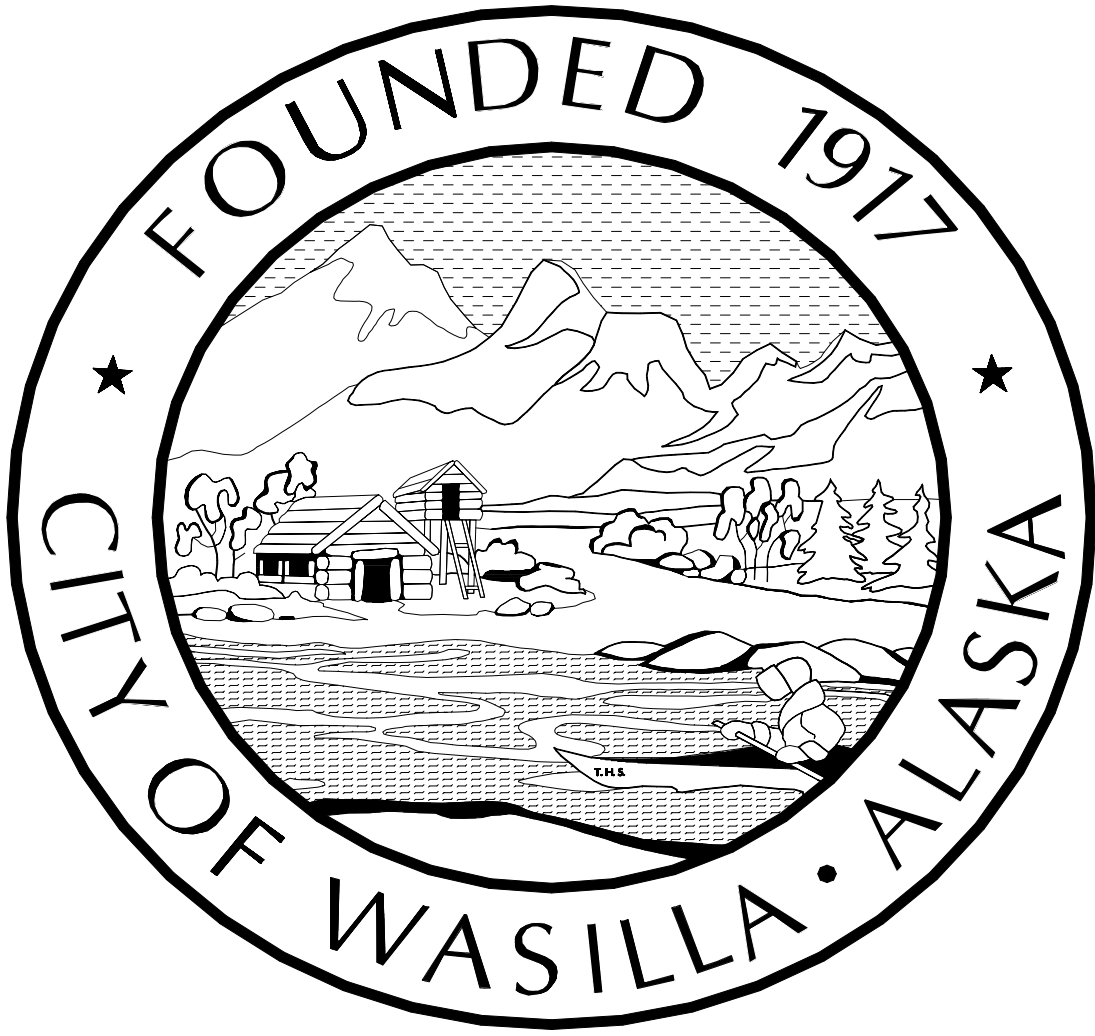
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 162,209	\$ 113,979	\$ 117,183	\$ 86,770	\$ 116,257	-0.79%
Fringe Benefits	51,523	42,414	38,127	29,148	45,175	18.49%
Support Goods & Services	74,635	146,894	63,860	36,752	48,548	-23.98%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	1,500	1,500	1,500	1,500	100.00%
Total	\$ 288,367	\$ 304,787	\$ 220,670	\$ 154,170	\$ 211,480	-4.16%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ 288,367	\$ 304,787	\$ 220,670	\$ 154,170	\$ 211,480	-4.16%
Total	\$ 288,367	\$ 304,787	\$ 220,670	\$ 154,170	\$ 211,480	-4.16%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Mayor	1.00	1.00	1.00	1.00	1.00	0.00%
Deputy Administrator	1.00	1.00	0.00	0.00	0.00	0.00%
Executive Assistant	1.00	1.00	1.00	1.00	1.00	0.00%
Total	3.00	3.00	2.00	2.00	2.00	0.00%



DEPARTMENT BUDGET SUMMARY

General Administration Services

Mission

To provide general support services to the City departments in the most efficient and cost effective way possible and to maintain an effective risk management program for the City of Wasilla.

Program

The General Administration Services include a variety of functions that are necessary to the overall efficient operation of the City. These functions include providing for human resource services, insurance coverage, maintenance of general office equipment; and stocking of standard office supplies for all of the departments.

Performance Goals, Objectives, and Measures

# Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
Goal: To maintain a competitive pay and rewards structure for employees. Objective: 1. To have a salary study of market completed by July 1 st of each fiscal year. Measure: Salary study completed by July 1 st of each Fiscal Year.	No	Yes	Yes
Objective: 2. To audit job descriptions to ensure that they are up to date and that each position is placed correctly on the Salary Schedule. Measure: % of job positions audited per year.	0%	29%	36%
Objective: 3. Enhance supervisors' and managers' understanding of the principles of modern compensation and performance management system design. Measure: % of the City's supervisor's and managers that receive training in compensation and performance management.	100%	100%	100%
Goal: To play a major role in positioning the City of Wasilla as a leader in municipal government by consistently hiring the best talent available. Objective: 1. Enhance departmental staff's skills and ability to make hiring decisions. Measure: % of hiring managers which indicate a high level of satisfaction with hiring decision at close of probation.	85%	85%	100%
Goal: Maintain an effective Risk Management program to ensure City of Wasilla has the best insurance coverage and that the City has an effective program to reduce liability exposure. Objective: 1. To provide City of Wasilla with best insurance program at the lowest cost possible. Measure: Review insurance program and cost against the market each year.	Yes	Yes	Yes

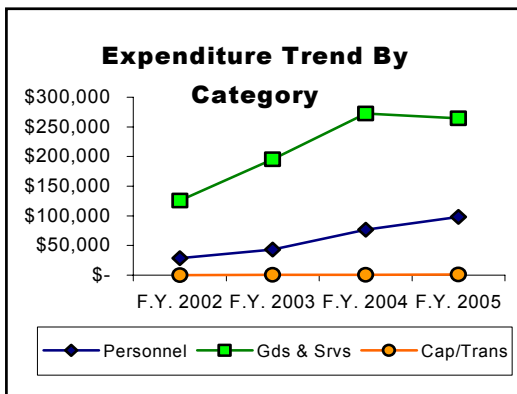
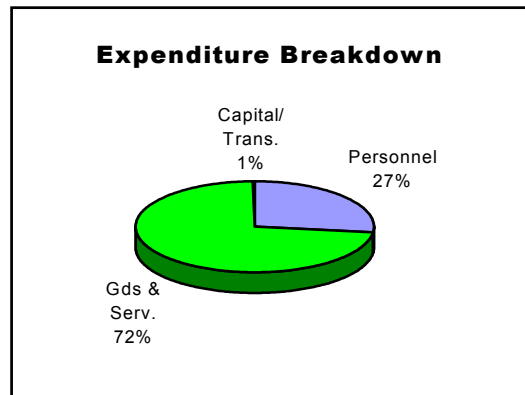
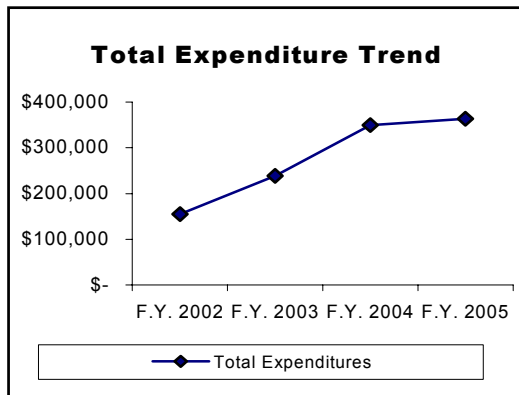
General Administration Services Cont.

Significant Budget Changes

Personnel cost in this department have increased substantially due to the fact that the human resource responsibilities have be assigned to the Finance Director and 25% of the position's personnel cost will be allocated to this department. Also, 100 percent of the Human Resource position will be charged to the General Administration Services due to the increase in number of full time employees due to the opening of the Dispatch Center and Multi-Use Sports Complex.

Previous Year's Accomplishments

- Completed revision of personnel code and personnel policies.
- Initiated a focal review process to ensure fairness in merit evaluations for employees and to ensure that salary increase remain within budget constraints.
- Job openings and job application are included in the City of Wasilla's web page.



General Administration Services Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Human Resources	\$ -	\$ -		\$ -	\$ 67,379	0.00%
General Support	-	-		-	296,485	0.00%
Total	\$ 154,719	\$ 238,930	\$ 349,840	\$ 288,275	\$ 363,864	4.01%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 21,366	\$ 32,642	\$ 58,506	\$ 44,120	\$ 71,691	22.54%
Fringe Benefits	7,384	10,396	18,131	13,599	26,692	47.22%
Support Goods & Services	125,969	195,392	272,703	230,056	264,481	-3.02%
Capital Outlay	-		-	-	-	0.00%
Transfers to Other Funds	-	500	500	500	1,000	100.00%
Total	\$ 154,719	\$ 238,930	\$ 349,840	\$ 287,775	\$ 363,864	4.01%

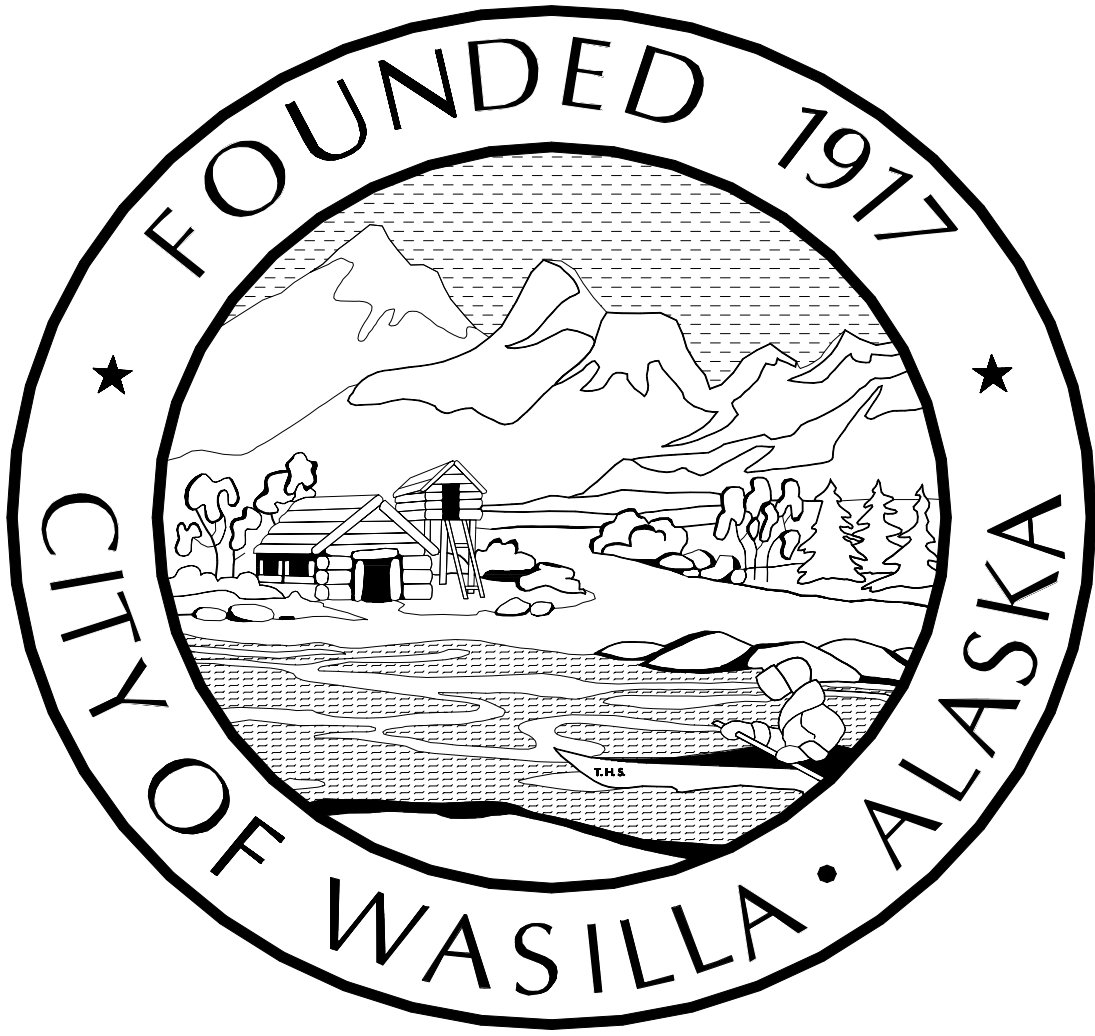
*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 05

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ 154,719	\$ 238,930	\$ 349,840	\$ 287,775	\$ 363,864	4.01%
Total	\$ 154,719	\$ 238,930	\$ 349,840	\$ 287,775	\$ 363,864	4.01%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Finance Director	-	-	0.25	0.25	0.25	0.00%
Human Resource Assist.	0.65	0.65	0.75	0.75	1.00	33.33%
Total	0.65	0.65	1.00	1.00	1.25	25.00%



DEPARTMENT BUDGET SUMMARY

Finance

Mission

To properly budget, account for and promptly report on all revenues and expenditures for the City of Wasilla.

Program

The Finance Department has several areas of responsibility. The Department's main function is to properly budget, account for and report promptly on all revenues and expenditures for the City Of Wasilla. Other functions include cash management, collections of receivables, accounts payable, issuance and refinancing of debt instruments (bond sales), assessment billings and collections, and sales tax administration.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: To provide the City's citizens and departments with timely And accurate information.			
	Objective:			
1.	To post 100% of financial transactions within established target dates.			
	Measure:			
	% Of transactions posted within established target dates.	90%	80%	95%
	Objective:			
2.	Post 100% of financial transactions within established accuracy rates.			
	Measure:			
	% Accuracy of financial transactions with established accuracy rates.	90%	75%	100%
	Objective:			
3.	Month end financial reports distributed by 10 working days after end of month.			
	Measure:			
	% Of monthly financial reports issued within 10 working days.	92%	50%	92%
	Goal: To provide the City's departments with reliable and competent accounting information.			
	Objective:			
4.	To receive an unqualified audit report.			
	Measure:			
	Unqualified Audit Report for each Fiscal Year.	Yes	Yes	Yes
	Objective:			
5.	To provide financial information in a manner which fully discloses and clearly communicates the City's financial status.			
	Measure:			
	To receive the GFOA 's Certificate of Achievement Award for Financial Reporting and the Gofer's Distinguished Budget Presentation Award.	Yes	Yes	Yes
	Measure:			
	To receive the GFOA 's Certificate of Achievement Award for Financial Reporting and the Gofer's Distinguished Budget Presentation Award.	Yes	Yes	Yes
	Goal: To ensure safeguards for the City's financial assets.			
	Objective:			
1.	Perform 6 random petty cash audits per year.			
	Measure:			
	# Of random petty cash audits performed each year.	-	8	6
	Objective:			
2.	Limit receivables over 90 days to 15%.			
	Measure:			
	# Of receivables over 90 days old.	N/A	20%	15%

***Note: Converting to a new Financial Software System affected performance for Fiscal Year 2004 on the goal to provide timely information. The conversion is complete and performance is back up to pre-conversion performance.**

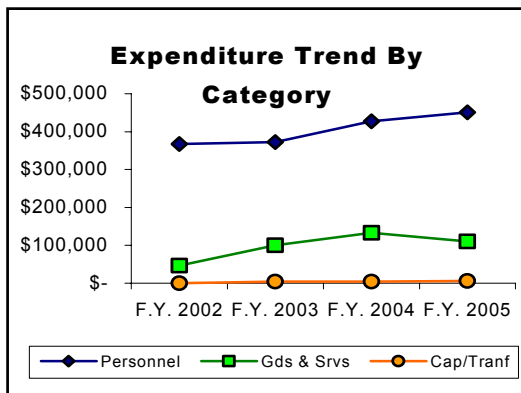
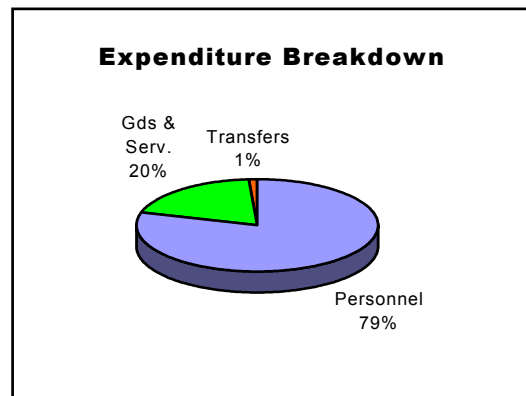
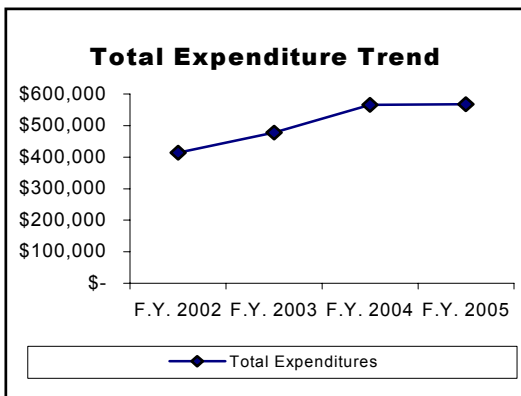
Finance Cont.

Significant Budget changes

The City has just completed a conversion from City Soft to HTE Financial Software. The reason for the conversion is to take advantage of the more powerful financial software package and also to provide the opportunity to citizens to do business with the City over the internet (packages available include utility and accounts receivable payments and business license applications). The Finance Department will be continuing training on the use of the new software. 21 percent of our goods and services budget is for the cost of the training. Even with this cost and the substantial increase in the cost in employee benefits, the Finance Department was able to keep the budget for FY05 substantially the same as FY 04.

Previous Year's Accomplishments

- Received GFOA's Certificate of Achievement award for Fiscal Year 2003 Comprehensive Annual Report (also received in FY96 through FY01). We are confident that we will receive the award for Fiscal Year 2004.
- Received GFOA's Distinguished Budget Presentation Award for Fiscal Year 2002 and Fiscal Year 2003.
- Streamlined monthly grant reporting process and audit preparation process.
- Implemented a new financial system, which will provide better information to the departments and allow us to expand services to citizens such as direct pay of bills over the Internet.



Finance Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Finance Administration	\$ -	\$ -	\$ -	\$ -	\$ 114,520	-
Accounting Services	-	-	-	-	222,316	-
Revenue/Receivables	-	-	-	-	231,021	-
Total	\$ 413,945	\$ 477,514	\$ 565,166	\$ 393,147	\$ 567,857	0.48%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2004 BUDGET	% Over Last Year
Personnel Services	\$ 276,807	\$ 277,921	\$ 314,312	\$ 227,116	\$ 314,221	-0.03%
Fringe Benefits	91,046	95,170	113,278	79,951	136,461	20.47%
Support Goods & Services	46,092	99,923	133,076	81,580	110,675	-16.83%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	4,500	4,500	4,500	4,500	6,500	0.00%
Total	\$ 418,445	\$ 477,514	\$ 565,166	\$ 388,647	\$ 567,857	0.48%

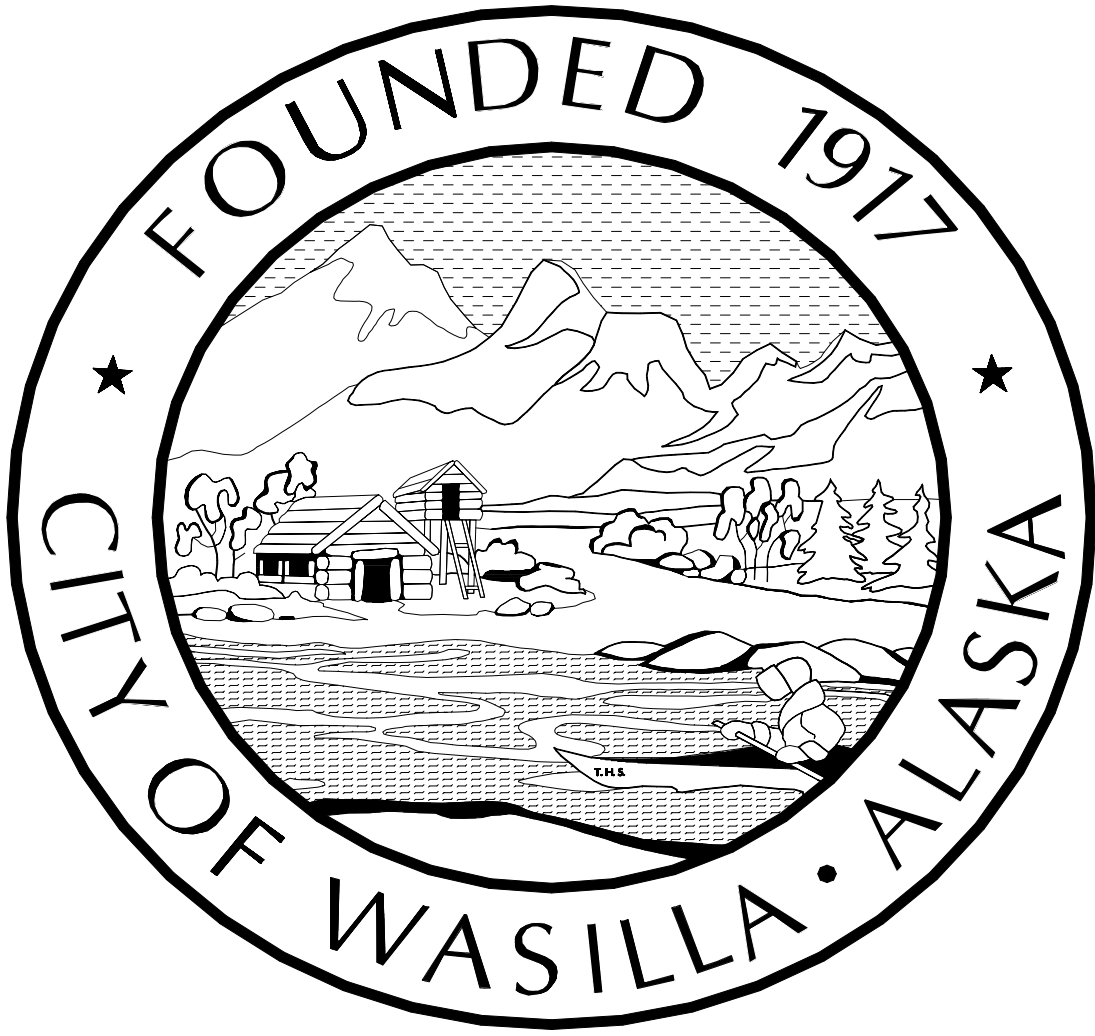
*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 2005.

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ 413,945	\$ 477,514	\$ 565,166	\$ 388,647	\$ 567,857	0.48%
Total	\$ 413,945	\$ 477,514	\$ 565,166	\$ 388,647	\$ 567,857	0.48%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2003 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Dir. Of Finance & Admin.	0.75	0.75	0.50	0.50	0.50	0.00%
Dep. Dir. Of Finance	1.00	1.00	1.00	1.00	1.00	0.00%
Finance Clerk	4.00	4.00	4.00	4.00	4.75	18.75%
Cashier	1.00	1.00	1.00	1.00	1.00	0.00%
Human Resource Assist.	0.35	0.35	0.25	0.35	0.00	-100.00%
Total	7.10	7.10	6.75	6.85	7.25	7.41%



DEPARTMENT BUDGET SUMMARY

Management Information Systems

Mission

To provide the City of Wasilla with the very best cost effective data processing services through the implementation of agile and cost effective solutions that improve service, reduce cost and leverage information across City departments.

Program

Provide data processing services to the City of Wasilla. Areas of responsibility include: developing and maintaining the management information systems (MIS); evaluating and selecting hardware, software, and application software; operating the central distribution data center; controlling data input and output; designing and managing data communications; developing information processing policies and procedures; conducting feasibility studies of new manual or automated systems; researching potential systems, methods, or equipment that could improve implementing office automation systems; reporting on the performance of the preceding areas of responsibility to senior management on a specified periodic basis; oversee the maintenance of data processing equipment; and review and approve data processing equipment acquisitions.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2004
	Goal: Ensure the availability of functional computer systems. Objective:			
1.	Maintain 90 workstations at an aggregate total of 98% operational. Measure: % operational workstations.	98%	98%	99%
	Objective:			
2.	Maintain local Area Networks at 99.5% operational. Measure: # of Network Servers	6	8	12
	Measure: % Up time for network servers.	99.30%	99.20%	99.50%
	Objective:			
3.	Maintain 3 As400 servers at 99.5% operational. Measure: % uptime for As400 servers.	99.90%	100%	99.90%
	Goal: To collect and categorize all technology-related problems reported to MIS, in order to identify and eliminate chronic issues thereby reducing the cost of operation. Objective:			
1.	Train all employees on use of Track-IT reporting software. Measure: % of employees trained on Track-IT software.	N/A	25%	100%
	Goal: Enhance and expend city website to allow citizens better access to city government. Objective:			
1.	Implement electronic government which will allow citizens to download city forms from the website. Measure: % of city forms relating to citizens that are available of the website.	N/A	25%	75%

Management Information Systems Cont.

#	Performance Goals, Objectives & Measures Continued	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Objective: 2. Design and implement a system that will allow the citizens to pay utility bills over the internet			
	Measure: Citizens have the ability to pay bills over the internet.	No	No	Yes
	Goal: Implement a method to allow Citizens to voice their opinions on the operation of the City and the future direction of the city.			
	Objective: 1. Implement a citizen survey section on the City website.			
	Measure: The City of Wasilla’s website has a Citizen survey page.	No	No	Yes

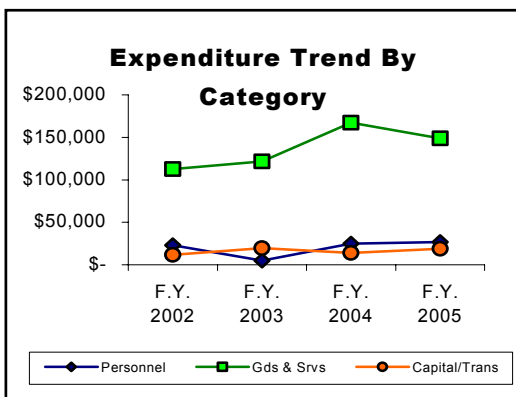
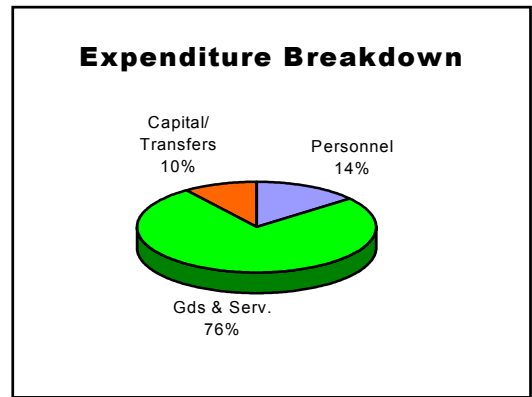
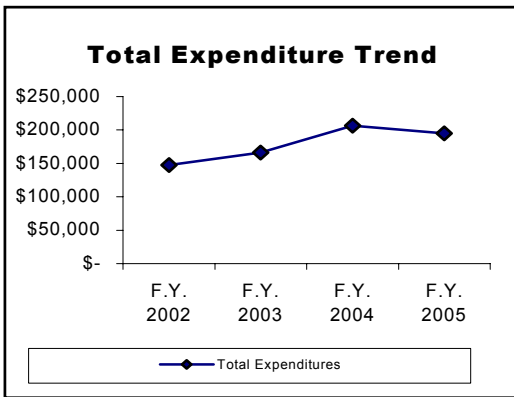
Significant Budget Changes

The main significant budget change in the MIS budget for Fiscal Year 2005 will be increasing the number of hours of outsource technical support time due to the implementation of a Dispatch Network system and the Multi- Use Sports Complex. The MIS Department will also be implementing a new Human Resource application and also expanding the City’s website to start accepting payment for utility bills over the Internet.

Previous Year’s Accomplishments

- Implemented Track-IT software to monitor support service.
- Implemented major financial software upgrade for General Ledger, Utilities, and Community services programs.
- Developed a Land Base database.
- Implemented a Special Assessment Billing system.
- Designed and implemented a wireless connection between the Library Network system and the City Hall Network System.
- Installed a wireless network in City Hall.
- Trained Finance Personnel on system operations of the As400.

Management Information Systems Cont.



Management Information Systems Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/04	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Finance Network Services	\$ -	\$ -	\$ -	\$ -	\$ 66,896	-
Area Wide Network Services	-	-	-	-	126,840	-
Total	\$ 147,430	\$ 166,074	\$ 206,240	\$ 147,980	\$ 193,736	-6.06%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/04	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 17,732	\$ 19,246	\$ 19,245	\$ 15,112	\$ 19,592	1.80%
Fringe Benefits	5,343	5,776	5,736	4,325	6,999	22.02%
Support Goods & Services	112,703	121,523	167,259	114,543	148,145	-11.43%
Capital Outlay	11,652	5,529	-	-	-	-100.00%
Transfers to Other Funds	-	14,000	14,000	14,000	19,000	0.00%
Total	\$ 147,430	\$ 166,074	\$ 206,240	\$ 147,980	\$ 193,736	-6.06%

*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 05

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/04	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ 147,430	\$ 166,074	\$ 206,240	\$ 147,980	\$ 193,736	-6.06%
Total	\$ 147,430	\$ 166,074	\$ 206,240	\$ 147,980	\$ 193,736	-6.06%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Finance Director	0.25	0.25	0.25	0.25	0.25	0.00%
Total	0.25	0.25	0.25	0.25	0.25	0.00%

DEPARTMENT BUDGET SUMMARY

Economic Development

Mission

To retain, attract and expand quality business that provide jobs and expand or diversify the city's tax base.

Program

The Economic Development Department is committed to enhancing the economic vitality of the community through the creation and retention of quality jobs, generation of additional tax revenue and improving residential and commercial land values.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: To attract new business and enhance current business opportunities.			
	Objective:			
1.	To establish effective partnerships with economic development organizations.			
	Measure:			
	# of meetings with business development representatives.	N/A	N/A	20
	Objective:			
2.	Contact local brokers to discuss community opportunities, strengths and weaknesses.			
	Measure:			
	Maintain list of top 10 brokers for target marketing and prospecting.	N/A	N/A	Yes
	Measure:			
	# of site selectors contacted to discuss community benefits.	N/A	N/A	20
	Goal: To improve community image and readiness for growth.			
	Objective:			
1.	To identify long-range economic growth targets.			
	Measure:			
	Complete strategic economic growth plan.	N/A	N/A	Yes
	Objective:			
2.	To develop new marketing materials for promoting the City of Wasilla as place for new business to locate.			
	Measure:			
	Complete a community profile document targeted at business.	N/A	N/A	Yes
	Measure:			
	Create section on City of Wasilla's website that provides community information and tools for businesses and residential developers who are interested in locating in the City of Wasilla.	N/A	N/A	Yes

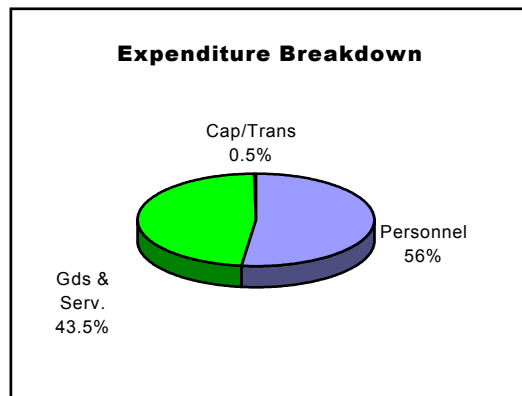
Economic Development Cont.

Significant Budget Changes

In Fiscal Year 2005, the City will have the position of Economic Development Direct filled.

Previous Year's Accomplishments

- Two large retailers have applied for conditional use permits to build stores in Wasilla.
- A new Hotel has been built with 76 units and another hotel has been approved for 60 units.



Economic Development Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Economic Development	-	-	185,204	34,262	159,050	-14.12%
Total	\$ -	\$ -	\$ 185,204	\$ 34,262	\$ 159,050	-14.12%

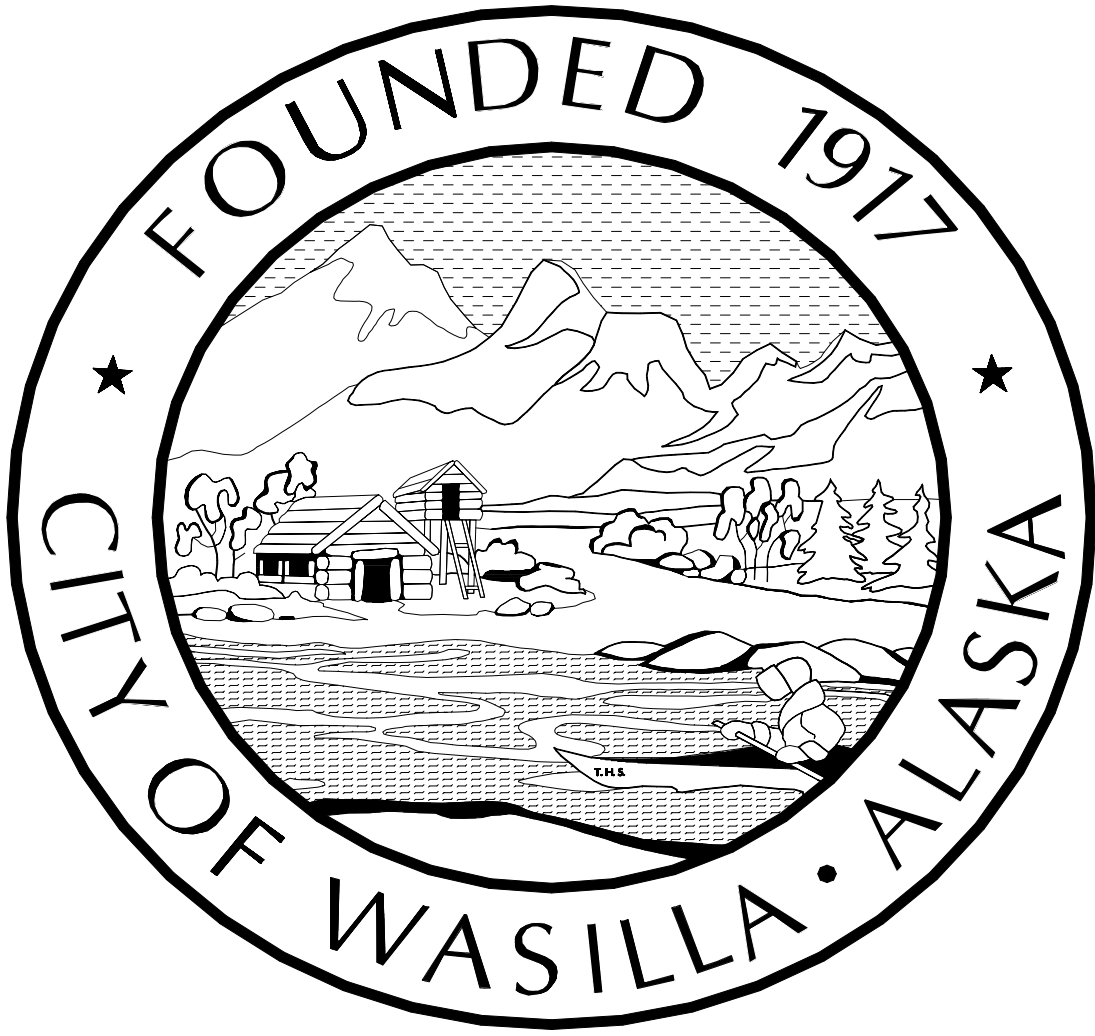
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ -	\$ -	\$ 80,000	\$ -	\$ 80,000	0.00%
Fringe Benefits	-	-	23,629	656	29,056	22.97%
Support Goods & Services	-	-	81,075	33,106	49,494	-38.95%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	500	500	500	0.00%
Total	\$ -	\$ -	\$ 185,204	\$ 34,262	\$ 159,050	-14.12%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ -	\$ -	\$ 185,204	\$ 34,262	\$ 159,050	-14.12%
Total	\$ -	\$ -	\$ 185,204	\$ 34,262	\$ 159,050	-14.12%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Econ. Dev. Director	0.00	0.00	1.00	0.00	1.00	0.00%
Total	0.00	0.00	1.00	0.00	1.00	0.00%



DEPARTMENT BUDGET SUMMARY

Police

Mission

To provide the citizens within the City of Wasilla the highest quality of law enforcement service possible, by maintaining quality, highly trained personnel who are men and women of strong character and who willingly serve the public. To respond to calls for service promptly, protect lives and property and initiate and maintain crime prevention programs and apprehend criminal offenders.

Program

The Police Department has many areas of responsibility. Our main function is to protect citizens and property. This mission is carried out through the enforcement of laws, regulations and ordinances of the State of Alaska and of the City of Wasilla. All officers are sworn to uphold the constitutions of the United States and the State of Alaska. As a general rule we respond to both civil and criminal incidents. We serve papers for the City and for the Courts, conduct civil standbys, assist other agencies on an as-needed basis, investigate crimes, testify in court, and participate in multi-agency task forces.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: To improve critical incident response capabilities of all department personnel.			
	Objective:			
1.	To maintain skills training and certifications programs that have been established by the department or required by practice, regulation or law.			
	Measure:			
	% of officers that complete firearm qualifications per year.	100%	100%	100%
	% of employees that complete CPR/First Aid/ AED recertification by mid fiscal year.	100%	100%	100%
	# of annual in-service training hours to maintain reasonable and/or required basic standard of performance	64	64	40
	# of officers receiving advanced police training.	4	4	4
	Goal: To increase preventative patrol and visibility in residential neighborhoods			
	Objective:			
1.	Create and fund (1) new commissioned position for preferred assignment to neighborhood patrol duties.			
	Measure:			
	# of new positions hired and assigned to neighborhood patrol duties.	N/A	.5	1.00
	Objective:			
2.	More timely response to complaints regarding neighborhood traffic.			
	Measure:			
	% of traffic complaints responded to on the same shift when officer is on-duty or during next scheduled shift for assigned officer.	50%	75%	80%
	Goal: To improve service to the public by promptly responding to calls.			
	Objective:			
1.	To complete construction of phase one of the new dispatch center.			
	Measures:			
	Have direct voice communication services from new dispatch center.	N/A	Yes	Yes
	Have installed Computer Aide Dispatch Software by to assist dispatchers in dispatching calls more efficiently and to assist in recording response times to calls.	N/A	N/A	Yes

Police Cont.

#	Performance Goals, Objectives & Measures Cont.	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: Review and revamp records-keeping procedures and requirement City of Wasilla and other general law enforcement records management Procedures Objective:			
1.	Hire and train one position in the city of Wasilla records management procedures, best practices of general filing procedures, and evidence procedures Measure: New employee hired for record keeping duties. % of administrative files revamped according to established procedures and best practices.	0 N/A	0 50%	1 100%
	Goal: To implement a code compliance program in collaboration with other city departments. Objective:			
1.	Create, fund and train new non-commissioned position for code compliance. Measure: # of new positions hired and assigned to code compliance.	N/A	N/A	1.00
2.	Establish fair and reasonable practices/procedures for time-sharing of the resources between departments for code compliance. Measure: % of procedures completed for time-sharing of code compliance resources between departments.	N/A	N/A	100%
3.	Establish coordinated oversight (committee) by effected departments to assure city needs are adequately addressed. Measure: Oversight committee appointed by Mayor	N/A	N/A	Yes

Significant Budget Changes

Significant budget considerations include requests for equipment not previously owned by the Department for improved critical response capabilities and request for funding of a code compliance officer position and a new administrative/evidence assistant position. The department has to absorb a 5% increase contribution in the funding of the State Retirement system for employees. In FY 05, the city will enjoy its first full year of providing its own dispatch services.

The other main significant change is in Dispatch. The City of Wasilla on May 19, 2004 entered into an agreement to provide dispatch services to the Alaska State Troopers. This contract will increase the total cost of Dispatch by \$825,513 while bringing in revenue of \$905,027.

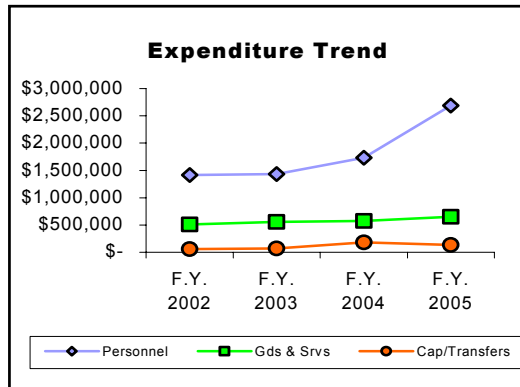
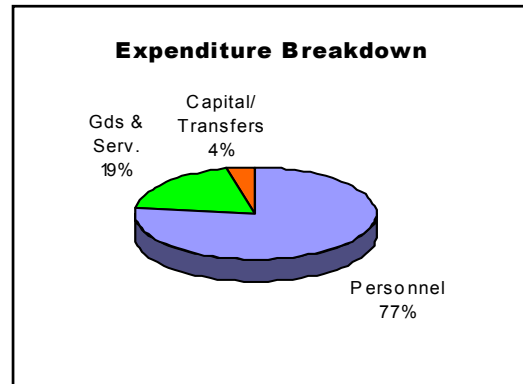
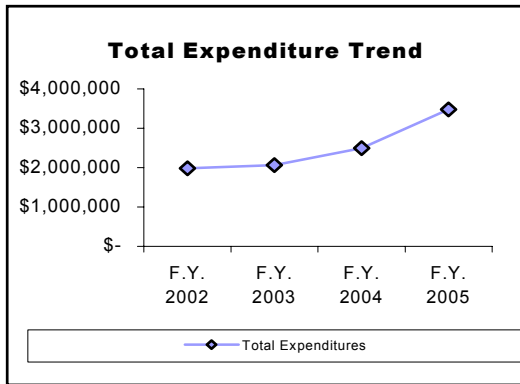
Previous Year's Accomplishments

- Continued development of a Regional Communications Center project.
- Successfully obtained funds to continue funding the Child Abuse Investigation Unit in FY05.
- Obtained funding for second phase of the Regional Communication Center project, which will allow the city to purchase the record management system and begin implementation of mobile computing for police units.
- Completed advanced and in-service training as follows: sent on Sergeant to advance police management training, sent one officer to a 40 hr. death investigation training, sent one officer to an

Police Cont.

advanced instructor training, completed various short-term in-service training seminars and sponsored a communication training officer program for dispatchers.

- Obtained an Alaska Highway Safety grant for funding a seasonal position for a Motorcycle enforcement program, which will allow to department to place more officers in neighborhoods.



Police Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Community Policing	\$ -	\$ -	\$ 1,686,963	\$ 1,131,472	\$ 1,583,741	-6.12%
Investigations	-	-	194,197	134,363	186,032	-4.20%
Code Compliance			-	-	116,944	100.00%
Dispatch			379,232	266,673	1,207,745	218.47%
Police Administration	-	-	233,993	197,386	383,881	64.06%
Total	\$ 1,979,787	\$ 2,061,907	\$ 2,494,385	\$ 1,729,894	\$ 3,478,343	39.45%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 1,076,217	\$ 1,073,593	\$ 1,292,589	\$ 894,314	\$ 1,883,572	45.72%
Fringe Benefits	336,869	357,367	441,718	305,252	807,012	82.70%
Support Goods & Services	508,701	558,447	577,746	409,493	650,759	12.64%
Capital Outlay	-	-	109,832	48,335	-	0.00%
Transfers to Other Funds	58,000	72,500	72,500	72,500	137,000	88.97%
Total	\$ 1,979,787	\$ 2,061,907	\$ 2,494,385	\$ 1,729,894	\$ 3,478,343	39.45%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Federal Grants	\$ 80,251	\$ 130,200	\$ 323,601	\$ 109,110	\$ 184,137	-43.10%
State Grants & Safe Comm. Revenue	91,295	126,800	15,000	7,040	-	-100.00%
State Contract For Dispatch	-	-	-	-	905,028	100.00%
Fines, Penalties & Other Rev.	54,576	34,352	65,515	29,281	70,000	6.85%
General Fund	1,753,665	1,770,555	2,090,269	1,584,463	2,319,178	10.95%
Total	\$ 1,979,787	\$ 2,061,907	\$ 2,494,385	\$ 1,729,894	\$ 3,478,343	39.45%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Police Chief	1.00	1.00	1.00	1.00	1.00	0.00%
Admin. Assitant	1.00	1.00	1.00	1.00	2.00	100.00%
Lieutenant	1.00	1.00	1.00	1.00	1.00	0.00%
Sargeant	1.00	2.00	2.00	2.00	2.00	0.00%
Investigator	2.00	1.00	1.00	1.00	1.00	0.00%
Communication Officer	1.00	1.00	1.00	1.00	0.50	-50.00%
Police Officer II	11.00	12.00	11.00	11.00	12.00	9.09%
Police Officer I	-	-	1.50	1.50	1.00	-33.33%
Code Compliance Officer	-	-	-	-	1.00	100.00%
Dispatch Manager	-	-	-	-	1.00	100.00%
Lead Dispatcher	-	-	-	-	3.00	100.00%
Dispatcher	-	-	6.00	6.00	11.00	83.33%
Total	18.00	19.00	25.50	25.50	36.50	43.14%

DEPARTMENT BUDGET SUMMARY

Public Works - Administration

Mission

Administrations' mission is to preserve and expand the city's infrastructure including the airport, public buildings, roads, parks, and water and sewer systems.

Program

Administration, a division of Public Works, provides oversight for the Airport, Property Maintenance, Recreational Services, Roads, Sewer, and Water. These divisions provide a broad range of services to city agencies and the general public.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y. 2003	Estimated F.Y. 2004	Proposed F.Y. 2005
	Goal: To improve customer service.			
1.	Objective: Provide on line forms for park use permits, vendor permits, driveway permits, and utility applications. Provide employee training on HTE to allow direct computer input for new utility customers.			
	Measure: % of forms available to the public on-line.	0%	20%	100%
	Number of New Utility Customers signed up with no paper applications.	N/A	N/A	90

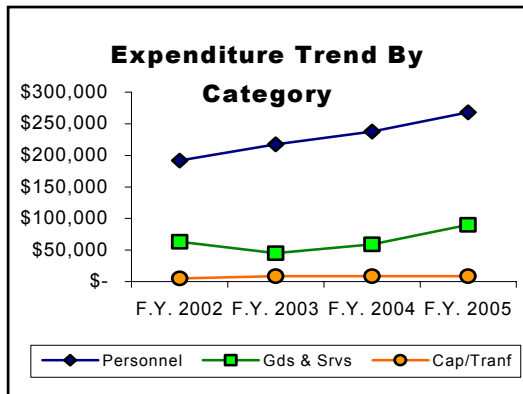
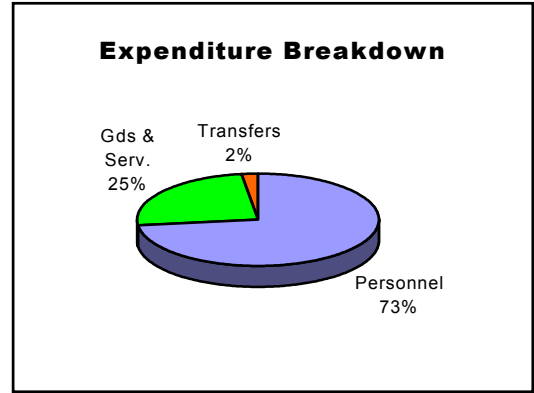
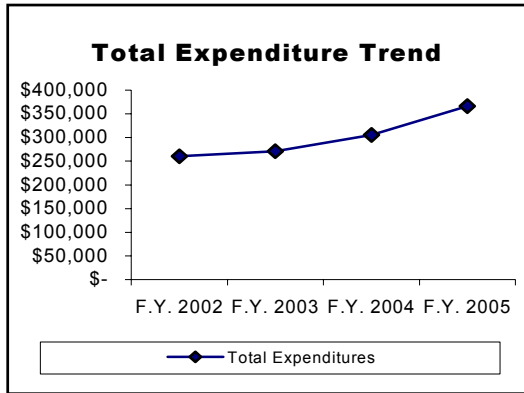
Significant Budget Changes

The Public Works Administration budget will increase by approximately 19.9%. Public Works has reorganized and the engineer functions have been incorporated into the Public Work Director's position. Also, there has been a significant increase in employee benefit costs. The other main increase in cost is the result of using a different allocation of salaries between the divisions in the Public Works Department.

Previous Year's Accomplishments

- Administration of all O & M contracts for all divisions of Public Works.
- Completed oversight of new Bumpus water main extension.
- Completed oversight of new sewer and water extensions to Multi use Sports complex.
- Completed oversight of Bumpus tank and well house.
- Administration of Tommy Moe storm drain.

Public Works – Administration Cont.



Public Works - Administration

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Public Works Administration	\$ 260,361	\$ 271,105	\$ 305,548	\$ 220,758	\$ 396,568	29.79%
Total	\$ 260,361	\$ 271,105	\$ 305,548	\$ 220,758	\$ 396,568	29.79%

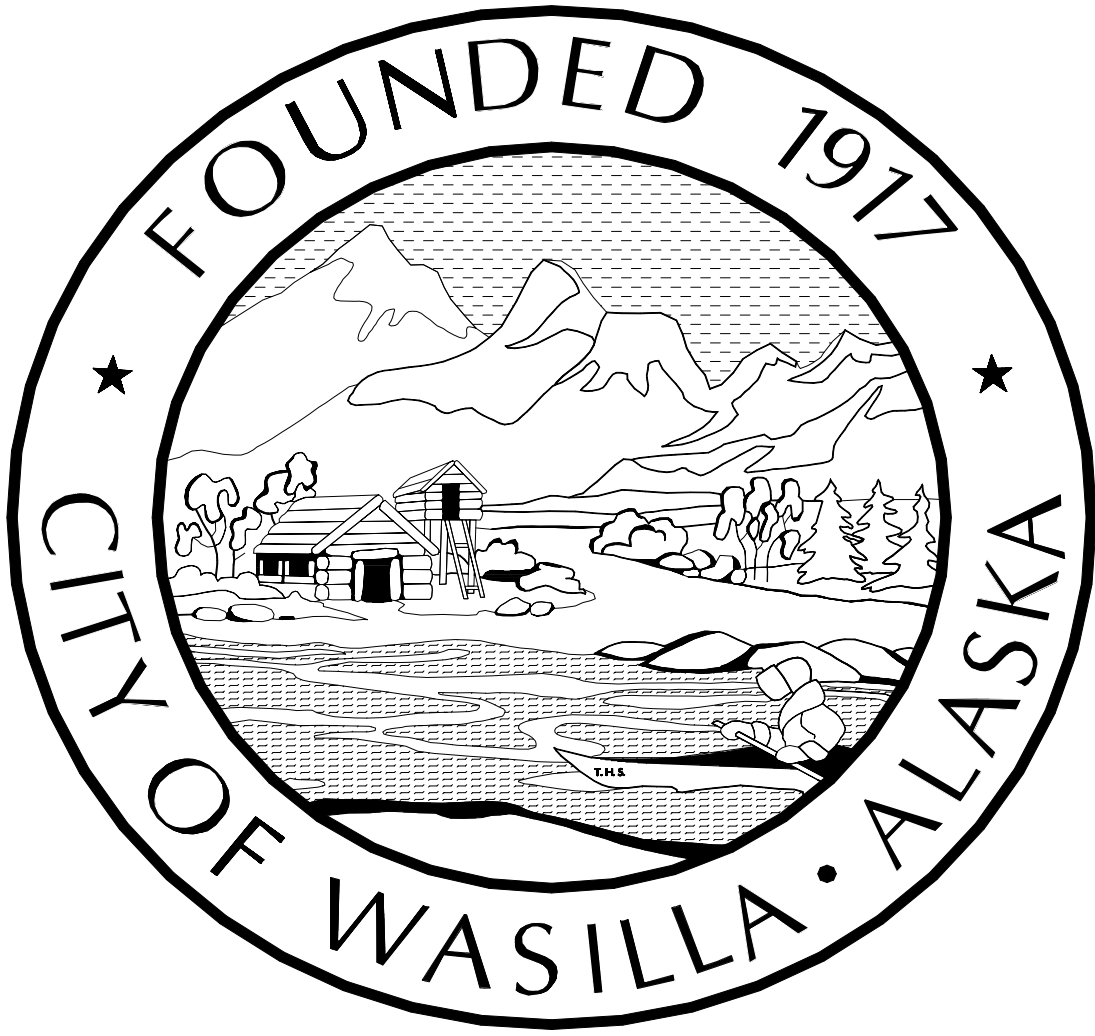
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	PROPOSED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 160,707	\$ 170,591	\$ 185,872	\$ 137,804	\$ 186,949	0.58%
Fringe Benefits	31,198	46,806	51,852	43,120	81,229	56.66%
Support Goods & Services	63,456	45,208	59,324	31,334	119,890	102.09%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	5,000	8,500	8,500	8,500	8,500	0.00%
Total	\$ 260,361	\$ 271,105	\$ 305,548	\$ 220,758	\$ 396,568	29.79%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	260,361	271,105	305,548	220,758	396,568	29.79%
Total	\$ 260,361	\$ 271,105	\$ 305,548	\$ 220,758	\$ 396,568	29.79%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Director	1.00	1.00	1.00	1.00	1.00	0.00%
Deputy Director	0.50	0.50	0.50	0.50	0.50	0.00%
Engineer	1.00	1.00	1.00	-	-	-100.00%
Public Works Clerk	1.00	1.00	1.00	1.00	1.00	0.00%
Public Works Finance Clerk	1.00	1.00	1.00	1.00	1.00	0.00%
Public Works Clerical Asst.	-	0.75	1.00	1.00	1.00	0.00%
Total	4.50	5.25	5.50	4.50	4.50	-18.18%



DEPARTMENT BUDGET SUMMARY

Public Works – Roads Maintenance

Mission

Public Works' mission is to preserve and expand the city's infrastructure in the road systems.

Program

Roads maintenance, a division of Public Works, provides a broad range of services to city agencies and the general public.

Performance Goals, Objectives, and Measures

#	Roads Performance Goals, Objectives & Measures	F. Y 2003	F. Y. 2004	Proposed F. Y. 2005
	Goal: Ensure preservation of road system infrastructure.			
	Objective:			
1.	Provide effective and efficient attention to road maintenance.			
	Measures:			
	Number of miles maintained.	61	61	61
	Cost per road mile.	\$11,681	\$11,523	\$12,109
	# of paved road miles.	29	29	29
	% of road miles swept.	100%	100%	100%
	# of road miles rehabilitated.	3	3	3
	% of road miles rehabilitated.	4.9%	4.9%	
	Number of non-paved roads.	32	32	32
	% of non-paved road miles graded.	100%	100%	100%
	Percent of residents surveyed that rate street maintenance good or better.	N/a	N/A	65%
	Percent of residents surveyed that rate snow removal good or better.	N/a	N/A	70%
	Goal: Ensure signage needs are met for road system.			
1.	Objective:			
	Provide required signage for road system and replace all incorrect signage.			
	Measures:			
	Total number of signs in system	1210	3,000	3,000
	% of signs replaced.	25%	65%	5%
	Goal: Implement soft ware tracking program to collect information and to provide staff with training.			
3.	Objective:			
	Train staff on use of HTE Program.			
	Measure:			
	% staff trained on HTE program.	0	10%	40%

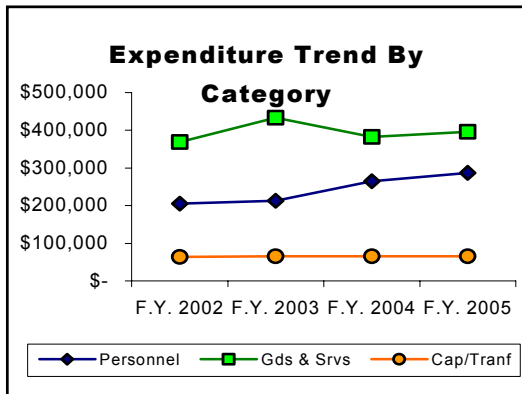
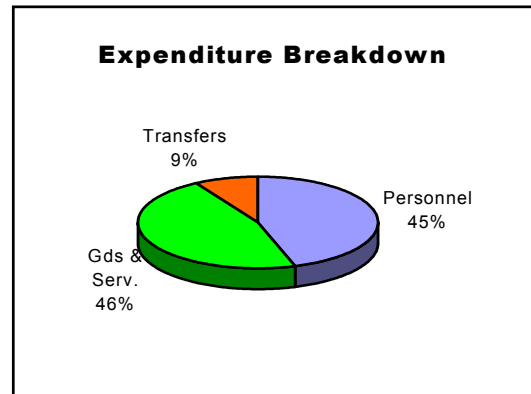
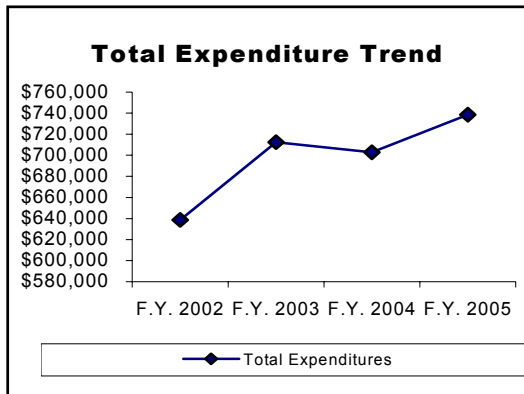
Public Works – Roads Maintenance Cont.

Significant Budget changes

The roads budget shows an decrease of about 1.35% due to reduced capital expenditures and more efficient use of supplies.

Previous Year's Accomplishments

- Rehabilitated ½ mile of road with new ditches
- Replaced all Stop Signs with specification signs
- Crack sealed 30 % of paved streets



Public Works – Road Maintenance Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Summer Road Maint.	\$ -	\$ -		\$ -	\$ 295,461	
Winter Road Maint.	-	-		-	295,462	
Gravel To Asphalt	-	-		-	147,733	
Total	\$ 638,771	\$ 712,579	\$ 702,931	\$ 505,950	\$ 738,656	5.08%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 153,955	\$ 161,363	\$ 189,727	\$ 122,309	\$ 196,960	3.81%
Fringe Benefits	51,475	51,845	75,461	48,452	89,698	18.87%
Support Goods & Services	369,160	433,871	382,243	280,975	396,498	3.73%
Capital Outlay	24,181	25,000	15,000	13,714	15,000	0.00%
Transfers to Other Funds	40,000	40,500	40,500	40,500	40,500	0.00%
Total	\$ 638,771	\$ 712,579	\$ 702,931	\$ 505,950	\$ 738,656	5.08%

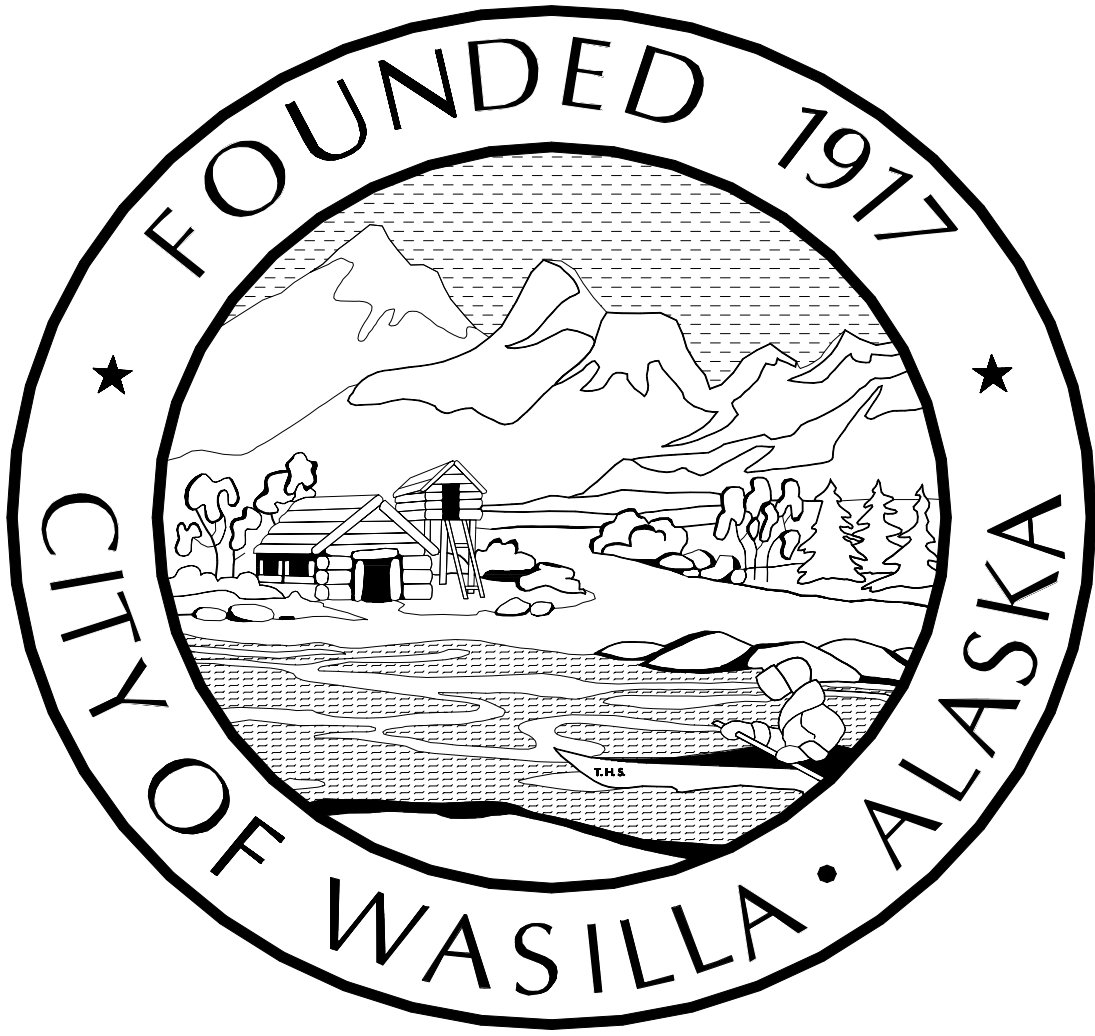
*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 05

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
State Revenue Sharing	64,236	64,236	63,236	60,603	-	-100.00%
General Fund	574,535	648,343	639,695	445,347	738,656	15.47%
Total	\$ 638,771	\$ 712,579	\$ 702,931	\$ 505,950	\$ 738,656	5.08%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Road Technician III	0.65	0.65	0.65	0.65	0.65	0.00%
Road Technician II	1.00	1.00	2.00	2.00	2.00	0.00%
Road Technician I	0.00	1.00	1.00	1.00	1.00	0.00%
Total	1.65	2.65	3.65	3.65	3.65	0.00%



DEPARTMENT BUDGET SUMMARY

Public Works – Property Maintenance

Mission

Property's mission is to preserve and maintain the city owned property and buildings.

Program

Property, a division of Public Works, provides a broad range of services to city agencies and the public in general.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Actual F. Y 2004	Proposed F. Y. 2005
	Goal: Ensure preservations of City of Wasilla facilities.			
1.	Objective: Provide efficient and effective maintenance on city buildings.			
	Measure:			
	Square footage of facilities	135,000	135,000	135,000
	Cost per square foot for operation and maintenance.	\$2.53	\$3.15	\$3.24
	Percent of routine/non-emergency repairs completed within one week of receipt of work order.	N/a	N/a	50%
	Percent of preventative maintenance task completed on schedule.	N/a	N/a	75%

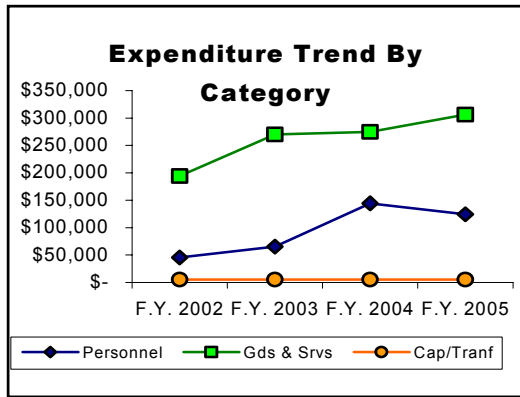
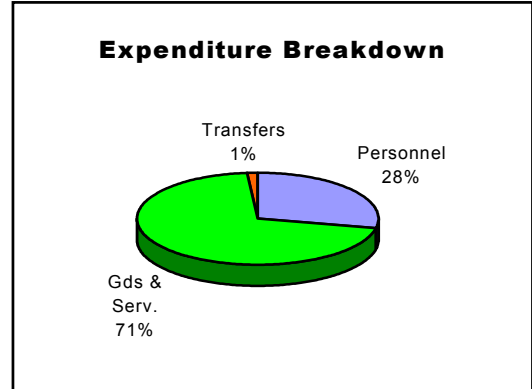
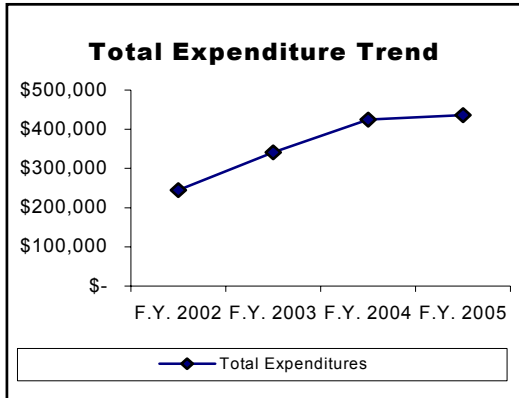
Significant Budget changes

Increases due to unexpected costs associated with maintenance and operations of city property, slight increase in area of police building.

Previous Year's Accomplishments

- Installed emergency generator police department
- Library remodeled to meet ADA requirements
- Remodeled dispatch police offices.
- Repair Central air and heat at police department
- Remodel Public Works office to provide better customer support and office efficiencies.
- Improved City Hall access for special needs citizens.

Public Works – Property Maintenance Cont.



Public Works – Property Maintenance Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Police Facilities	\$ -	\$ -	\$ -	\$ -	\$ 124,634	-
City Hall Facilities	-	-	-	-	306,008	-
Other Facilities	-	-	-	-	5,500	-
Total	\$ 244,628	\$ 341,007	\$ 424,846	\$ 214,874	\$ 436,142	2.66%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 32,951	\$ 47,240	\$ 99,598	\$ 25,871	\$ 88,396	-11.25%
Fringe Benefits	12,473	18,156	44,835	11,347	36,238	-19.17%
Support Goods & Services	194,204	270,111	274,913	172,156	306,008	11.31%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	5,000	5,500	5,500	5,500	5,500	0.00%
Total	\$ 244,628	\$ 341,007	\$ 424,846	\$ 214,874	\$ 436,142	2.66%

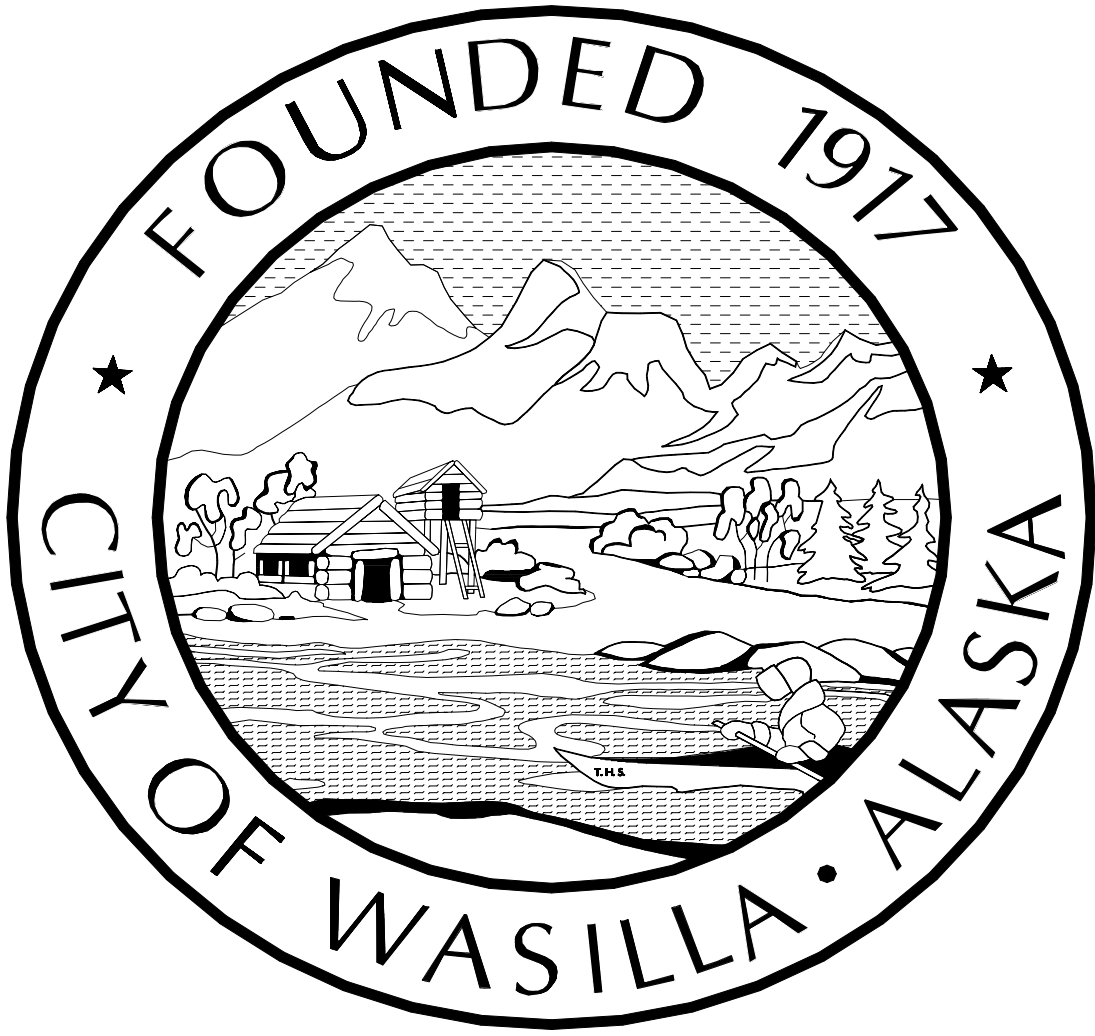
*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 04.

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	244,628	341,007	424,846	214,874	436,142	2.66%
Total	\$ 244,628	\$ 341,007	\$ 424,846	\$ 214,874	\$ 436,142	2.66%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Property Technician III	0.35	0.35	0.35	0.35	0.35	0.00%
Property Technician II	0.80	0.80	0.80	0.80	0.80	1.00%
Property Technician I	0.20	0.20	1.20	1.20	1.20	1.00%
Total	1.35	1.35	2.35	2.35	2.35	0.00%



DEPARTMENT BUDGET SUMMARY

Planning

Mission

To provide the City's citizens and departments with accurate and timely land use information; to provide the City's departments with a structured Capital Improvement Program; to provide safeguards for the city's residents with neighboring developments, annex additional properties that will increase the tax base, attract new commercial businesses, and provide a Comprehensive Plan that can be used to meet the future goals of Wasilla.

Program

The Planning Office's main function is to administer Wasilla Municipal Code, Title 16, known as the Wasilla Development Code. Other functions include obtaining grants, structuring a Capital Improvement Program, administration of the Comprehensive Plan; annexation of additional properties to within city limits, management of various short and long range plans for the City of Wasilla, and serves as a public resource.

Performance Goals, Objectives, and Measures

#	Planning Performance Goals, Objectives & Measures	FY 2003	Estimate FY 2004	Proposed F Y 2005
1.	Goal: Provide quality customer service to applicants and ensure appropriate standards are met during the application review process. Objective: To continue to review and process all permits efficiently and effectively within accordance of WMC. Measures: # of AA - Administratively approved permits # of UP - Use Permits issued # of CU - Conditional Use Permits issued # of AM - Amnesty Permits issued # of V - Variance Permits issued # of R - Rezone Permits issued	114 15 6 3 8 4	110 12 10 2 0 3	115 15 12 2 4 4
	Goal: To assist in the growth of the City through annexation of property outside the City limits. 1. Objective: Provide accurate information to property owners of the value of annexing into the City. Measures: Newly annexed properties % increase from prior year	3%	0%	1%
	Goal: Maximize the cost recovered of staff time involved in Processing planning applications. 1. Objective: To maximize cost recovery of current planning cost. Measure: Percentage of cost recovery (permit revenue to current planning staff cost).	6.70%	6.00%	5.58%

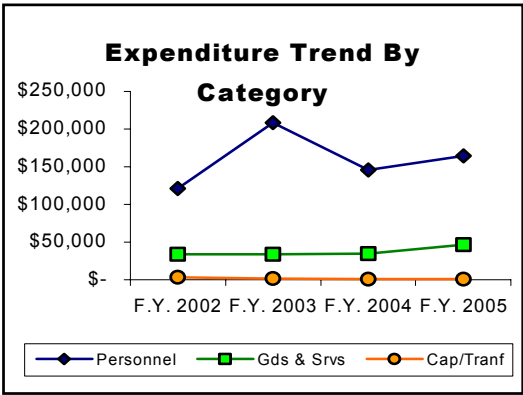
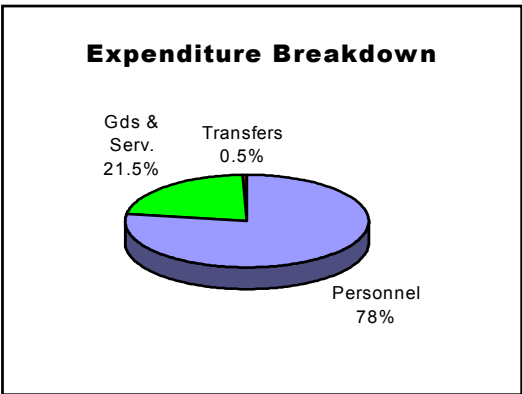
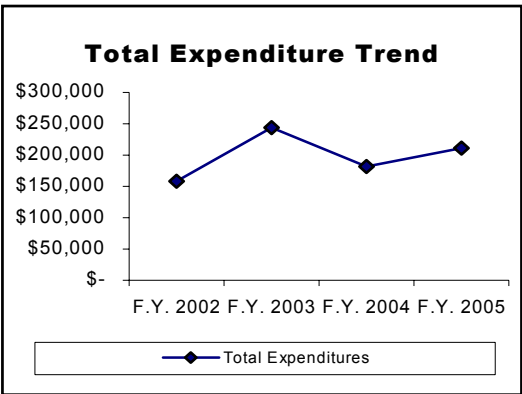
Planning Cont.

Significant Budget Changes

The most significant budget change is the increasing cost of employee benefits. Also, this is the first year the general liability insurance will be allocated to the division.

Previous Year's Accomplishments

- Amended the comprehensive plan to include Railroad Relocation Study
- Prepared Airport Phasing Plan (1-20year projection).
- Enacted Amnesty Permit program.
- Updated the Wasilla Development Code.



Planning Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Planning	\$ 158,322	\$ 243,418	\$ 181,192	\$ 125,751	\$ 211,673	16.82%
Total	\$ 158,322	\$ 243,418	\$ 181,192	\$ 125,751	\$ 211,673	16.82%

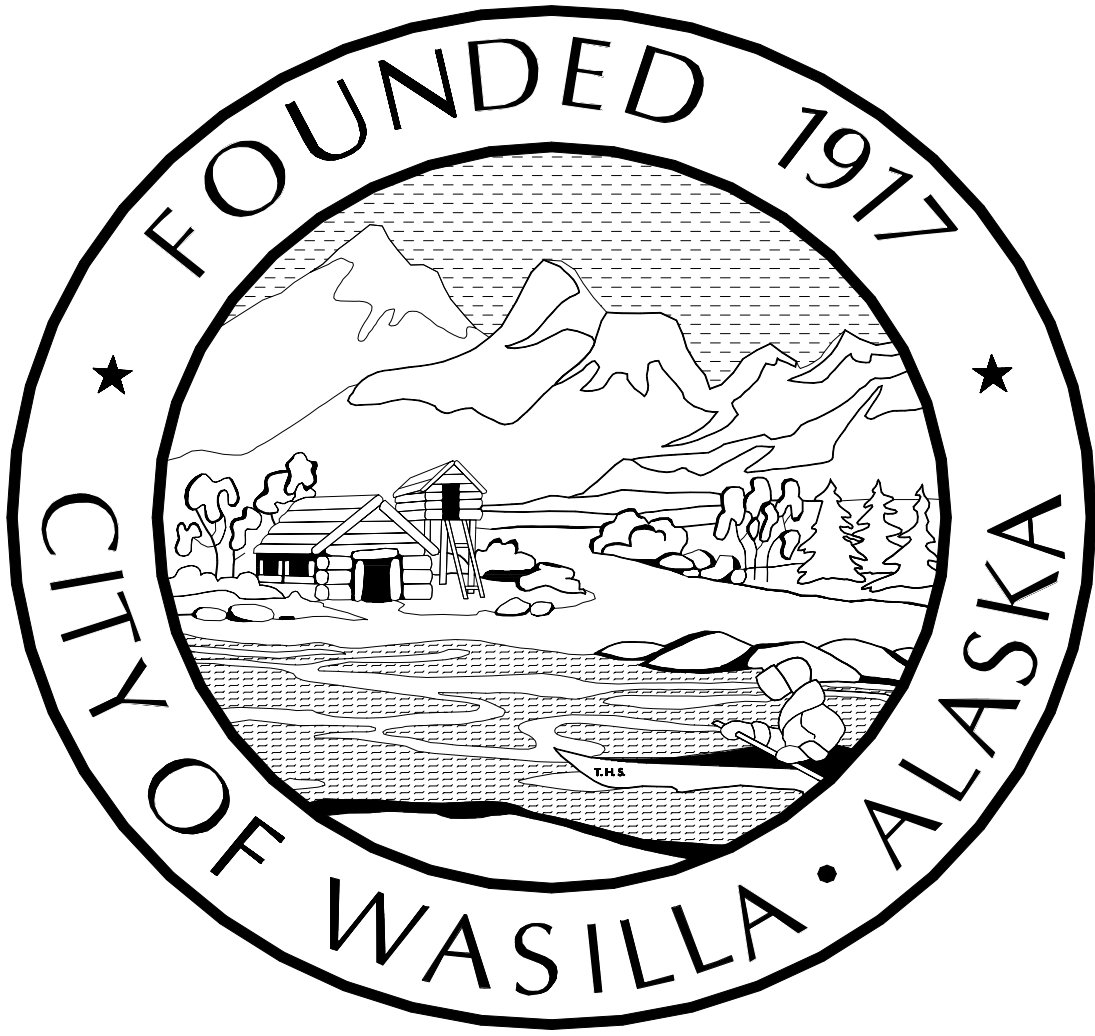
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2004 BUDGET	% Over Last Year
Personnel Services	\$ 95,666	\$ 162,450	\$ 109,864	\$ 88,600	\$ 117,922	7.33%
Fringe Benefits	25,335	45,838	35,969	22,736	46,220	28.50%
Support Goods & Services	33,701	33,630	34,359	13,415	46,531	35.43%
Capital Outlay	3,620	-	-	-	-	0.00%
Transfers to Other Funds	-	1,500	1,000	1,000	1,000	0.00%
Total	\$ 158,322	\$ 243,418	\$ 181,192	\$ 125,751	\$ 211,673	16.82%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2004 BUDGET	% Over Last Year
General Fund	\$ 158,322	\$ 243,418	\$ 181,192	\$ 125,751	\$ 211,673	16.82%
Total	\$ 158,322	\$ 243,418	\$ 181,192	\$ 125,751	\$ 211,673	16.82%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED BUDGET⁵	% Over Last Year
City Planner	1.00	1.00	1.00	1.00	1.00	0.00%
Econ. Dev. Planner	1.00	1.00	0.00	0.00	0.00	0.00%
Planning Clerk	1.00	1.00	1.00	1.00	1.00	0.00%
Total	3.00	3.00	2.00	2.00	2.00	0.00%



DEPARTMENT BUDGET SUMMARY

Museum

Mission

To preserve the heritage and culture of the Wasilla, & Willow Creek areas; to provide information on the area to tourists and local residents; to assist local schools in the education of students, to accurately register all artifacts on computerized system and care for items loaned or donated in a responsible manner.

Program

The Museum Department has several areas of responsibility. The main function is to operate the Dorothy G. Page Museum & Visitor Center. Other functions include exhibit development and guided tours for educational purposes, conservation and registration of artifacts with historical significance to the Wasilla, Willow Creek area

Performance Goals, Objectives, and Measures

#	Museum Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: Provide proper care for the maintenance and security of the Wasilla town site Dorothy Page Museum.			
	Objective:			
1.	Research and locate funds through the appropriate granting agencies.			
	Measure: % increase in amount of grant funding.	10%	20%	10%
	Goal: Develop and implement a Collections Management policy and other documents as follows: Acquisitions Policy, De-accessioning and Disposal Policies, and a Loan Policy.			
	Objective:			
1.	These policies will provide guidelines on new acquisitions for the museum as well as provide guidelines for the disposal of artifacts that do not fit the scope of the collections.			
	Measure: % completion of policies for Collection Management.	N/A	80%	100%
	Goal: Continue the inventory project for collections belonging to the City of Wasilla.			
	Objective:			
1.	Implement an adequate storage and retrieval system so that artifacts can be accessed for exhibits and study.			
	Measure: Percentage of artifacts numbered and recorded in the Past Perfect system.	5%	10%	20%
	Goal: Develop and implement a docent or internship program for the interpretation of town site buildings by working with educational venues.			
	Objective:			
1.	Acquire and utilize volunteers or interns for docent activities.			
	Measure: % increase in the number of volunteer hours utilize.	N/A	80%	10%
	Goal: Continue to upgrade collections care through preventative measures and disposal of hazardous storage materials.			
	Objective:			
1.	To go through artifacts and determine the historic value of each and protect and preserve artifacts as necessary.			
	Measure: % of artifacts re-housed that are currently improperly housed.	N/A	80%	100%

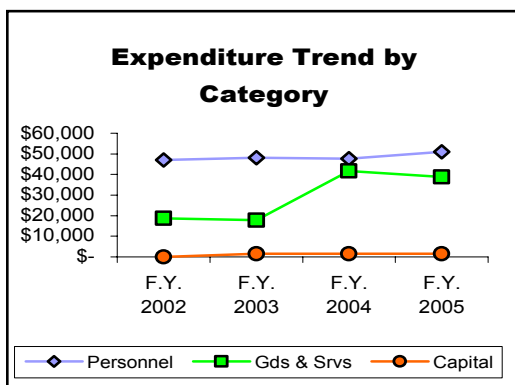
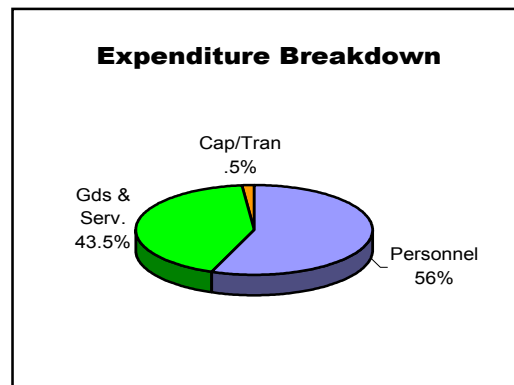
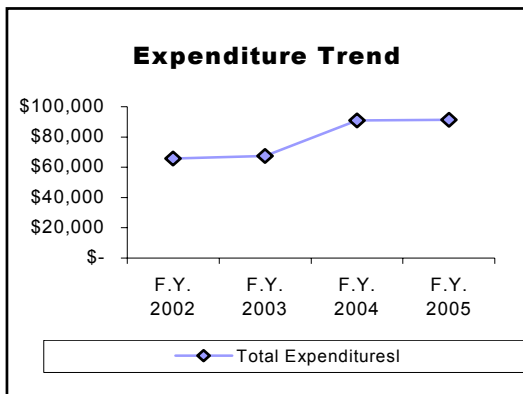
Museum Cont.

Significant Budget changes

The significant budget changes include: increase in professional services, advertising, staff development and travel for conferences.

Previous Year's Accomplishments

- Free lecture series & music in the town site for Museum
- \$39,460 in grant money for Museum
- \$35,000 for Parks & Recreation
- Wasilla Clean Up Days, Arbor Day with the improvement of a poster contest (\$1500 donated by Sunrise Rotary) WWII Memorial Veterans Day
- Created new gallery space for temporary exhibits, 2 new exhibits were developed, 2 exhibits were revitalized
- Increase of 7 regular volunteers
- Increase of staff development
- Replaced 90% of faulty storage shelving and increased number of flat files for archive storage.
- Rehoused 75% of newspaper collection.



Museum Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Museum	\$ 65,718	\$ 67,499	\$ 90,939	\$ 50,023	\$ 91,327	0.43%
Total	\$ 65,718	\$ 67,499	\$ 90,939	\$ 50,023	\$ 91,327	0.43%

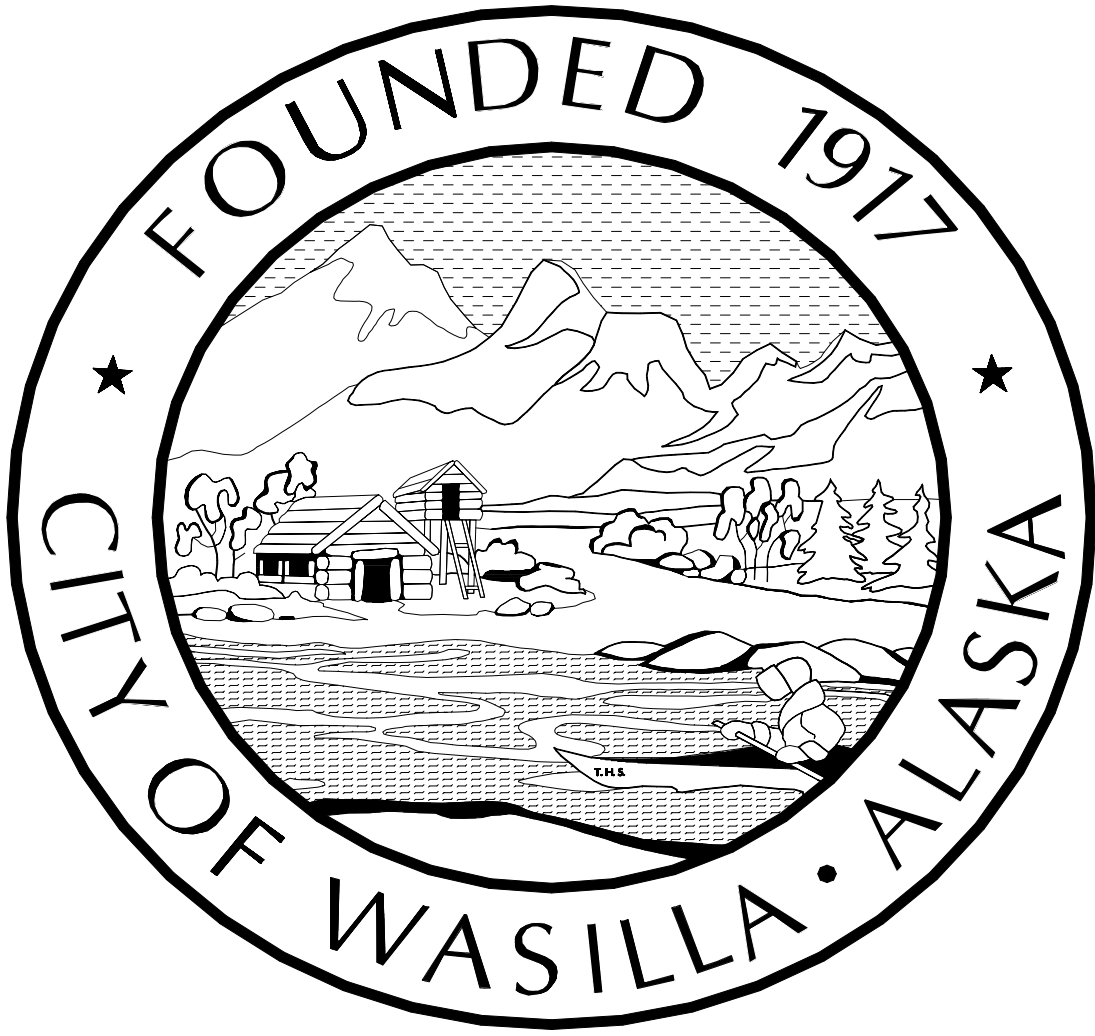
BY CATEGORY	F.Y. 2001 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 36,629	\$ 37,478	\$ 35,834	\$ 16,279	\$ 36,633	2.23%
Fringe Benefits	10,409	10,689	11,866	4,762	14,422	21.54%
Support Goods & Services	18,680	17,832	41,739	27,482	38,772	-7.11%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	1,500	1,500	1,500	1,500	0.00%
Total	\$ 65,718	\$ 67,499	\$ 90,939	\$ 50,023	\$ 91,327	0.43%

Summary Of Resources

BY RESOURCE	F.Y. 2001 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Intergovernmental	\$ -	\$ -	\$ 16,077	\$ 16,077	\$ -	0.00%
Museum Revenue	2,730	2,482	1,576	2,800	4,000	153.81%
General Fund	62,988	65,017	73,286	31,146	87,327	19.16%
Total	\$ 65,718	\$ 67,499	\$ 90,939	\$ 50,023	\$ 91,327	0.43%

Personnel

BY POSITON	F.Y. 2001 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2003 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Museum Registrar	1.00	0.50	0.50	0.50	0.50	0.00%
Museum Aide	1.00	0.50	0.50	0.50	0.50	0.00%
Total	2.00	1.00	1.00	1.00	1.00	0.00%



DEPARTMENT BUDGET SUMMARY

Recreation Services

Mission

Public Works' mission is to preserve and expand the city's recreational infrastructure and to improve operational efficiency of the Recreation department.

Program

The Recreation Services department is in charge of providing recreational opportunities for the citizens of Wasilla. The department is also working on the beautification of the City of Wasilla in order to continue the tradition of having a colorful city enter while keeping annual maintenance costs down.

Performance Goals, Objectives, and Measures

#	Parks & Recreation Performance Goals, Objectives & Measures	F. Y 2002	Estimate F. Y 2003	Proposed F. Y. 2004
	Goal: To maintain customer satisfaction levels for park facilities.			
	Objective: To achieve an 80% customers response with and overall rating of satisfactory or above.			
1.	Measure: Percent of residents surveyed who state that they are satisfied with park facilities.	N/a	N/a	80%
	Goal: Ensure quality recreational programs for all residents are maintained and improved.			
	Objective: 1. Schedule events recreational programs that can be attended and enjoyed by all residents			
	Measure: Number of programs and/or events hosted or sponsored by the City.	N/A	N/A	6

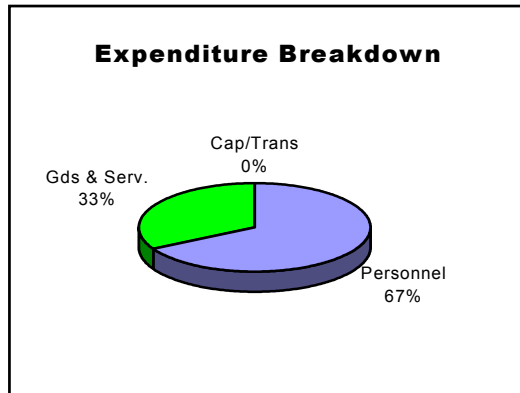
Significant Budget Changes

This is the first year that Parks Maintenance function and the Recreation function have been separated. The reason for the separations was in order for the City to concentrate on setting up city sponsored events and monitoring the quality of our recreation facilities.

Previous Year's Accomplishments

N/A

Recreation Services Cont.



Recreational Services Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	F.Y. 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y. 2005 BUDGET	% Over Last Year
Recreation Programs	-	-	42,532	21,014	54,525	-
Total	\$ -	\$ -	\$ 42,532	\$ 21,014	\$ 54,525	28.20%

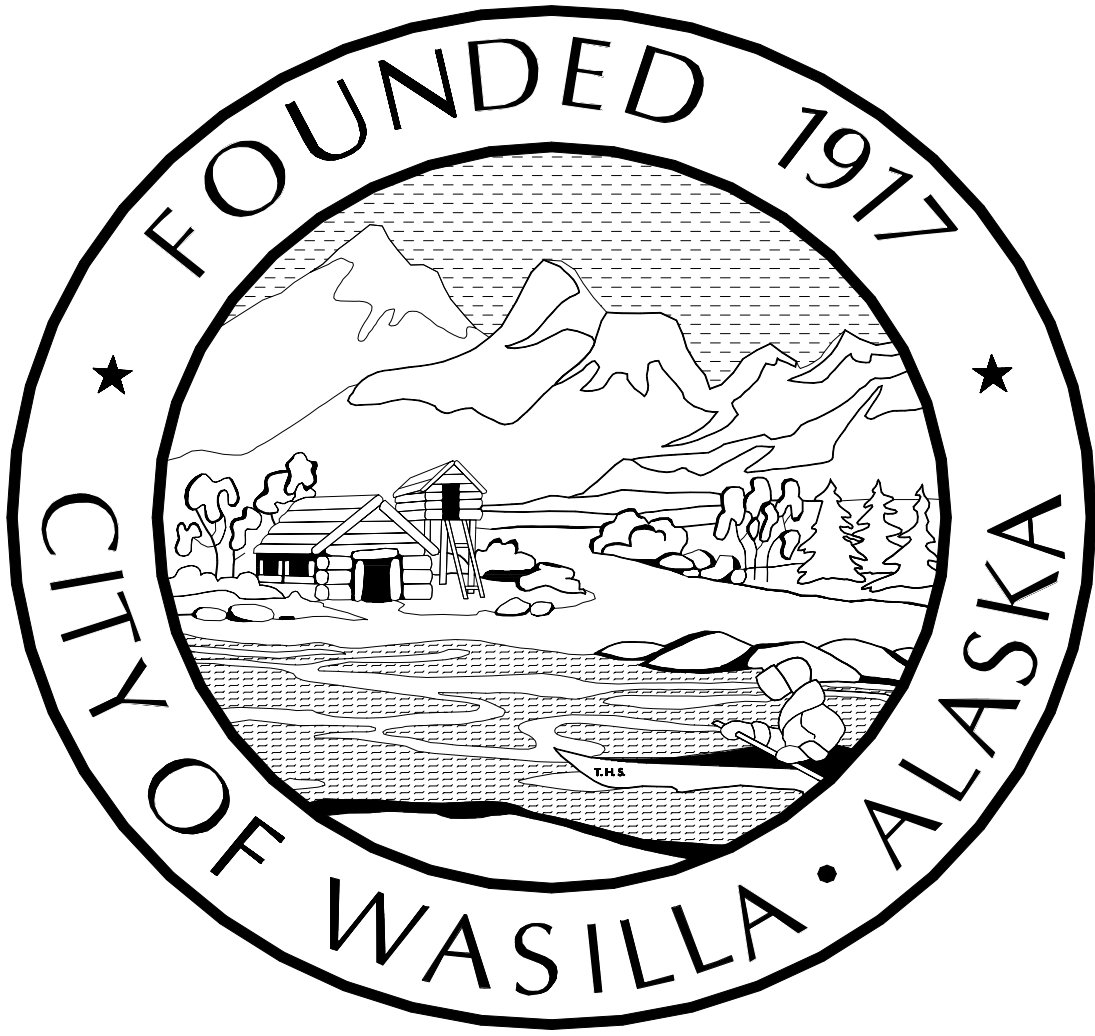
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	PROPOSED F.Y. 2004 BUDGET	ACTUAL F.Y. 2003 3/31/2003	PROPOSED F.Y. 2004 BUDGET	% Over Last Year
Personnel Services	\$ -	\$ -	\$ 15,435	\$ 11,578	\$ 28,307	83.39%
Fringe Benefits	-	-	6,697	5,023	8,218	22.71%
Support Goods & Services	-	-	20,400	4,413	18,000	-11.76%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	-	-	-	0.00%
Total	\$ -	\$ -	\$ 42,532	\$ 21,014	\$ 54,525	28.20%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	PROPOSED F.Y. 2004 BUDGET	ACTUAL F.Y. 2003 3/31/2003	PROPOSED F.Y. 2004 BUDGET	% Over Last Year
General Fund			\$ 42,532	\$ 21,014	\$ 54,525	28.20%
Total	\$ -	\$ -	\$ 42,532	\$ 21,014	\$ 54,525	28.20%

Personnel

BY POSITON	F.Y. 2001 ACTUAL	F.Y. 2002 ACTUAL	F.Y. 2003 BUDGET	ACTUAL F.Y. 2003 3/31/2003	PROPOSED F.Y. 2004 BUDGET	% Over Last Year
Comm. Act. Coord.	1.00	0.50	0.50	0.50	0.50	0.00%
Cultural & Rec. Serv. Manager	0.00	0.00	0.25	0.25	0.25	0.00%
Total	1.00	0.50	0.75	0.75	0.75	0.00%



DEPARTMENT BUDGET SUMMARY

Recreation Facilities Maintenance

Mission

Public Works' mission is to preserve and expand the city's recreational infrastructure and to improve operational efficiency of the Recreation department.

Program

The Recreation Maintenance Division is dedicated to the upkeep of the city's parks, playgrounds, ball fields and the cemetery. The division is also working on the beautification of the City of Wasilla in order to continue the tradition of having a colorful city enter while keeping annual maintenance costs down.

Performance Goals, Objectives, and Measures

#	Parks & Recreation Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: To maintain customer satisfaction levels for park facilities.			
	Objective: To achieve an 80% customers response with and overall rating of satisfactory or above.			
1.	Measure: Percent of residents surveyed who state that they are satisfied with park facilities.	N/a	N/A	80%
	Goal: ensure infrastructure of recreational areas are maintained and improved.			
	Objective: 1. Provide a cost effective and efficient level of maintenance for all city recreational areas.			
	Measures: Number of acres maintained.	49.9	49.9	49.9
	Cost per acre maintained.	\$8,685	\$8,063	\$8,411
	Number of facilities maintained.	42	42	45
	Goal: Ensure the City of Wasilla meets the requirements of the Tree City Program on a yearly basis.			
	Objective: 1. Provide tree plantings as required by the program			
	Measure: Increase in inventory of trees and % increase over the previous year of the number of trees.	N/A	30/N/A	40/33.30%

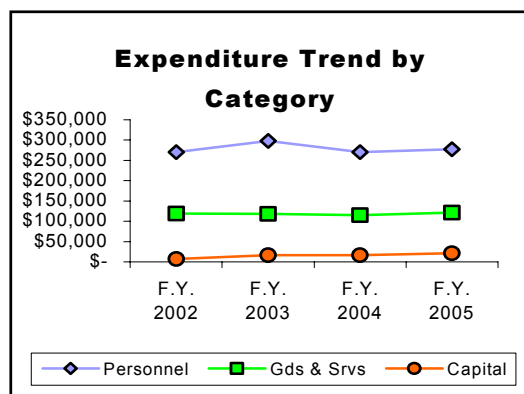
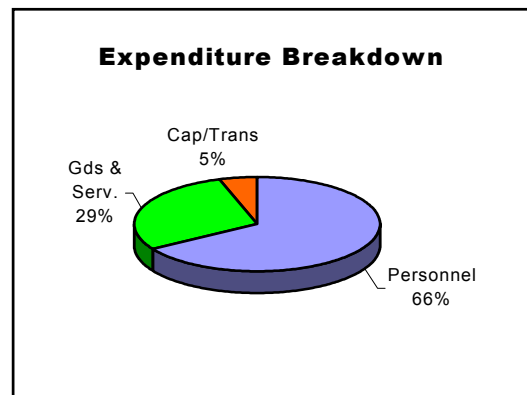
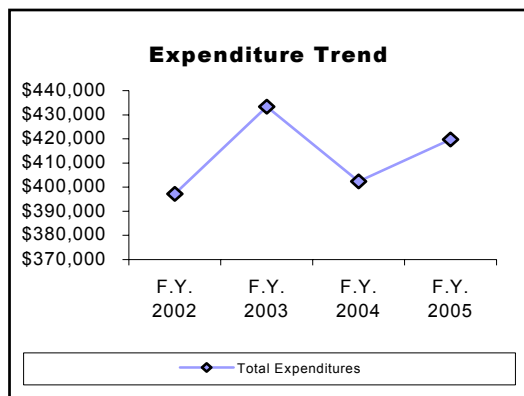
Recreation Facilities Maint. Cont.

Significant Budget Changes

There are not significant budget increases in the Parks and Recreation budget except for the significant increase in employee benefits and insurance.

Previous Year's Accomplishments

- Finished Honor Garden Construction.
- Constructed garden of reflection.
- Paved parking for honor garden and garden of reflection.
- Initial construction of Wonder land restroom
- Constructed trailhead area park and restroom facilities.



Recreational Facilities Maint. Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Turf Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 170,590	-
Facilities/Beautification	-	-	-	-	211,116	-
Cemetary Maintence	-	-	-	-	41,524	-
Total	\$ 397,307	\$ 433,425	\$ 402,375	\$ 267,198	\$ 423,230	5.18%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 216,531	\$ 238,324	\$ 220,550	\$ 153,261	\$ 211,780	-3.98%
Fringe Benefits	53,890	60,017	49,918	41,180	65,358	30.93%
Support Goods & Services	119,399	118,584	115,407	62,257	125,092	8.39%
Capital Outlay	2,487	6,000	6,000	-	10,000	0.00%
Transfers to Other Funds	5,000	10,500	10,500	10,500	11,000	0.00%
Total	\$ 397,307	\$ 433,425	\$ 402,375	\$ 267,198	\$ 423,230	5.18%

*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 05.

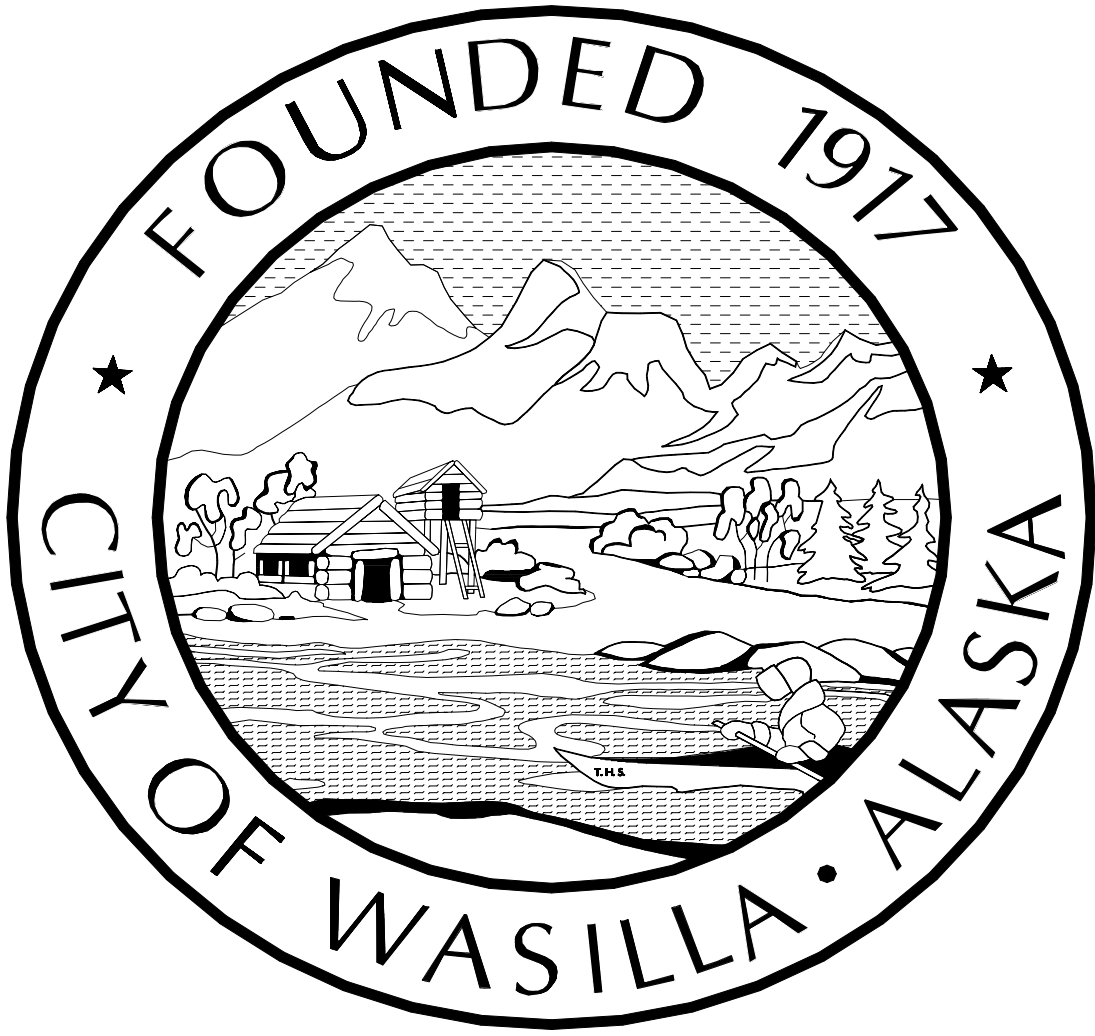
Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	\$ 397,307	\$ 433,425	\$ 402,375	\$ 267,198	\$ 423,230	5.18%
Total	\$ 397,307	\$ 433,425	\$ 402,375	\$ 267,198	\$ 423,230	5.18%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Comm. Act. Coord.	0.50	0.50	0.00	0.00	0.00	0.00%
Parks & Prop. Tech. I-Grds	0.75	0.75	0.75	0.75	0.75	0.00%
Parks & Prop Tech1 -Beaut	0.80	0.80	0.80	0.80	0.80	0.00%
Parks & Prop. Tech. II	0.20	0.20	0.20	0.20	0.20	0.00%
Parks & Prop. Tech. III	0.00	0.00	0.30	0.30	0.30	0.00%
Total	2.25	2.25	2.05	2.05	2.05	0.00%

Note – Community Activity Coordinator position has been transferred to the Recreation Department.



DEPARTMENT BUDGET SUMMARY

Non-departmental

Mission

To provide financial assistance to non-profit agencies to ensure that the agencies can provided needed services to the citizens of Wasilla, to transfer such sums of money as are necessary to fully support the activities of the City of Wasilla and to meet all debt service requirements for the general obligation debt of the City of Wasilla.

Program

The Non-departmental program was setup in Fiscal Year 1999 to keep track of expenditures and other financial uses including transfers to other funds. The other main financial uses that are tracked in this department are the transfer of monies from the general fund to other funds of the City of Wasilla and the transfer of funds to the General Obligation Debts Service fund for the payment of interest and principal on the general obligation debt.

Performance Goals, Objectives, and Measures

N/A

Significant Budget Changes

In Fiscal 2005, the main significant change in the budget is that the City in FY 04 transferred \$378,845 to the MUSC enterprise fund for startup costs and in FY 05 the City is estimating that it will not have to transfer funds to the enterprise fund. Also, the City is transferring fewer funds to the Construction Funds and is not budgeting any funds for community grants.

Previous Year's Accomplishments

N/A

Non-departmental Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Non-departmental	\$ 3,083,518	\$ 2,837,991	\$ 2,689,777	\$ 894,865	\$ 2,021,974	-24.83%
Total	\$ 3,083,518	\$ 2,837,991	\$ 2,689,777	\$ 894,865	\$ 2,021,974	-24.83%

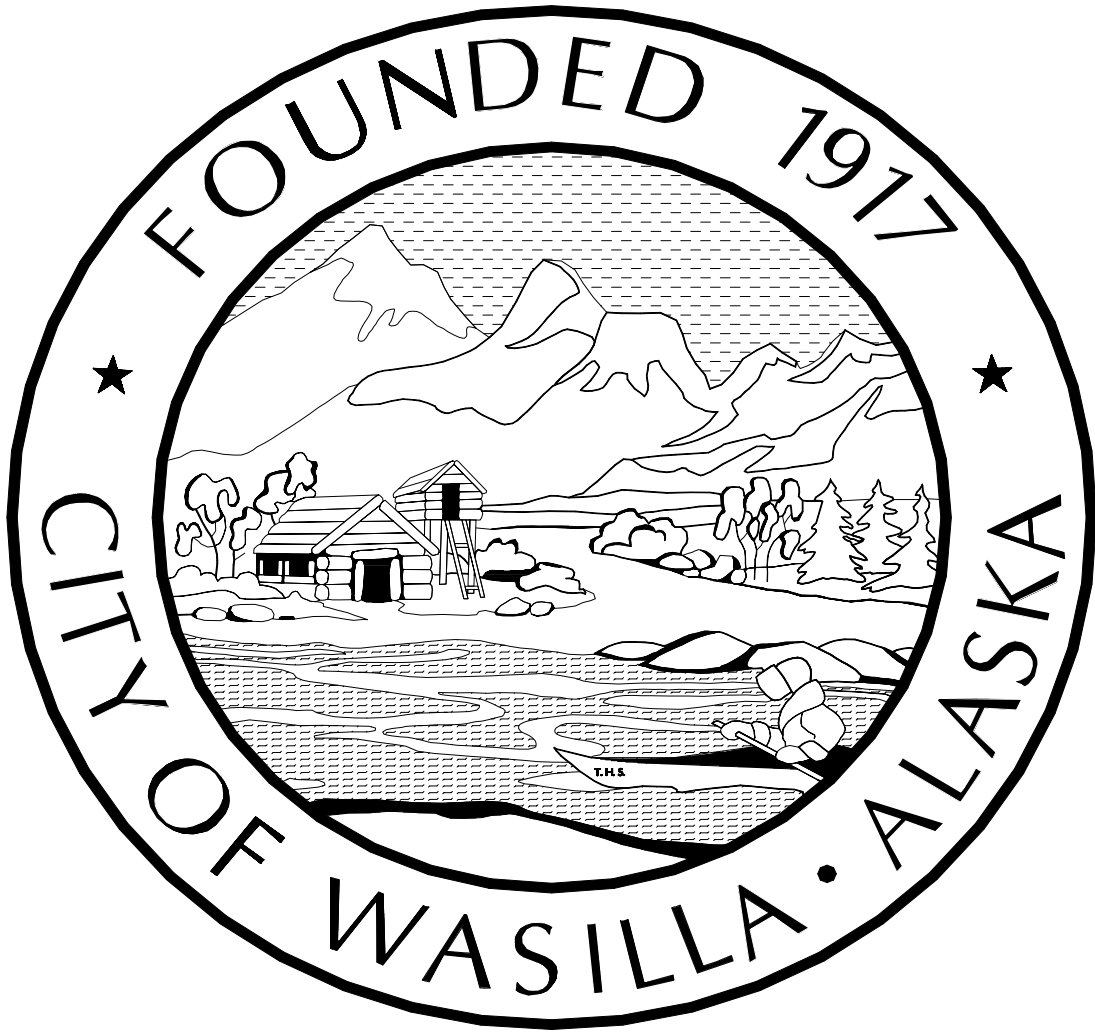
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Support Goods & Services	\$ 31,469	\$ 27,877	\$ 140,768	\$ 14,636	\$ 113,727	-19.21%
Funding For Non Profit Ag.	27,769	26,326	63,026	42,510	-	-100.00%
Debt Service	440,892	-	-	-	-	-100.00%
Transfers to Other Funds	2,583,388	2,344,390	2,047,957	837,719	1,471,900	-28.13%
Transf. to Debt Serv Funds	-	439,398	438,026	-	436,347	100.00%
Total	\$ 3,083,518	\$ 2,837,991	\$ 2,689,777	\$ 894,865	\$ 2,021,974	-24.83%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Fund	3,083,518	2,837,991	2,689,777	894,865	2,021,974	-24.83%
Total	\$ 3,083,518	\$ 2,837,991	\$ 2,689,777	\$ 894,865	\$ 2,021,974	-24.83%

Personnel (Full-time Equivalent)

N/A



SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

LIBRARY

This fund was setup to account for operations and maintenance of the City Library.

YOUTH COURT

This fund accounts for the operation of the Youth Court Program. Youth Court is an early-intervention program for the entire Matanuska-Susitna Valley.

ASSET FORFEITURE

This fund was setup to account for funds received from the United States Department of Justice for the police department's share of federally forfeited property and for the expenditure of those funds received.

CAPITAL RESERVE

This fund was setup in accordance with Wasilla Municipal Code (WMC) 5.04.25 to account for transfers from the General Fund of excess unreserved General Fund's Fund Balance defined in WMC 5.04.025. The monies accumulated in this fund will be used to fund capital improvements and other projects approved by the City Council.

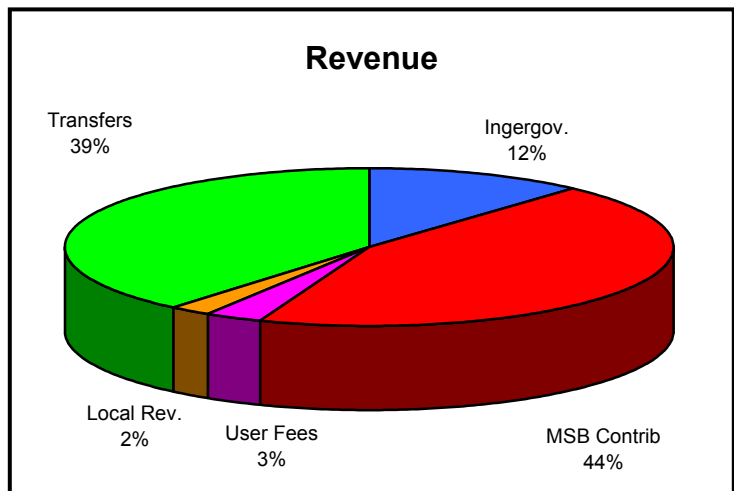
TECHNOLOGY REPLACEMENT

This fund was setup to be a mechanism that the city uses to accumulate the money needed to replace technology equipment equipment such as personal computers and network servers.

REVENUE SOURCES

Local revenues sources include revenue from user fees and fines in the Library Fund, local donations in the Youth Court Fund and interest earned on monies deposited in all funds. Local revenue accounts for approximately 3% of the Special Revenue Fund revenue sources.

Intergovernmental Revenue Sources include revenue from the Matanuska-Susitna Borough, the City of Palmer, the State of Alaska and the United States Government. The Matanuska-Susitna Borough (MSB) is projected to contribute \$399,519 for library operations and \$45,000 for the Youth Court Operations. Grants from the State of Alaska and from the Department of Justice account for most of the revenue used to operate the



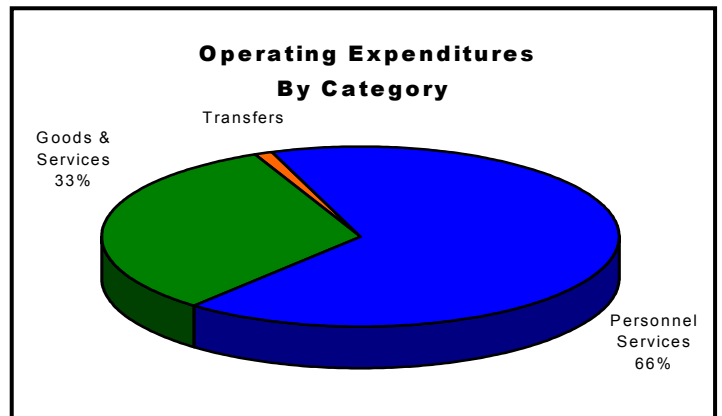
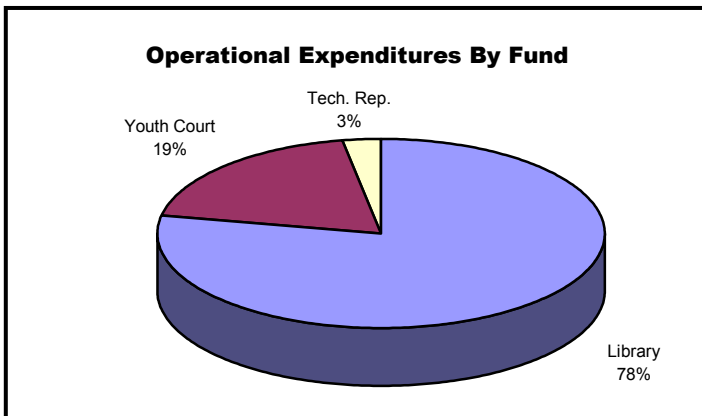
SPECIAL REVENUE FUNDS

Youth Court program and the Asset Forfeiture fund program. Intergovernmental revenues account for approximately 12 percent of the Special Revenue Fund revenue sources excluding MSB contributions. Intergovernmental revenue has remained fairly constant while total special revenue fund expenditures continue to increase therefore the intergovernmental revenue percentage of total revenue will continue to decrease in future years unless the City is successful in lobbying for more funds to cover the increased special revenue fund expenditures.

Fund Transfers consists of operating transfers from the General Fund to the Library Fund for the day-to-day operations and transfers from all funds to the Technology Replacement Fund. Operating transfers account for approximately 39 percent of the Special Revenue Fund revenue sources. Based on the increased needs for funding to the Library, the City of Wasilla's percentage of the total special revenue will continue to increase.

EXPENDITURES

Operating expenditures for the Special Revenue funds are projected to be \$953,378 for Fiscal Year 2005 (not including transfers to other funds). Personnel cost including fringe benefits comprise the largest classification of operating expenditures. Personnel cost are approximately 66 percent of the operating budget (\$635,264) for the Special Revenue Funds. Goods and services needed for the operation of the programs in the Special Revenue Funds are projected to be 33 percent of the operating budget (\$308,114). Transfers to other funds will be 1 percent of the operating budget (\$10,000). The increase in operating cost for Fiscal Year 2005 can be attributed to two factors: 1. normal yearly salary increases including increases in employee benefit cost in health insurance benefits (10% inc.), Worker Compensation Insurance (25% inc.) and mandatory increases in retirement contribution for employees by the state PERS system (78% inc.) and 2. increased cost for General Liability insurance.



Operating Transfers to other funds will be transfers made to other funds from the Capital Reserve Fund. No transfers are planned at this time.

FUND BALANCE

Fund balance in all of the special revenues funds will remain approximately the same as in FY 04 except for the fund balance in the Technology Replacement Fund. The fund balance in the Technology Replacement Fund will increase by \$47,100. It is projected that the fund balance will increase in that fund over the next two years while the City is accumulating funds for replacing several network servers and an AS400 computer in FY 2008.

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUND RECAP

	LIBRARY	YOUTH COURT	ASSET FORFEITURE	Tech. Replacement	CAPITAL RESERVE	TOTAL
ESTIMATED BEGINNING BALANCES	\$ 20	\$ 6,798	\$ 8,757	\$ 32,453	\$ 44,673	\$ 92,701
REVENUES						
Intergovernmental	\$ 405,819	\$ 154,500	\$ -	\$ -	\$ -	560,319
User Fees & Charges	20,400	9,000	-	-	-	29,400
Local Revenue	100	20,150	100	200	804	21,354
Transfer In	318,627	-	-	72,500	-	391,127
Total Revenue	<u>744,946</u>	<u>183,650</u>	<u>100</u>	<u>72,700</u>	<u>804</u>	<u>\$ 1,002,200</u>
TOTAL AVAILABLE FUNDS	<u>\$ 744,966</u>	<u>\$ 190,448</u>	<u>\$ 8,857</u>	<u>\$ 105,153</u>	<u>\$ 45,477</u>	<u>\$ 1,094,901</u>
EXPENDITURES						
General Government	\$ -	\$ -	\$ -	\$ 25,600	\$ -	\$ 25,600
Culture & Recreation	734,917	-	-	-	-	734,917
Public Safety	-	182,861	-	-	-	182,861
Transfers Out	10,000	-	-	-	-	10,000
TOTAL USE OF FUNDS	<u>\$ 744,917</u>	<u>\$ 182,861</u>	<u>\$ -</u>	<u>\$ 25,600</u>	<u>\$ -</u>	<u>\$ 953,378</u>
ESTIMATED FUNDS AVAILABLE 6/30/03	<u>\$ 49</u>	<u>\$ 7,587</u>	<u>\$ 8,857</u>	<u>\$ 79,553</u>	<u>\$ 45,477</u>	<u>\$ 141,523</u>

DEPARTMENT BUDGET SUMMARY

Library

Mission

To provide high quality library services to the citizens of the greater Wasilla area using the most efficient and cost effective methods possible and to continue to pursue opportunities to enhance services through the use of telecommunication and other electronic resources.

Program

The Wasilla Public Library serves the residents of the greater Wasilla area, with joint funding from the City of Wasilla and the Matanuska-Susitna Borough. While the Library is primarily supported with tax revenue, services and resources are supplemented with donations from area businesses and individuals. The Friends of the Library coordinate fund raising and library advocacy activities. The Wasilla Library shares the automation system and resources with the Matanuska-Susitna Borough Libraries and the Palmer Library.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: Provide access to information through books, electronic resources and reference assistance.			
	Objective:			
1.	Increase the number of public access computer			
	Measure:			
	# of public access workstations.	3	6	10
	Objective:			
2.	Increase technology used to serve customers.			
	Measures:			
	Purchase a new library security system and tattle tape the collection.	NA	Yes	N/A
	Purchase a self-check and telephone notification system.	N/a	N/A	Yes
	Goal: Create a welcoming atmosphere in which to serve all library users.			
	Objective:			
1.	To increase the percentage of library patrons that rate the Library services satisfactory or higher.			
	Measure:			
	Percent of residents surveyed who rate library services satisfactory Or higher.	N/A	N/A	75%

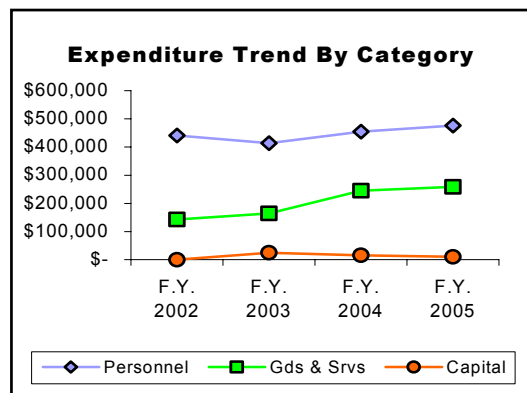
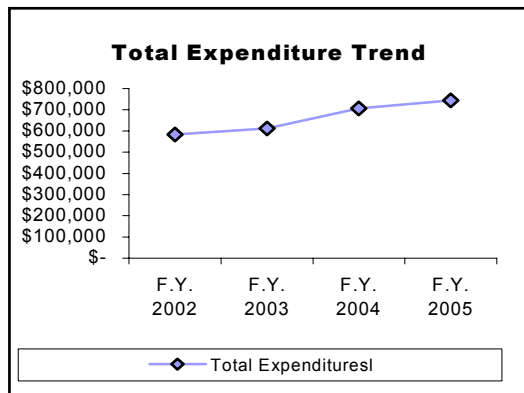
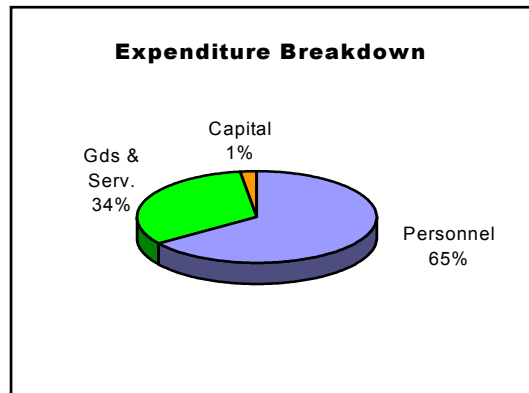
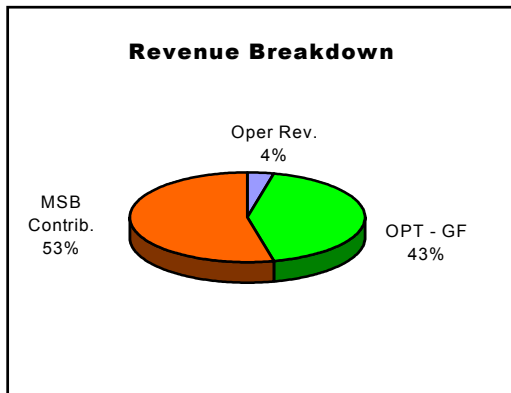
Library Cont.

Previous Year's Accomplishments

- Instituted a cross training program for staff.
- Installed new Security system for book checkout.
- Continued to upgrade shelving in youth service area of the library
- Continue to expand youth programs.
- Remodeled Library Building in order to better serve our citizens.

Significant Budget Changes

The Library budget will increase by approximately 4.12 percent. The City is budgeting an increase from the City and the Borough of \$20,000 each. The Borough Manager has recommended a \$150,000 cut in Borough Funding for FY 05. The City has budgeted what it has requested from the Borough in the hope that the Borough Assembly will override the Borough Manger's recommended budget.



Library Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Library Administration	\$ -	\$ -		\$ -	\$ 162,386	0.00%
Circulation & Reference	-	-		-	578,031	0.00%
Special Programs	-	-		-	4,500	0.00%
Total	\$ 584,356	\$ 602,949	\$ 715,463	\$ 502,278	\$ 744,917	4.12%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 348,295	\$ 319,702	\$ 350,982	\$ 258,765	\$ 355,379	1.25%
Fringe Benefits	93,145	94,009	103,950	72,638	121,159	16.56%
Support Goods & Services	142,916	164,425	244,531	153,529	258,379	5.66%
Capital Outlay	-	24,813	16,000	17,346	-	100.00%
Transfers to Other Funds	-	-	-	-	10,000	0.00%
Total	\$ 584,356	\$ 602,949	\$ 715,463	\$ 502,278	\$ 744,917	4.12%

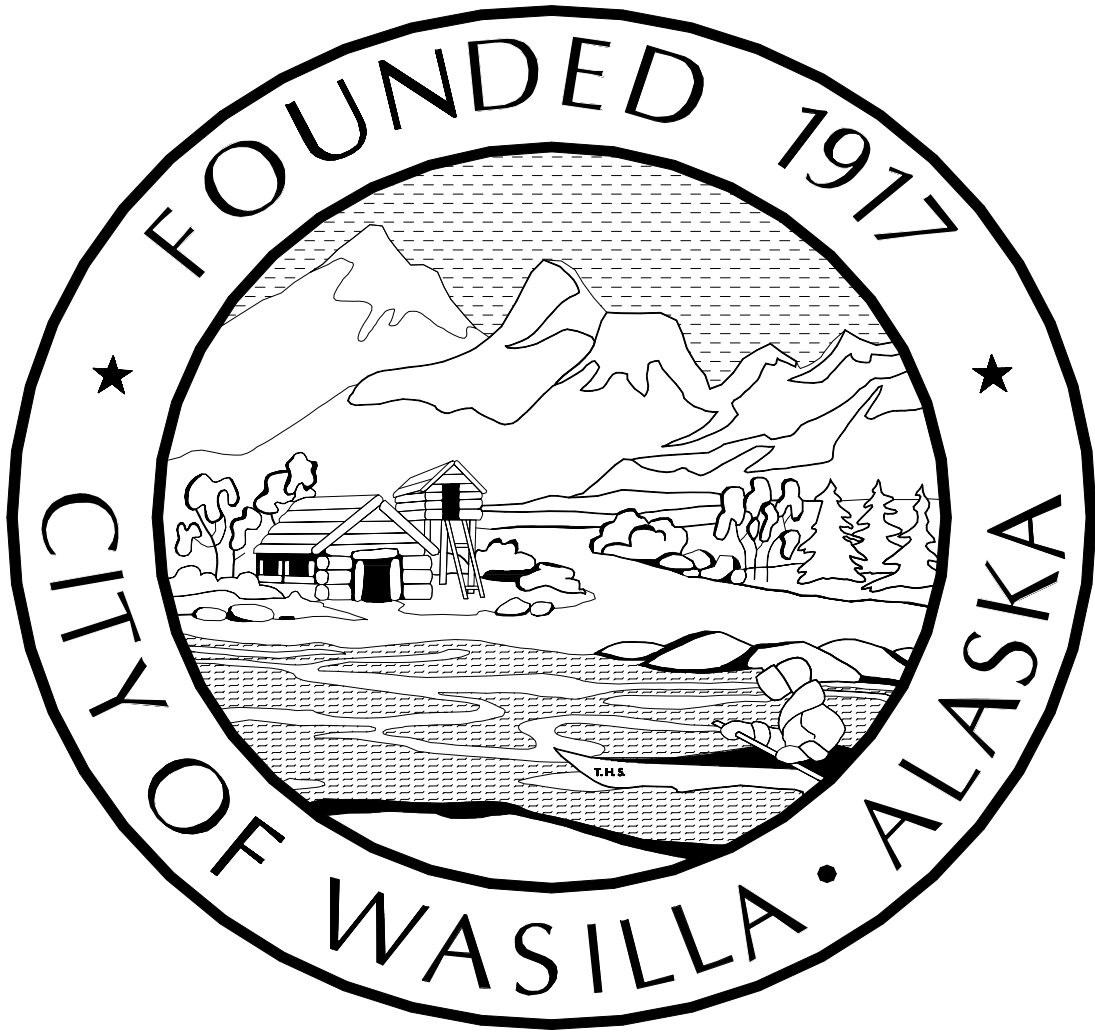
*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 05

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Fines & Fees	\$ 20,249	\$ 17,939	\$ 22,050	\$ 10,780	\$ 20,400	-7.48%
Intergovernmental Revenue	6,400	14,407	6,300	6,300	6,300	0.00%
MSB Contribution	322,000	322,000	379,519	284,639	399,519	5.27%
Miscellaneous Revenue	688	61	100	62	100	0.00%
OPT - General Fund	234,129	257,429	298,627	145,000	318,627	6.70%
Total	\$ 583,466	\$ 611,836	\$ 706,596	\$ 446,781	\$ 744,946	5.43%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED BUDGET⁵	% Over Last Year
Library Director	1.00	1.00	1.00	1.00	1.00	0.00%
Children's Librarian	1.00	1.00	1.00	1.00	1.00	0.00%
Adult Services Librarian	1.00	1.00	1.00	1.00	1.00	0.00%
IIL Coordinator	1.00	1.00	1.00	1.00	1.00	0.00%
Library Aide	5.00	5.00	5.00	5.00	5.00	0.00%
Library Intern	0.50	0.50	0.50	0.50	0.50	0.00%
Total	9.50	9.50	9.50	9.50	9.50	0.00%



DEPARTMENT BUDGET SUMMARY

Youth Court

Mission

The Mission of the Mat-Su Youth Court is to provide the Mat-Su Community with a diversion program for juvenile offenders, which promotes accountability, restorative justice, and education through early intervention.

Program

The Mat-Su Youth Court is a diversion program acting on authority from Palmer Youth Corrections and the Division of Juvenile Justice. Mat-Su Youth Court provides intervention services to assist the state in resolving criminal cases of juveniles who are typically first-time, minor offenders living in the Mat-Su Borough area. MSYC also offers criminal law training to middle and high school students in the Mat-Su Borough, allowing them to defend, prosecute, and judge their peers who have committed first-time, minor offenses. Student members are offered high school credit for their active participation in the program. Juvenile offenders do not receive a criminal record as a result of completing the Mat-Su Youth Court program.

Performance Goals, Objectives, and Measures

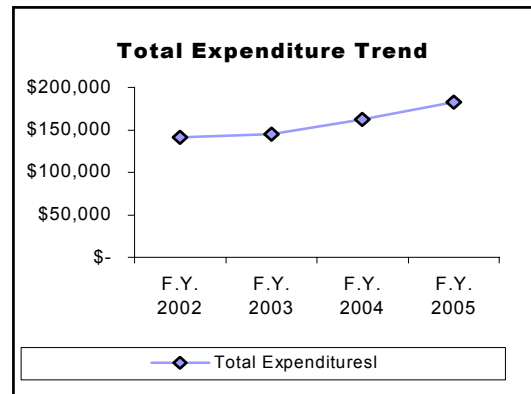
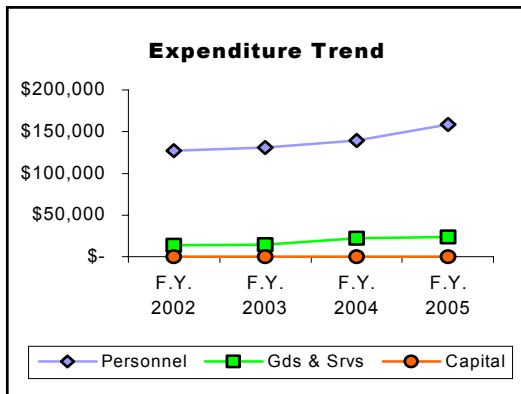
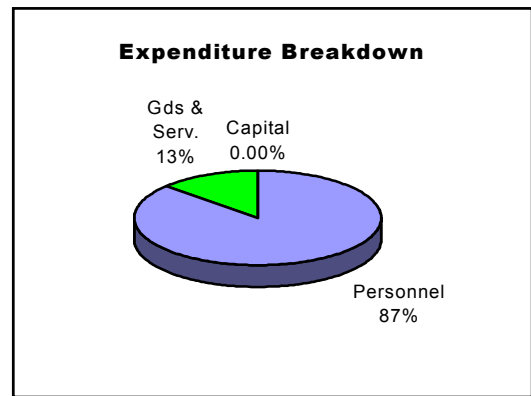
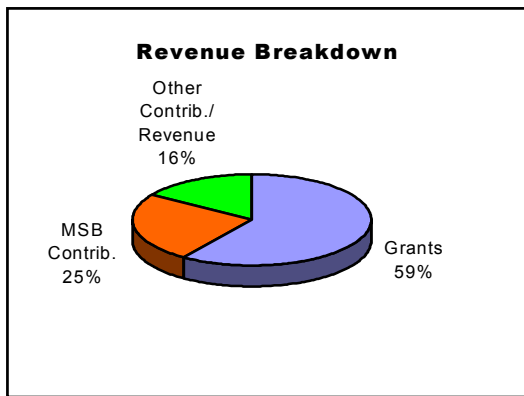
#	Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y 2004	Proposed F. Y. 2005
	Goal: To stay within the scope of our budget for FY05. Objective:			
1.	Increase fundraising efforts year-round for the program. Measure: The number of fundraisers held throughout the fiscal year.	1	5	5
	Goal: Reduce juvenile crime by diverting first-time offenders to the Mat-Su Youth Court program. Objective:			
1.	Keep recidivism rate of MSYC defendants at 10% or less in FY05. Measure: Track recidivism rate every six months, up to one year for every defendant.	7%	7.5%	7%
	Goal: Provide quality justice-related education to students in the Mat-Su Valley so that they develop an understanding and respect for the law and its applications. Objective:			
1.	Recruit students in the Mat-Su Valley and train them to become active in the Mat-Su Youth Court. Measure: Number of students trained in a calendar year.	47	24	40

Significant Budget Changes

The only significant budget change for the program is the substantial increase cost in employee benefits and general liability insurance.

Previous Year's Accomplishments

- The number of cases processed through MSYC last year was 163.
- 24 students completed the criminal law training.
- A Parent Committee was formed and assisted with new fundraising efforts.
- The MSYC success rate for the calendar year 2003 was 93%.



Youth Court Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Youth Court	141,343	145,369	161,527	104,320	182,861	13.21%
Total	\$ 141,343	\$ 145,369	\$ 161,527	\$ 104,320	\$ 182,861	13.21%

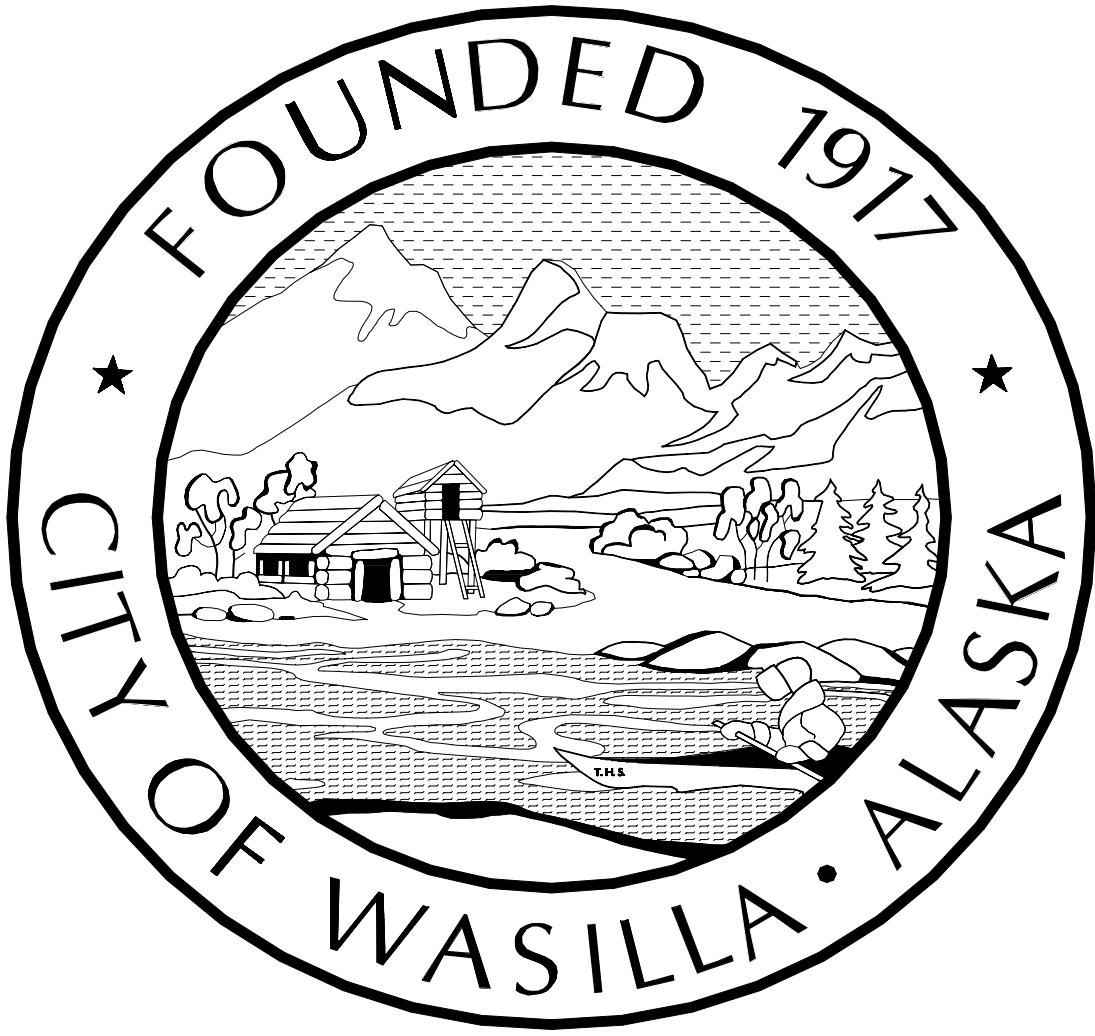
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ 96,255	\$ 95,728	\$ 102,040	\$ 63,414	\$ 105,122	3.02%
Fringe Benefits	31,114	35,173	37,563	28,351	53,604	42.70%
Support Goods & Services	13,974	14,468	21,924	12,555	24,135	10.08%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	-	-	-	100.00%
Total	\$ 141,343	\$ 145,369	161,527	\$ 104,320	182,861	13.21%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	REVISED F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Intergovernmental Revenue	\$ 119,026	\$ 94,160	\$ 138,935	\$ 91,123	\$ 154,500	11.20%
Fees	-	10,150	9,000	5,825	9,000	0.00%
Interest Earnings	450	142	150	27	150	0.00%
Contributions	20,796	20,332	17,000	15,394	20,000	17.65%
Total	\$ 140,272	\$ 124,784	165,085	\$ 112,369	183,650	11.25%

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Probation Officer	1.50	1.50	1.50	1.50	1.50	0.00%
Secretary II	1.00	1.00	1.00	1.00	1.00	0.00%
Total	2.50	2.50	2.50	2.50	2.50	0.00%



DEPARTMENT BUDGET SUMMARY

Asset Forfeiture

Mission

To use the funds generated from this program to support community-policing activities, training and activities calculated to enhance future investigations and operations that may result in further seizures and forfeitures of profits and proceeds of illegal activities.

Program

This fund was setup to account for funds received from the United States Department of Justice for the police department's share of federally forfeited property. The primary purpose of the Justice Departments' Forfeiture program is Law Enforcement: to deter crime by depriving criminals of the profits and proceeds of their illegal activities and to weaken criminal enterprises by removing the instrumentalities of crime. An ancillary purpose of the program is to enhance cooperation among federal, state, and local law enforcement agencies through the equitable sharing of federal forfeiture proceeds. The funds from the forfeiture program can be used to support community-policing activities, training and law enforcement operations calculated to result in further seizures and forfeitures.

Performance Goals, Objective and Measures

N/A

Significant Budget Changes

Funds from this program must be used to increase or supplement the resources of the receiving state or local law enforcement agency or any other ultimate recipient agencies. Shared resources will not be used to replace or supplant the resources of the City's police department. Thus anticipated receipts and expenditures are not budgeted in this fund. Funds are budgeted and spent as the Police Department receives them.

Previous Year's Accomplishments

N/A

Asset Forfeiture

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2003 BUDGET	ACTUAL F.Y 2003 3/31/2003	PROPOSED F.Y 2004 BUDGET	% Over Last Year
Asset Forfeiture	\$ 28,395	\$ -	\$ -	\$ -	\$ -	-100.00%
Total	\$ 28,395	\$ -	\$ -	\$ -	\$ -	-100.00%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2003 BUDGET	ACTUAL F.Y 2003 3/31/2003	PROPOSED F.Y 2004 BUDGET	% Over Last Year
Forfeiture Expenditures	28,395	-	-	-	-	-100.00%
Total	\$ 28,395	\$ -	\$ -	\$ -	\$ -	-100.00%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2003 BUDGET	ACTUAL F.Y 2003 3/31/2003	PROPOSED F.Y 2004 BUDGET	% Over Last Year
Intergovernmental	\$ 27,395	\$ 8,747	\$ -	\$ -	\$ -	0.00%
Interest Earnings	62	4	100	-	100	0.00%
Total	\$ 27,457	\$ 8,751	\$ 100	\$ -	\$ 100	0.00%

Personnel (Full-time Equivalents)

N/A

DEPARTMENT BUDGET SUMMARY

Technology Replacement Fund

Mission

To accumulate monies for the replacement of technology equipment at the most competitive price possible.

Program

This fund was setup as a mechanism for the City of Wasilla to accumulate the money needed to replace its technology equipment such as network servers, personal computers and other technology related equipment. Each department pays annually into the fund an amount based on the number of personal computers and network servers they have. Replacement equipment is purchased according to the applicable replacement schedule for that type of equipment. Fund balance in the fund will fluctuate from year to year according the replacement schedules.

Performance Goals, Objectives and Measures

N/A

Significant Budget Changes

It is projected that the departments will transfer in to this fund approximately \$72,000 based on \$500 per personal computer and \$2,500 per network server. The transfer revenue is approximately 61% (\$27,500 increase) higher than last year. The reason for the increase is that the Dispatch Center will have several servers and new computers installed this year, which will raise the contribution from the Police Department. The MIS department is projecting that the City of Wasilla will replace 15 personal computers this year and four printers this year.

Previous Year's Accomplishments

- Completed inventory of computer equipment.
- Implemented a technology replacement mechanism for replacement of computer equipment.
- Replaced 2 servers.

Technology Replacement Fund

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Technology Replacement		\$ 83,971	\$ 24,000	\$ 23,722	\$ 25,600	6.67%
Total	\$ -	\$ 83,971	\$ 24,000	\$ 23,722	\$ 25,600	6.67%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Small Tools & Equipment	-	15,418	24,000	23,722	25,600	6.67%
Capital Equipment	-	68,553	-	-	-	0.00%
Total	\$ -	\$ 83,971	\$ 24,000	\$ 23,722	\$ 25,600	6.67%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Transfer of Funds	\$ -	\$ 94,500	\$ 44,500	\$ 45,500	\$ 72,500	62.92%
Interest Earnings	-	130	500	16	200	-60.00%
Total	\$ -	\$ 94,630	\$ 45,000	\$ 45,516	\$ 72,700	61.56%

Personnel (Full-time Equivalents)

N/A

Performance Indicators

N/A

DEPARTMENT BUDGET SUMMARY

Capital Reserve Fund

Mission

To accumulate monies for the funding of Capital Projects.

Program

This fund was setup in accordance with Wasilla Municipal code (WMC) 5.04.025. Under WMC 5.04.25, the City Council is required annually to transfer excess undesignated General Fund's Fund Balance over 60 percent of the sum of general operating expenditures plus the budget amount of general obligation debt service to the Capital Reserve Fund. The monies are this fund will be used to fund capital improvements and other projects approved by Council.

Performance Goals, Objectives, and Measures

N/A

Significant Budget Changes

The council has used \$150,000 of capital projects out of the fund in FY 04. The City will have approximately \$44,673 of fund balance at the end of Fiscal Year 04 to fund unanticipated capital needs in FY 05.

Previous Year's Accomplishments

- Funded \$150,000 of Library capital improvement projects out of this fund.

Capital Reserve Fund Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Capital Reserve	\$ 168,090	\$ 1,198,456	\$ 150,000	\$ 150,000	\$ -	-100.00%
Total	\$ 168,090	\$ 1,198,456	\$ 150,000	\$ 150,000	\$ -	-100.00%

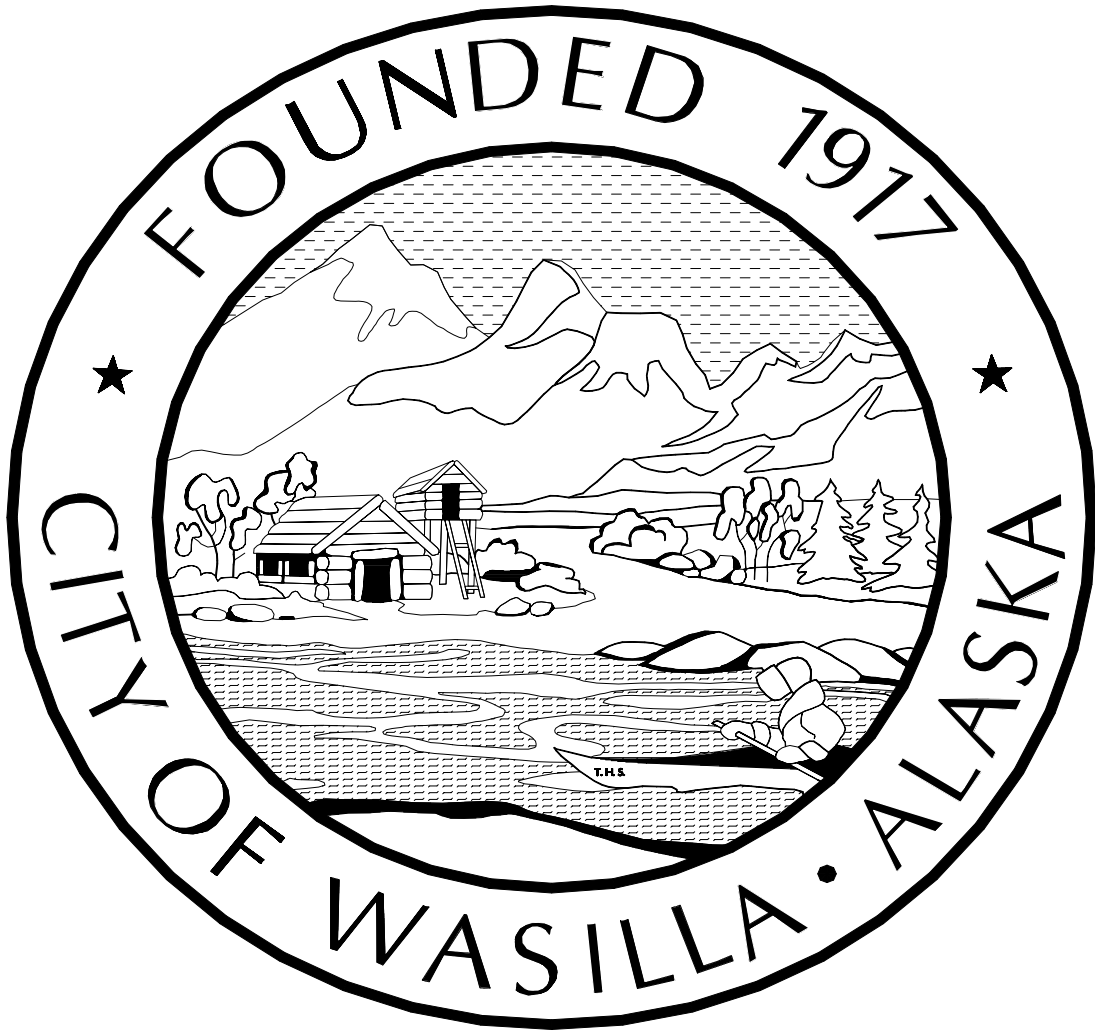
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Transfers to Other Funds	168,090	1,198,456	150,000	150,000	-	-100.00%
Total	\$ 168,090	\$ 1,198,456	\$ 150,000	\$ 150,000	\$ -	-100.00%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 BUDGET	F.Y 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Transfer From General Fund	\$ 978,053	\$ 573,409	\$ -	\$ -	\$ -	0.00%
Interest Earnings	2,298	2,459	5,000	2,310	804	-83.92%
Total	\$ 980,351	\$ 575,868	\$ 5,000	\$ 2,310	\$ 804	-83.92%

Personnel (Full-time Equivalents)

N/A



ENTERPRISE FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Utility

This fund was setup to account for the revenues and expenses to provide water and sewer services to the residents of the City. All activities necessary to provide water and sewer services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

Airport

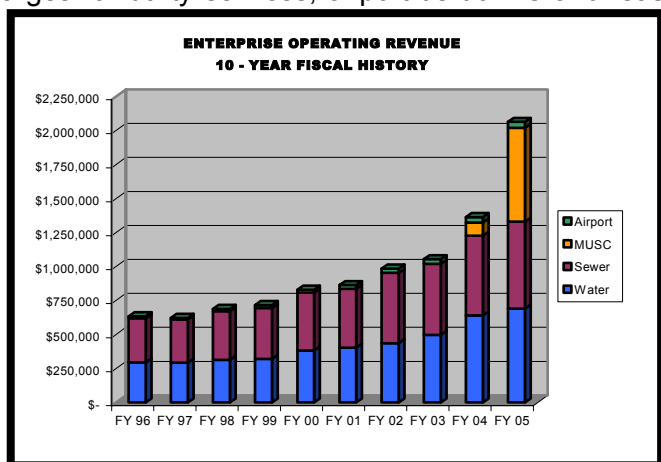
This fund accounts for the activities of the Wasilla Municipal Airport. All activities necessary for the operation of the Airport are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Multi-Use Sports Complex

This fund accounts for the activities of the Wasilla Multi-Use Sports Complex. All activities necessary for the operation of the Multi-Use Sports Complex are accounted for in this fund, including but not limited to, administration, operations, maintenance, and financing and related debt service.

Revenue Sources

Operating Revenue is comprised of user fees & charges for utility services, airport tie-downs and lease fees. These user fees and charges make up \$2,064,041 (47%) of total revenues and transfers in for the Enterprise Funds. Operating revenue for Fiscal Year 2005 is projected to be approximately 51 percent higher than Fiscal Year 2004. The projected increase in operating revenue is due mainly to the fact that this will be the first full year of operation for the Multi-Use Sports Complex. Other operating revenues from the Utility Fund and the Airport will increase by approximately 8%. The growth in the utility and airport operating revenue is due to the continued growth in customer users based on population growth. Based on the growth trend in the utility operating revenue, the City of Wasilla will continue to generate sufficient funds to cover projected operating costs and continue to meet future debt service coverage covenants. No rate increase is projected in the foreseeable future.



ENTERPRISE FUNDS

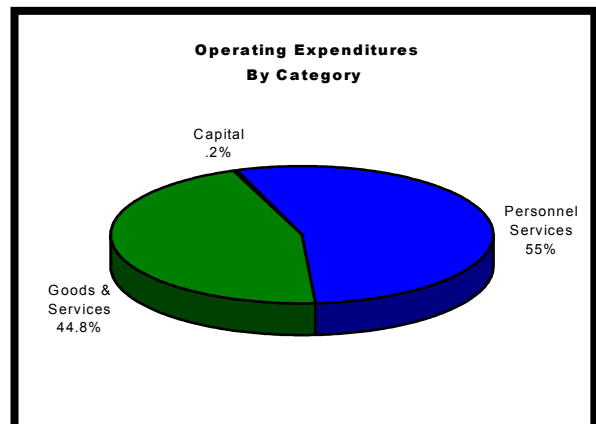
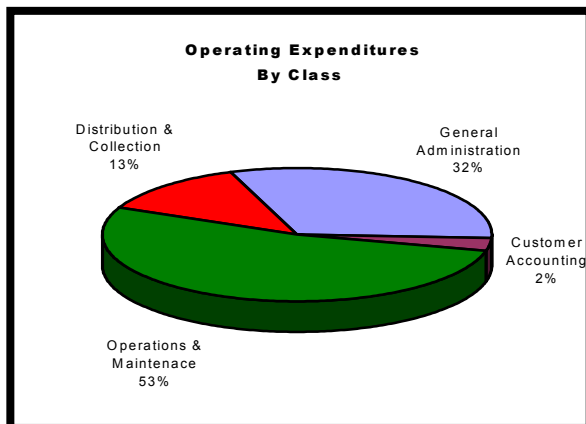
Non-Operating Revenue is comprised of interest earnings earned on unexpended funds in the Enterprise Funds and payments in lieu of assessments by customers connecting to the City's water and sewer system. Total non-operating revenue is projected to be \$238,500 (5 percent). It is projected that investment earnings in the future years will increase due to the fact that the City of Wasilla has altered its investment policy in order for the City to invest in investments with longer maturities.

Dedicated Sales Tax is based on a .5% sales tax passed by the citizens in FY 02 to be used for retiring the General Obligation Bond issued for the construction of the Multi-Use Sports Complex. The total dedicated sales tax revenue is projected to be \$1,973,750 (45% of total revenue and transfers). It is projected that the growth rate for this revenue source will be approximately 6% a year.

Operating Transfers consist of transfers from the General Operating Fund to cover any deficits between operating revenue and operating expenses in the Enterprise Funds and also to ensure that the City of Wasilla will not have a decrease in retained earnings in the Enterprise Funds in any fiscal year. The General Fund transfer for Fiscal Year 2005 is projected to be \$96,273. This transfer was made from the General Fund to the Airport Fund to cover the deficit that is projected for that fund. It is projected the City of Wasilla will be able to reduce the operating transfer from the General Fund in future years based on the City of Wasilla's goal of making the Enterprise Funds self-sufficient through cost cutting measures and by increasing operating revenue through increasing the lease lots available at the Wasilla Municipal Airport.

Expenditures

Operating expenditures for the enterprise funds are projected to be \$2,065,538 for Fiscal Year 2005 (does not include depreciation or transfers to other funds). Personnel cost including fringe benefits comprise the largest classification of operating expenditures. Personnel cost are approximately 55 percent of the operating budget (\$1,127,124) for the enterprise funds. Goods and services needed for the operation of the enterprise funds are projected to be 44.8 percent of the operating budget (\$933,414). Capital equipment purchases comprise approximately .2 percent. The majority of increases in operating cost are attribute to three factors: 1. increased personnel cost due to 100% increase in retirement contribution required by the state PERS system and 25% increase in the cost of Workers Compensation insurance, 2. continued increased cost for insurance, and 3. projected increased cost in testing required by ADEC Permitting and increased cost in operational testing for production control as required by the new process in the septage handling area.



ENTERPRISE FUNDS

Fund Balance

Fund Balance for the Utilities and Airport fund will remain fairly constant from Fiscal Year 2004 to Fiscal Year 2005. User rates were set to cover operating expenses and debt service in the Utility Fund and Airport Fund. The Fund Balance in the Multi-Use Sports Complex Fund will increase by approximately \$330,158. This increase is mainly due to the projected difference between the dedicated sales tax and the debt service payment in the fund (\$326,231). The MUSC Fund Balance is projected to increase over the next 2 years then gradual decrease over the next 5 years based on the schedule debt service payments and the projected sales tax revenue.

Enterprise Fund Recap:

	<u>UTILITIES</u>	<u>AIRPORT</u>	<u>MUSC</u>	<u>TOTAL</u>
ESTIMATED BEGINNING FUND BALANCE	\$ 1,475,461	\$ 161,833	\$ 589,933	\$ 2,227,227
REVENUES				
Operating Revenue	1,329,846	43,500	690,695	2,064,041
Non-Operating Revenue	58,000	500	180,000	238,500
Transfers In	-	96,273	-	96,273
Dedicated Sales Tax	-	-	1,973,750	1,973,750
Total Revenue	<u>1,387,846</u>	<u>140,273</u>	<u>2,844,445</u>	<u>4,372,564</u>
TOTAL AVAILABLE FUNDS	<u>\$ 2,863,307</u>	<u>\$ 302,106</u>	<u>\$ 3,434,378</u>	<u>\$ 6,599,791</u>
EXPENDITURES				
Operating Expenditures	\$ 1,058,997	\$ 139,773	\$ 866,768	\$ 2,065,538
Operating Transfer to Other Funds	3,000	-	-	3,000
Debt Service Payments	325,253	-	1,647,519	1,972,772
TOTAL USE OF FUNDS	<u>\$ 1,387,250</u>	<u>\$ 139,773</u>	<u>\$ 2,514,287</u>	<u>\$ 4,041,310</u>
ESTIMATED FUND BALANCE AVAILABLE 6/30/2005	<u>\$ 1,476,057</u>	<u>\$ 162,333</u>	<u>\$ 920,091</u>	<u>\$ 2,558,481</u>

*Does not include Capital Improvement expenditures and Fund Balance Reserved for Capital projects (reported in Capital Budget Section).

Debt Service Recap:

	<u>Outstanding Balance 7/1/2004</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2005</u>
Utilities - Loans & Special Assmts	4,566,008	-	239,282	4,326,726
MUSC GO Bonds	12,840,000	-	1,125,000	11,715,000
Totals	<u>\$ 17,406,008</u>	<u>\$ -</u>	<u>\$ 1,364,282</u>	<u>\$ 16,041,726</u>

DEPARTMENT BUDGET SUMMARY

UTILITY FUND

Mission

Public Works' mission is to preserve and expand the city's infrastructure for the water and sewer systems and provide quality drinking water for the community.

Program

This fund was setup to account for the revenues and expenses to provide water and sewer services to the residents of the City. All activities necessary to provide water and sewer services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, construction projects and billing and collection.

Performance Goals, Objectives, and Measures

#	Water Performance Goals, Objectives & Measures	F. Y 2003	Estimate F. Y. 2004	Proposed F. Y. 2005
	Goal: Ensure self-sufficiency needs of the water utility.			
1.	Objective: Insure continued expansion of utility through main line extensions and increased service connections.			
	Measure: Number of feet of main line.	194,821	203,321	211,421
	% increase expansion over previous year.	6.67%	4.36%	3.98%
	Number of service connections.	746	775	806
	% increase in connections.	4%	4%	4%
2.	Objective: Ensure uninterrupted service to utility customers and the public.			
	Measure: Number of inspections.	4,458	5,000	5,050
	% planned inspections completed on well houses, main line valves, fire hydrants, tanks and wells.	100%	100%	100%
3.	Objective: Maintain cost efficient and effective system by minimizing water loss.			
	Measure: Minimize unmetered loss to 7.5%.	7.5%	7.5%	7.5%
	Number of miles of pipe checked for leaks.	34.99	37.45	38.15
	% of planned leak detections completed.	100%	100%	100%
	Goal: Ensure water system meets environmental requirements.			
1.	Objective: Ensure 100% compliance with state and federal regulations.			
	Measure: Percent of monitoring samples in full compliance.	100%	100%	100%

UTILITY FUND Cont.

#	Sewer Performance Goals, Objectives & Measures	F. Y 2003	Estimated F. Y. 2004	Proposed F. Y. 2005
	Goal: Ensure self-sufficiency needs of the sewer utility.			
	Objective:			
1.	Ensure continued expansion of utility through main line extensions and increased service connections.			
	Measures:			
	Number of feet of main line.	97,982	100,986	102,306
	% increase over previous year.	4.9%	3.1%	1.3%
	Number of service connections.	523	545	561
	% increase over previous year.	4.6%	4.2%	3.0%
	Objective:			
2.	Ensure uninterrupted service to utility customers and the public.			
	Measures:			
	Number of inspections.	4537	4,837	4,935
	The % planned inspections completed on Valve vaults, treatment plant, pump stations, service locates and tanks pumped.	100%	100%	100%
	Goal: Ensure sewer system meets environmental requirements.			
	Objective:			
1.	Ensure 100% compliance with state and federal regulations.			
	Measures:			
	Per cent of monitoring samples in full compliance	90%	90%	100%
	Goal:			
	Implement soft ware program to collect information and to provide staff with training.			
	Objective:			
1.	Train utility staff on use of HTE software.			
	Measures:			
	% utility staff trained on HTE Program.	N/A	55%	100%

Significant Budget Changes

For Fiscal Year 2004, the water and sewer utilities will be combined into one entity and one fund based on recommendations of our Financial Auditor.

Previous Year's Accomplishments

Water:

- Completed Iditapark well #2 for irrigation system.
- Completed Bumpus tank and well house.
- Completed Bumpus Water main Extension and connections
- Completed Mute-Use Sports Complex water main extension.
- Yearly service on 226 fire hydrants.
- Change over to electronic meter heads 260 services
- Yearly inspection of main line valves.

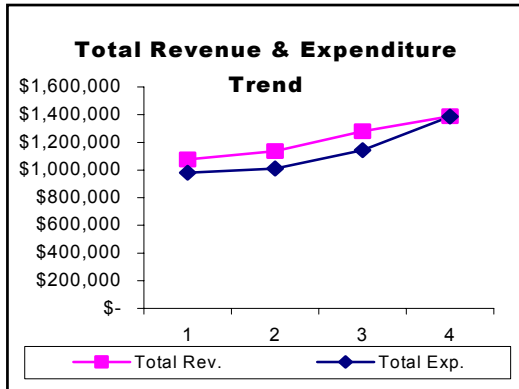
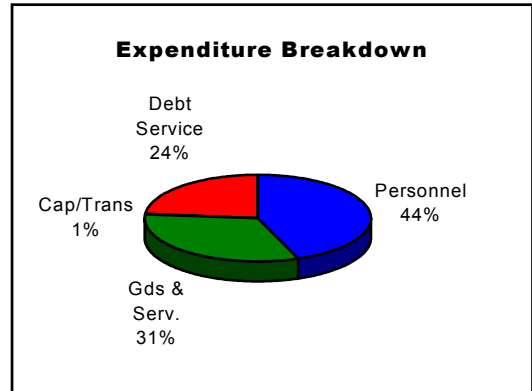
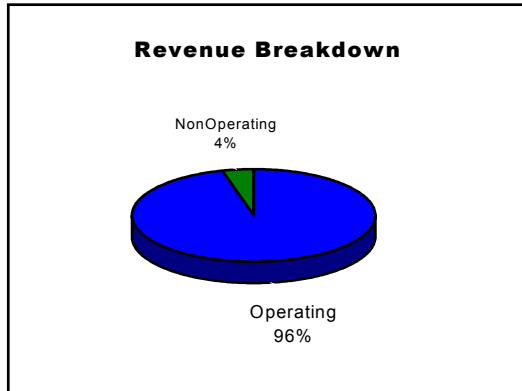
Sewer:

- Pumped and cleaned 208 septic tanks
- Completed Multi Use Sports Complex main line extension and service connection.
- Replaced 3 20" man ways
- Replaced 5 septic tanks due to failure.

UTILITY FUND Cont.

Sewer Continued:

- Cleaned Lagoon #1.
- Poured foundation for 7500 Square foot storage building



UTILITY FUND Cont.

Statement Of Revenues, Expenses and Changes in Retained Earnings

	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y. 2004 BUDGET	F.Y. 2004 ACTUAL 3/31/2004	F.Y. 2005 PROPOSED BUDGET
OPERATING REVENUE					
Water	\$ 435,632	\$ 496,795	# \$ 640,669	\$ 491,984	\$ 690,874
Sewer	517,720	522,604	586,927	458,681	638,972
Total Operating Revenue	\$ 953,352	\$ 1,019,399	\$ 1,227,596	\$ 950,665	\$ 1,329,846
EXPENDITURES					
General Administration					
Water	\$ 188,660	\$ 202,853	\$ 213,426	\$ 153,911	\$ 237,572
Sewer	210,387	221,567	249,061	153,069	261,136
Customer Accounting					
Water	32,903	31,321	34,221	23,554	28,167
Sewer	32,903	34,529	34,221	24,016	33,172
Plant O & M:					
Water	88,981	95,510	91,826	64,453	106,345
Sewer	117,060	128,209	124,144	119,538	128,767
Distribution System					
Water	89,717	102,498	131,418	71,313	120,511
Sewer	135,356	141,532	143,164	66,217	143,327
Total Expenditures	\$ 895,967	\$ 958,019	\$ 1,021,481	\$ 676,071	\$ 1,058,997
Total Operating Income	\$ 57,385	\$ 61,380	\$ 206,115	\$ 274,594	\$ 270,849
Add:					
Nonoperating Revenue	58,158	70,148	22,242	36,000	58,000
Transfers From Other Funds	63,384	45,705	30,000	15,000	-
Less:					
Transfer To Other Funds	60,334	27,500	28,500	28,500	3,000
NET GAIN (LOSS)	\$ 118,593	\$ 149,733	\$ 229,857	\$ 297,094	\$ 325,849
Payment of Debt Service	24,939	24,610	92,729	69,370	325,253
INCREASE (DECREASE) IN RETAINED EARNINGS	\$ 93,654	\$ 125,123	\$ 137,128	\$ 227,724	\$ 596

Personnel

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2001 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Utility Clerk	1.00	1.00	1.00	1.00	1.00	0.00%
Laboer	1.00	1.00	1.00	1.00	1.00	0.00%
Water Technician I	1.00	1.00	1.00	1.00	1.00	0.00%
Water Technician II	1.00	1.00	1.00	1.00	1.00	0.00%
Waste Water Technician I	1.00	1.00	1.00	1.00	1.00	0.00%
Waste Water Coll. Tech. II	1.00	1.00	1.00	1.00	1.00	0.00%
Waste Water Treat. Tech. II	1.00	1.00	1.00	1.00	1.00	0.00%
WW/Water Technician III	1.00	1.00	1.00	1.00	1.00	0.00%
Total	8.00	8.00	8.00	8.00	8.00	0.00%

Utility Fund Debt

Program

To finance and account for the payment of principal on all Utility Fund Enterprise debt. Funds to pay the principal come from appropriation of unreserved retained earnings in the Utility Enterprise Fund. Interest is paid through the Utility Enterprise operation budget.

Goal

To account for the accumulation of money for payment of principal related to debt for the Water Enterprise Fund.

Objectives for Fiscal Year 2005

- To meet all debt service requirements when due, thus avoiding any charges for penalties or interest.

Significant Budget changes

In Fiscal Year 2005, the City of Wasilla replaced a RDA Funding with funding from ADEC in order to obtain a better interest rate. The new rates on the \$3,309,000 will be 2.5% instead of 4.5%. The first payment on this loan will be in FY 05. Based on the net revenues for the utility fund, the City will have 100 percent coverage of the interest and principal payments. The estimated total debt service on the loans will be \$302,521.74.

Previous Year's Accomplishments

N/A

Schedule Of Debt

	<u>Outstanding Balance 7/1/2004</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2005</u>
Special Assessments - Broadview Sewer (Org. Note \$84,711 @ 4.55% Int)	59,015	-	8,471	50,544
ADEC Loan # 95031 - Sewer Main Impr. (Org. Note 301,066 @ 2.50 Int)	281,198	-	15,053	266,145
ADEC Loan # 95051 - Sewer Main Impr. (Org. Note 39,049 @ 2.50 Int)	39,049	-	1,952	37,097
ADEC Loan # 95021 - Water Main Impr. (Org. Note 745,084 @ 2.50 Int)	695,582	-	37,254	658,328
ADEC Loan # 95041 - Water Main Impr. (Org. Note \$3,309,000 @ 4.50 int)	44,353	-	2,217	42,136
ADEC Loan # 95061 - Bumpus Resv. (Org. Note 3,309,000 @ 2.50 Int)	3,309,000	-	165,450	3,143,550
Water Utility Note -KGB (Org Note 177,100 @ 3.68 Int.)	\$ 137,811	\$ -	\$ 8,885	\$ 128,926
Totals	\$ 4,566,008	\$ -	\$ 239,282	\$ 4,326,726

DEPARTMENT BUDGET SUMMARY

Airport Fund

Goal

Public Works' mission is to preserve and expand the city's infrastructure for the Municipal Airport.

Program

This fund accounts for the activities of the Wasilla Municipal Airport. All activities necessary for the operation of the Airport are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, construction projects and billing and collection.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimated F. Y 2004	Proposed F. Y. 2005
	Goal: Ensure compliance with FAA regulations.			
	Objective:			
1.	Purchase and install required signage.			
	Measure:			
	% signs installed	N/A	10%	100%
	Goal: Expand airport operations.			
	Objective:			
1.	Purchase additional land for airport operations.			
	Measure:			
	Number of Acres Purchases.	N/A	N/A	70
2.	Construct Additional Tie down area			
	Measure:			
	Number of tie down spaces constructed	N/A	N/A	100
	Goal: Expand airport revenue.			
	Objective:			
1.	Design and build additional lease spaces and tie down areas.			
	Measure:			
	# increase in lease space and tie down spaces.	N/A	N/A	60%

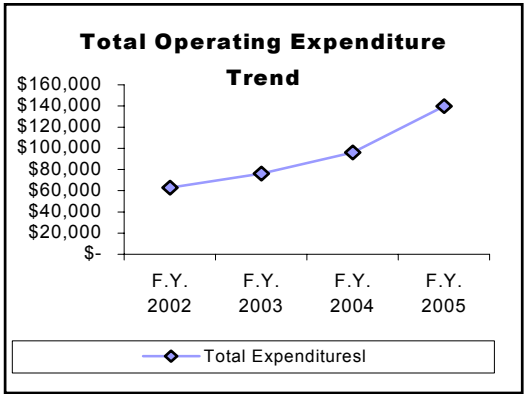
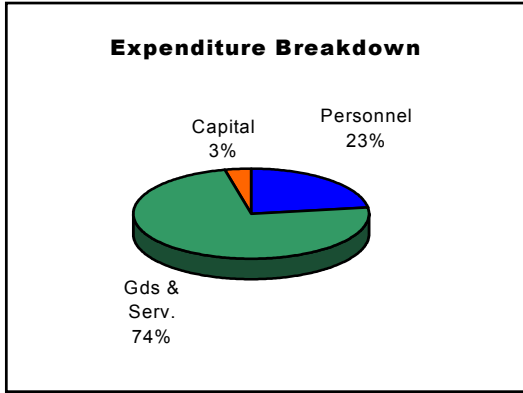
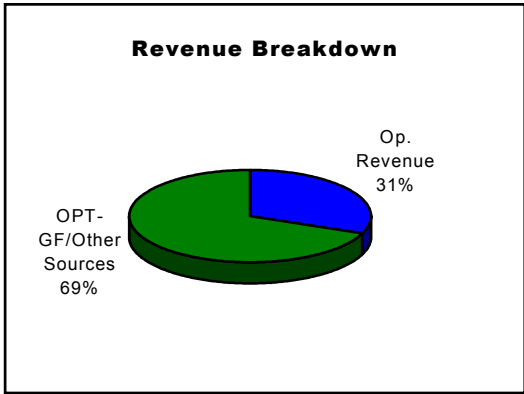
Significant Budget changes

There are significant budget changes for the airport budget except for the increases in employee benefits and increase in insurance cost that are affecting all the departments

Previous Year's Accomplishments

- Completed electronic security gates installation
- Installed security cameras
- Cleared and grubbed 5 acres for lease space.
- Hired full time airport manager

Airport Fund Cont.



Airport Fund Cont.

Statement Of Revenues, Expenses and Changes in Retained Earnings

	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y. 2004 BUDGET	F.Y. 2004 ACTUAL 3/31/2004	F.Y. 2005 PROPOSED BUDGET
OPERATING REVENUE	\$ 31,802	\$ 35,000	\$ 41,000	\$ 32,928	\$ 43,500
EXPENDITURES					
General Admin:					
Personnel Services	\$ 10,159	\$ 13,039	\$ 27,161	\$ 20,355	\$ 24,969
Fringe Benefits	2,499	3,651	5,729	4,573	6,847
Goods & Services	50,058	54,399	58,200	43,244	102,957
Capital	-	5,000	5,000	-	5,000
Total Expenditures	\$ 62,716	\$ 76,089	\$ 96,090	\$ 68,172	\$ 139,773
OPERATING INCOME (LOSS)	(30,914)	(41,089)	(55,090)	(35,244)	(96,273)
Add:					
Nonoperating Revenue	838	1,300	500	182	500
General Fund Transfer	37,357	39,789	54,590	27,294	96,273
NET GAIN (LOSS)	7,281	-	-	(7,768)	500

* Depreciation is not included in expenditures.

Personnel (Full-time Equivalent)

*Note: A portion of Road Maintenance Department's personnel salary cost is allocated to this fund.

DEPARTMENT BUDGET SUMMARY

Multi-Use Sport Complex Fund

Goal

The Multi-Use Sports Complex mission is to provide and maintain a quality facility while generating revenues that meet or exceed operating expenses and provide a quality of life experience for all city and borough residents.

Program

The Multi-use Sports Complex is responsible for maintaining a quality facility that provides recreational opportunities for residents and non-residents to the City of Wasilla. The department's resources are dedicated to developing programs for all ages and introduce the youth to sporting activities to provide a quality and healthy lifestyle.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2003	Estimated F. Y 2004	Proposed F. Y. 2005
	Goal: Ensure the ice rink and turf court is utilized during prime time hours from October 1 st through March 31st			
	Objective:			
1.	Reserve 80% of the prime time hours from October through March.			
	Measure:			
	# of hours rented during prime time.	N/A	10%	1720
	Goal: Maintain customer satisfaction levels for all facility programs.			
	Objective:			
1.	80% of customer surveyed responds with an overall satisfaction of facility.			
	Measure:			
	% of customers surveyed that are satisfied with facility	N/A	N/A	80
	Goal: Ensure that facility does not need a subsidy from the General Fund.			
	Objective:			
1.	Operating revenues will be in excess of operating expenditures.			
	Measure:			
	An operating subsidy was provided by the General Fund.	N/A	Yes	No
	Goal: Ensure the facility schedules multi-use events though out the year.			
	Objective:			
1.	Provide opportunities to the public for reserving the facility for non-skating and non-soccer events.			
	Measure:			
	# of days of non-skating and non-soccer events	N/A	N/A	21

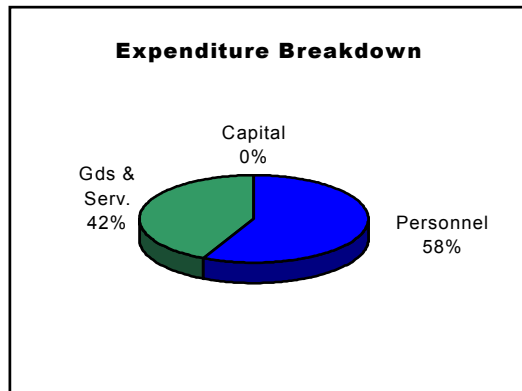
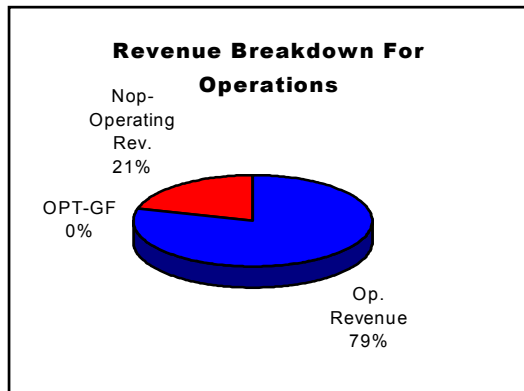
Significant Budget changes

Fiscal Year 2005 will be the first full year of operation for the facility.
Four temporary positions changed to permanent part-time in order to adequately staff the facility.

Multi-Use Sports Complex Cont.

Previous Year's Accomplishments

- Completed construction of facility ahead of schedule and on budget.
- Had a successful grand opening of facility.
- Hired staff to operate facility.



Multi-Use Sports Complex Cont.

Statement Of Revenues, Expenses and Changes in Retained Earnings

	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y. 2004 BUDGET	F.Y. 2004 ACTUAL 3/31/2004	F.Y. 2005 PROPOSED BUDGET
OPERATING REVENUE	\$ -	\$ -	\$ 96,000	\$ 39,443	\$ 690,695
EXPENDITURES					
General Admin:					
Personnel Services	\$ -	\$ -	\$ 153,014	\$ 31,860	\$ 353,055
Fringe Benefits	-	-	56,186	7,046	141,851
Goods & Services	-	-	132,450	22,451	371,862
Total Expenditures	\$ -	\$ -	\$ 341,650	\$ 61,357	\$ 866,768
TOTAL Operating Income (Loss)	\$ -	\$ -	\$ (245,650)	\$ (21,914)	\$ (176,073)
Add:					
Nonoperating Revenue	-	-	-	255	180,000
General Fund Transfer	-	-	376,845	282,634	-
Capital Expenditures	-	-	-	-	-
NET GAIN (LOSS)	-	-	131,195	260,975	3,927
Other Sources/Uses					
Dedicated Sales Tax		1,740,790	1,785,150	1,438,329	1,973,750
GO Bond Interest Payment		526,275	553,119	553,118	522,519
GO Bond Principal Payment	-	840,000	1,020,000	1,020,000	1,125,000
		374,515	212,031	(134,789)	326,231
INCREASE (DECREASE) IN RETAINED EARNINGS	-	374,515	343,226	126,186	330,158

Personnel (Full-time Equivalent)

BY POSITON	F.Y. 2002 ACTUAL	F.Y. 2003 ACTUAL	F.Y. 2004 BUDGET	ACTUAL F.Y. 2004 3/31/2004	PROPOSED F.Y. 2005 BUDGET	% Over Last Year
Cultural & Rec. Manager	0.00	0.00	0.75	0.75	0.75	0.00%
Admin Secretary	0.00	0.00	1.00	1.00	1.00	0.00%
Building Supervisor	0.00	0.00	2.00	2.00	2.00	0.00%
Maintenance Specialist	0.00	0.00	1.00	1.00	1.00	0.00%
Building Support Worker	0.00	0.00	2.75	2.75	2.75	0.00%
Concession Wkr II	0.00	0.00	0.75	0.75	0.75	0.00%
Concession Wkr I	0.00	0.00	1.20	1.20	1.20	0.00%
Cashier	0.00	0.00	1.20	1.20	1.20	0.00%
Total	0.00	0.00	10.65	10.65	10.65	0.00%

Multi-Use Sports Complex Fund Debt (MUSC)

Program

To finance and account for the payment of principal on all MUSC Fund Enterprise debt. Funds to pay the principal come from a ½ percent dedicated sales tax and from reserved retained earnings from.

Goal

To account for the accumulation of money for payment of principal and interest related to GO debt used to build the Multi-Use Sports Complex.

Objectives for Fiscal Year 2005

- To meet all debt service requirements when due, thus avoiding any charges for penalties or interest.

Significant Budget changes

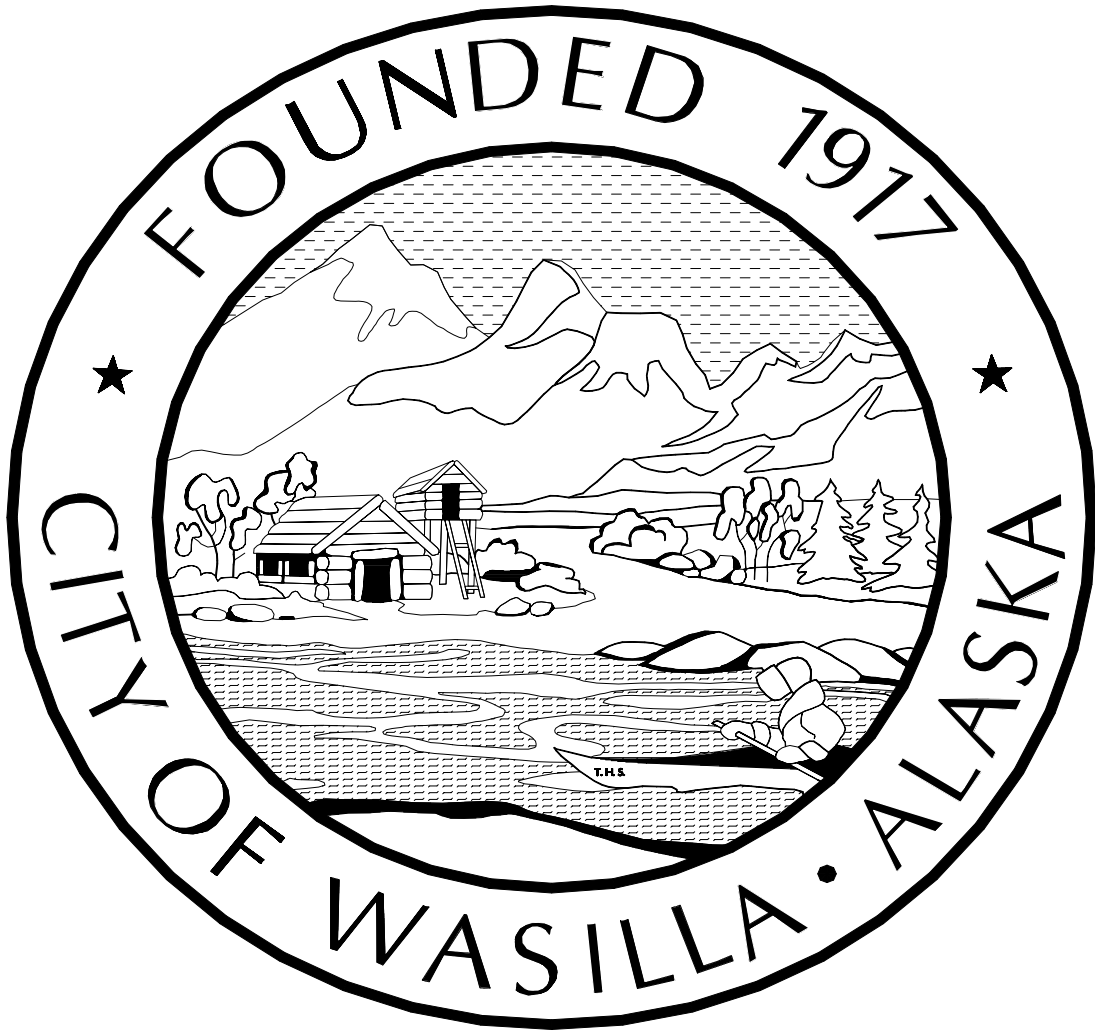
In Fiscal year 2002, the City of Wasilla issued a 14.7 million dollar general obligation bond to finance the construction of the Multi-Sports Complex facility. At the same time the bond was issued, the voters implemented a ½ percent-dedicated sales tax for retiring the GO Bond. The monies from the sales tax is first used to make the current year payment and any funds left over each year go into a reserved retained earnings to make payment of the bonds if the amount of the sales tax collected in a year is not enough to make the payment.

Previous Year's Accomplishments

N/A

Schedule Of Debt

	Outstanding Balance 7/1/2004	Principal Additions	Principal Reductions	Outstanding Balance 6/30/2005
MUSC GO Bond (Org Bond 14,700,000 @ 3.0 to 4.5% Int.)	\$ 12,840,000	\$ -	\$ 1,125,000	\$ 11,715,000
Totals	\$ 12,840,000	\$ -	\$ 1,125,000	\$ 11,715,000



FIDUCIARY FUNDS

FIDUCIARY FUNDS

Trust and Agency Funds account for assets held in a trustee capacity or as an agent for individuals, private organizations and other funds. These include nonexpendable trust funds and agency funds. Non-expendable trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is essential

CEMETERY

This fund is a nonexpendable trust fund. This fund was setup to account for cemetery funds received and related investment income. The Cemetery Fund sets aside proceeds from lot sales in perpetuity to generate investment income to help fund the operations, maintenance and capital improvements of the cemetery. Per WMC 13.24.050, interest earnings when available, will be transferred through an operating transfer to the general fund to be used for the maintenance and operation of the cemetery and for capital improvements construction in the cemetery.

FIDUCIARY FUND RECAP

	<u>TOTAL</u>
ESTIMATED BEGINNING BALANCES	\$ 140,305
REVENUES	
Intergovernmental	-
User Fees & Charges	11,000
Local Revenue	1,000
Transfer In	-
Total Revenue	<u>\$ 12,000</u>
TOTAL AVAILABLE FUNDS	<u>\$ 152,305</u>
EXPENDITURES	
General Government	\$ -
Culture & Recreation	-
Public Safety	-
Transfers Out	1,000
TOTAL USE OF FUNDS	<u>\$ 1,000</u>
ESTIMATED FUNDS AVAILABLE 6/30/04	<u><u>\$ 151,305</u></u>

DEPARTMENT BUDGET SUMMARY

Cemetery

Mission

Our goals are to provide citizens with efficient access to cemetery records, to provide perpetual maintenance to insure that the grounds are acceptable for all of our visitors. We strive to provide a serene and beautiful setting that will benefit the entire community.

Program

The Wasilla Aurora Cemetery is located at Mile 1.1 Wasilla Fishhook Road. The property was deeded over 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 13.16.14, 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 construction in the cemetery, with actual operations continuing in the general fund.

Performance Goals, Objectives, and Measures

N/A

Significant Budget changes

None

Cemetery Cont.

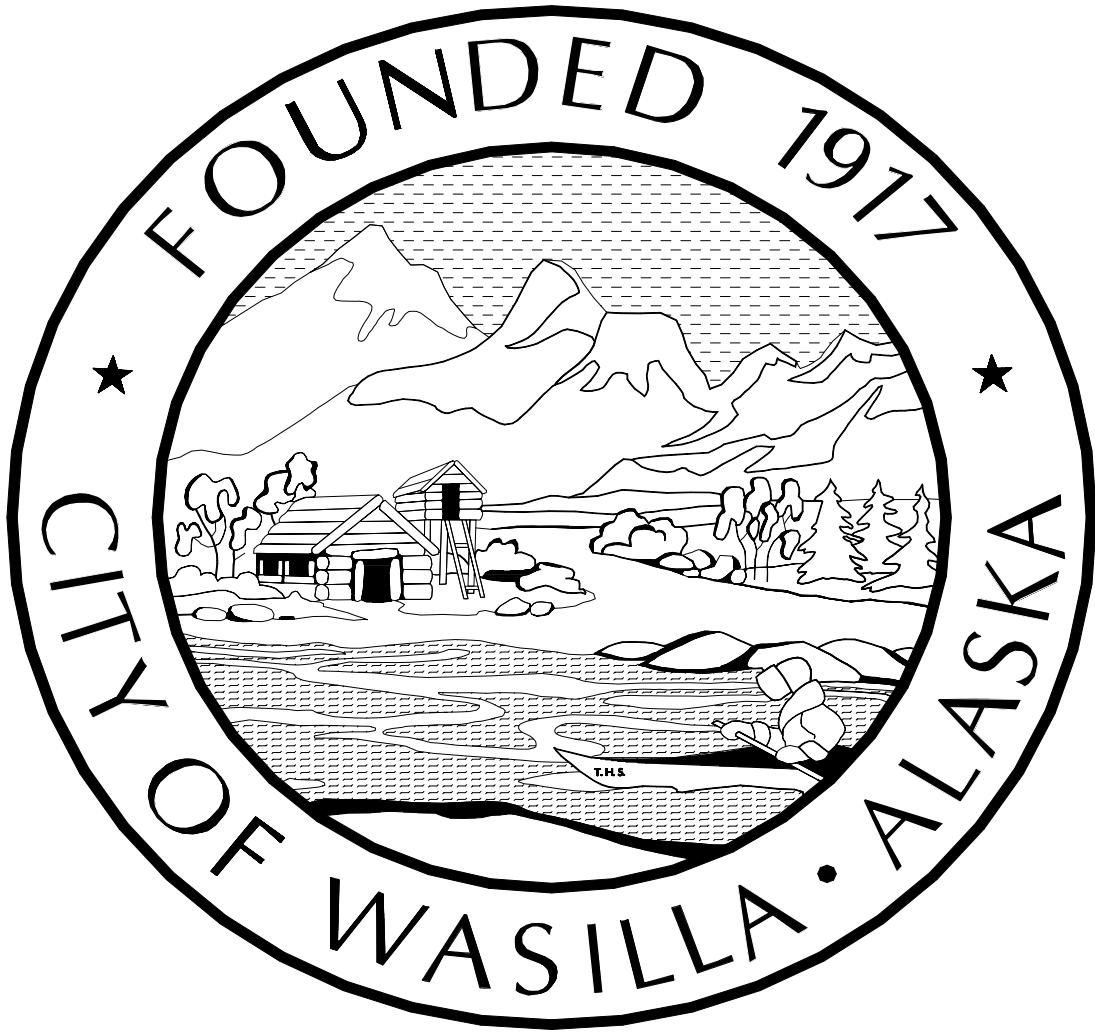
Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Cemetery	\$ 1,542	\$ 160	\$ 1,000	\$ 174	\$ 1,000	0.00%
Total	\$ 1,542	\$ 160	\$ 1,000	\$ 174	\$ 1,000	0.00%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Fringe Benefits	-	-	-	-	-	0.00%
Support Goods & Services	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	1,542	160	1,000	174	1,000	0.00%
Total	\$ 1,542	\$ 160	\$ 1,000	\$ 174	\$ 1,000	0.00%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Cemetery Lot Sales	\$ 6,400	\$ 11,125	\$ 5,000	\$ 11,400	\$ 11,000	120.00%
Interest Earnings	1,542	490	1,000	174	1,000	0.00%
Total	\$ 7,942	\$ 11,615	\$ 6,000	\$ 11,574	\$ 12,000	100.00%



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. 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.

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 53% and the population of the Matanuska-Susitna Borough has increased by over 35% in the past ten years. This rapid growth has challenge 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. Base 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.

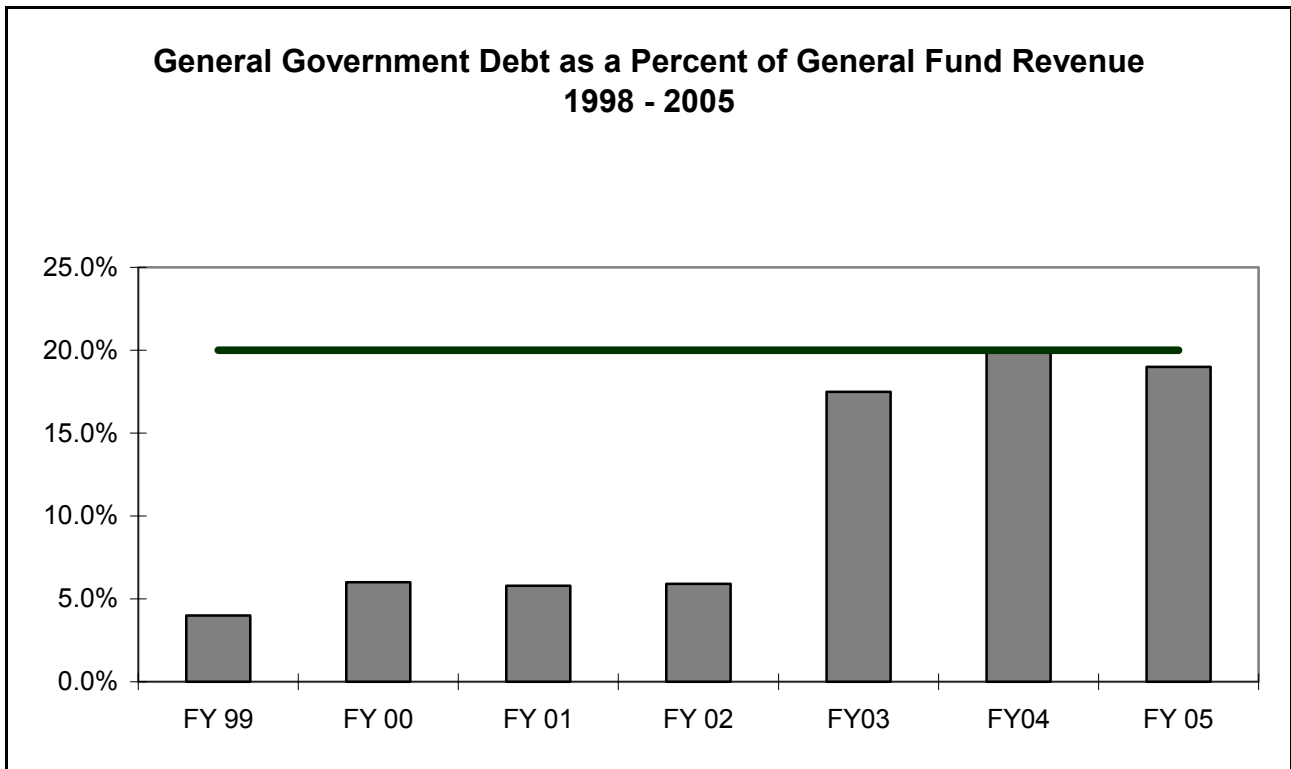
The table below presents a summary of the City of Wasilla's outstanding debt (does not include debt from City-operated enterprises – See enterprise funds).

DEBT SERVICE FUNDS

	Outstanding Balance 7/1/2004	Principal Additions	Principal Reductions	Outstanding Balance 6/30/2005
General Obligation Debt	\$ 4,570,000	\$ -	\$ 215,000	\$ 4,355,000
Sewer Special Assmt Debt	103,350	-	3,775	99,575
Water Special Assmnt Debt	123,748	-	3,954	119,794
Gas Special Assmt Debt	-	-	-	-
Paving Special Assmt Debt	734,064	-	115,515	618,549
Total	<u>\$ 5,531,162</u>	<u>\$ -</u>	<u>\$ 338,244</u>	<u>\$ 5,192,918</u>

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 (including the dedicated sales tax for retiring the MUSC GO Bond). 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 including debt service on the MUSC GO Bond compares to General Fund Revenue including the dedicated sales tax for retiring MUSC GO Bond from Fiscal Year 1998 through Fiscal Year 2005.



DEBT SERVICE FUNDS

The chart shows that the debt service as a percent of General Fund Revenue remained fairly constant from Fiscal Year 1999 through Fiscal Year 2002. In Fiscal Year 2003, there is a spike due to the issuance of the Multi-Sports Complex Bond for \$14,700,000 in Fiscal Year 2002. It is projected that over the next ten Fiscal Years, the percent of General Government debt service as a percent of General Fund Revenue will gradually be reduced due to projected growth the General Fund's Sales Tax Revenue as it did in FY 05.

Financial Assessment

Revenue Analysis

Revenue for debt service is generated from the following sources:

Local Sources of revenue consist interest earnings earned on monies held to retire general obligation and special assessment debt. The trend for this source of revenue is projected to be less as the interest rate paid to the City of Wasilla continues to be reduced.

Special Assessment revenue consist of special assessment installment payments against assessments assessed against their properties for improvements made by the City of Wasilla (Wasilla Municipal Code Chapter 5.20). This revenue also includes any interest or penalties assessed against the property owners for delinquency of assessment payments. It is projected that revenue from this source will remain fairly constant over the near future.

General Fund Transfers consist of a transfer from the General Fund to the General Obligation Debt Service Fund to pay the debt service on the City's Street Paving Improvement General Obligation Bond. This transfer is based on the amount of funds need to pay the annual debt service.

Fund Balances

As seen in the Debt Service Recap and Fund Estimates table, the fund balance in the debt service funds is healthy. Also, the City of Wasilla Municipal Code requires the City of Wasilla to maintain an unreserved fund balance of 50% to 60% of budgeted General Fund expenditures and general obligation debt service. Based on the Fund Balances in the Debt Service Funds and the Unreserved Fund Balance in the Operating Fund, the City is in a healthy financial position, with a sufficient cushion to adequately address potential fiscal emergencies or and economic downturn and to ensure that the City of Wasilla will always be able to meet ongoing debt service.

DEBT SERVICE FUNDS

DEBT SERVICE RECAP AND FUND ESTIMATES

	GENERAL OBLIGATION	SEWER	WATER	GAS	PAVING	BOND GUARANTEE	TOTAL
ESTIMATED BEGINNING BALANCES	\$ -	\$ 285,567	\$ 214,479	\$ 37,124	\$ 361,771	\$ 45,814	\$ 944,755
REVENUES							
Local	\$ -	\$ 300	\$ 650	\$ 200	\$ 5,000	\$ 900	\$ 7,050
Special Assessment	-	20,000	36,000	-	180,000	-	236,000
General Fund Transfers	436,347	-	-	-	-	-	436,347
Total Revenue	436,347	20,300	36,650	200	185,000	900	679,397
TOTAL AVAILABLE FUNDS	\$ 436,347	\$ 305,867	\$ 251,129	\$ 37,324	\$ 546,771	\$ 46,714	\$ 1,624,152
EXPENDITURES							
Debt Service	\$ 436,347	\$ 10,247	\$ 11,563	\$ -	\$ 155,542	\$ -	\$ 613,699
Transfers	-	-	17,776	-	-	-	17,776
TOTAL USE OF FUNDS	\$ 436,347	\$ 10,247	\$ 29,339	\$ -	\$ 155,542	\$ -	\$ 631,475
ESTIMATED FUNDS AVAILABLE 6/30/02	\$ -	\$ 295,620	\$ 221,790	\$ 37,324	\$ 391,229	\$ 46,714	\$ 992,677

Future Debt Planning

Based on the City of Wasilla's five year Capital Plan, the City does not expect to incur a large amount of additional indebtedness for general government operations in the next five years. The City will complete most of the capital improvements for general government operation on a pay-as-you go basis through grant funding and transfers from the operating fund of excess revenue over expenditures (see Capital Budget section).

Conclusion

Council and management have set up debt policies to ensure that the City meets its debt payments in a timely manner. The policies also ensure that new debt will only be issued after careful consideration of a number of factors including, but not limited to, the long-term needs of the city, and the economic and demographic factors affecting the financial resources expected to repay the debt.

The City of Wasilla's financial health is very positive. This strong financial health in conjunction with the fact over 75% of the general obligation debt service is funded with a dedicated sales tax will ensure that the City of Wasilla will be able to meet all current and projected future debt service. These factors also ensure that the current level of general obligation debt will not affect the City of Wasilla's ability to fund current operations and operations into the foreseeable future.

DEBT SERVICE FUNDS

**CITY OF WASILLA
SUMMARY OF OUTSTANDING BOND ISSUES
AS OF JUNE 30, 2005**

Issue	Purpose	Amount Issued	Maturity Date	Amount Outstanding 6/30/2004	Principal Reduction	Amount Outstanding 06/30/05
General Obligation Debt:						
1998 Street Improvement	Pavement of Roads	5,500,000	10/01/18	4,570,000	215,000	4,355,000
Total General Obligation Debt		<u>5,500,000</u>		<u>4,570,000</u>	<u>215,000</u>	<u>4,355,000</u>
Special Assessment Debt:						
86W1	LID Water Bond	329,300	06/30/26	123,748	3,954	119,794
87S1	LID Sewer Bond	626,000	08/17/27	103,350	3,775	99,575
94P1,94P3-5	LID Paving Bond	251,298	03/17/07	31,230	14,089	17,141
96P1-3	LID Paving Bond	287,200	11/24/08	143,600	28,720	114,880
98P2	LID Paving Bond	189,320	04/06/10	96,267	16,457	79,810
99P1	LID Paving Bond	17,400	06/28/11	12,180	1,740	10,440
99P2	LID Paving Bond	199,088	06/28/11	139,361	19,908	119,453
00P1	LID Paving Bond	117,689	03/01/03	105,921	11,768	94,153
00P2	LID Paving Bond	228,338	03/01/03	205,505	22,833	182,672
Total Special Assessment Debt		<u>2,245,633</u>		<u>961,162</u>	<u>123,244</u>	<u>837,918</u>
Total Debt Service Funds Debt		<u>7,745,633</u>		<u>5,531,162</u>	<u>338,244</u>	<u>5,192,918</u>

DEPARTMENT BUDGET SUMMARY

General Obligation Debt Fund

Program

This fund was established to finance and account for the payment of interest and principal on all General Obligation debt. Funds to pay the interest and principal come from transfers from the General Fund and interest earned the General Obligation Debt Service fund balance.

Goal

This fund accounts for the accumulation of money for payment of principal, interest, and fiscal fees related to General Obligation Debt.

Performance Goals, Objectives, Measures

N/A

Significant Budget changes

N/A

Previous Year's Accomplishments

N/A

General Obligation Debt

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
General Obligation Debt	\$ 440,323	\$ 439,398	\$ 438,026	\$ 438,026	\$ 436,347	-0.38%
Total	\$ 440,323	\$ 439,398	\$ 438,026	\$ 438,026	\$ 436,347	-0.38%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	185,000	195,000	205,000	205,000	215,000	4.88%
Bond Interest	255,323	244,398	233,026	233,026	221,347	-5.01%
Total	\$ 440,323	\$ 439,398	\$ 438,026	\$ 438,026	\$ 436,347	-0.38%

*NOTE : For Fiscal Years 2002 general obligation debt was paid through General Fund and not through the General Obligation Debt Service Fund. The numbers in those columns are for comparison purposes only.

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings		-	-	320	-	0.00%
General Fund Transfer	440,891	439,398	438,026	438,026	436,348	-0.38%
Total	\$ 440,891	\$ 439,398	\$ 438,026	\$ 438,026	\$ 436,348	-0.38%

*NOTE : For Fiscal Years 2002 general obligation debt was paid through General Fund and not through the General Obligation Debt Service Fund. The numbers in those columns are for comparison purposes only.

Personnel (Full-time Equivalents)

N/A

DEPARTMENT BUDGET SUMMARY

Sewer Special Assessment Funds

Mission

These funds account for the accumulation of money for payment of principal, interest, and fiscal fees related to bond debt for Sewer Special Assessment Districts.

Program

These funds were established to finance and account for the payment of interest and principal on all sewer special assessment debt. Funds to pay the interest and principal come from the accumulation of assessment revenue from the property owners in the assessment districts.

Performance Goals, Objectives, Measures

N/A

Significant Budget changes

N/A

Previous Year's Accomplishments

N/A

Sewer Special Assessment Funds

Sewer Improvement Districts

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Sewer-83S1	\$ 10,830	\$ 10,983	\$ 10,738	\$ 10,738	\$ 10,247	-4.57%
Total	\$ 10,830	\$ 10,983	\$ 10,738	\$ 10,738	\$ 10,247	-4.57%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	3,400	3,775	3,775	3,775	3,775	0.00%
Bond Interest	7,430	7,208	6,963	6,963	6,472	-7.05%
Total	\$ 10,830	\$ 10,983	\$ 10,738	\$ 10,738	\$ 10,247	-4.57%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	\$ 1,558	\$ 907	\$ 600	\$ 221	\$ 200	-66.67%
Special Assessment Rev.	28,442	40,571	23,100	7,742	20,000	-13.42%
Total	\$ 30,000	\$ 41,478	\$ 23,700	\$ 7,963	\$ 20,200	-14.77%

Sewer Special Assessment Funds

86S1 Overlook Sewer District

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Sewer-86S1	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Bond Interest	-	-	-	-	-	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

Summary Of Resources

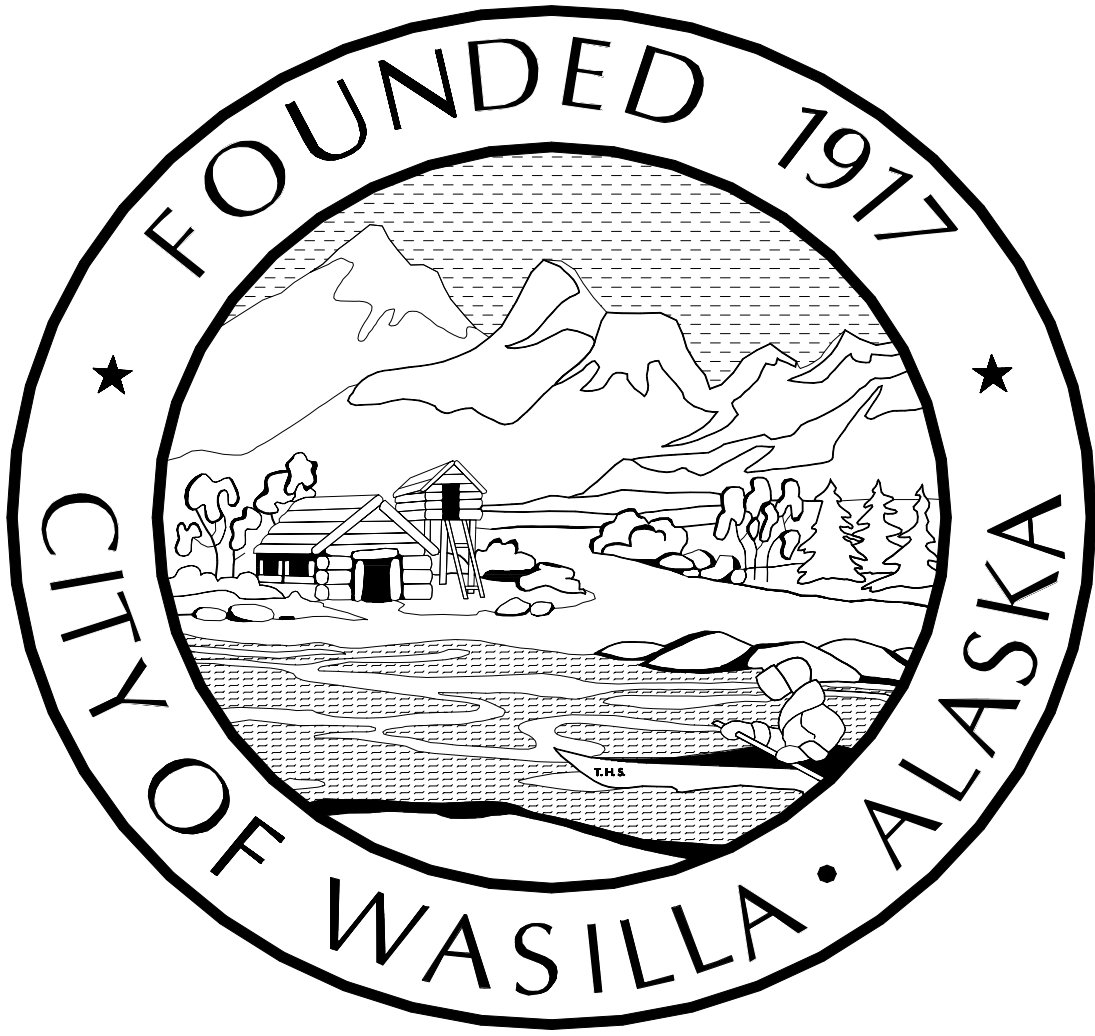
BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	\$ 312	\$ 139	\$ 250	\$ 44	\$ 100	-60.00%
SP Principal Revenue	-	-	-	-	-	0.00%
SP Interest Revenue	-	-	-	-	-	0.00%
Total	\$ 312	\$ 139	\$ 425	\$ 44	\$ 100	-76.47%

Personnel (Full-time Equivalents)

N/A

Performance Indicators

N/A



DEPARTMENT BUDGET SUMMARY

Water Special Assessment Funds

Mission

These funds account for the accumulation of money for payment of principal, interest, and fiscal fees related to bond debt for Water Special Assessment Districts.

Program

These funds were established to finance and account for the payment of interest and principal on all water special assessment debt. Funds to pay the interest and principal come from the accumulation of assessment revenue from the property owners in the assessment districts.

Performance Goals, Objectives, Measures

N/A

Significant Budget changes

No new bond issues are projected for Fiscal Year 2005.

Previous Year's Accomplishments

N/A

Water Special Assessment Funds

Water 78-1

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Water 78-1	\$ 17,776	\$ 17,776	\$ 17,776	\$ 17,776	\$ 17,776	0.00%
Total	\$ 17,776	\$ 17,776	\$ 17,776	\$ 17,776	\$ 17,776	0.00%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	-	-	-	-	-	0.00%
Operating Transfers	17,776	17,776	17,776	17,776	17,776	0.00%
Total	\$ 17,776	\$ 17,776	\$ 17,776	\$ 17,776	\$ 17,776	0.00%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	\$ 3,233	\$ 455	\$ 2,500	\$ 186	\$ 300	-88.00%
Special Assessment Rev.	24,027	39,133	21,000	19,835	21,000	0.00%
Total	\$ 27,260	\$ 39,588	\$ 23,500	\$ 20,021	\$ 21,300	-9.36%

Water Special Assessment Funds

South Side Water

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
South Side Water LID	\$ 12,290	\$ 12,047	\$ 11,805	\$ -	\$ 11,563	-2.05%
Total	\$ 12,290	\$ 12,047	\$ 11,805	\$ -	\$ 11,563	-2.05%

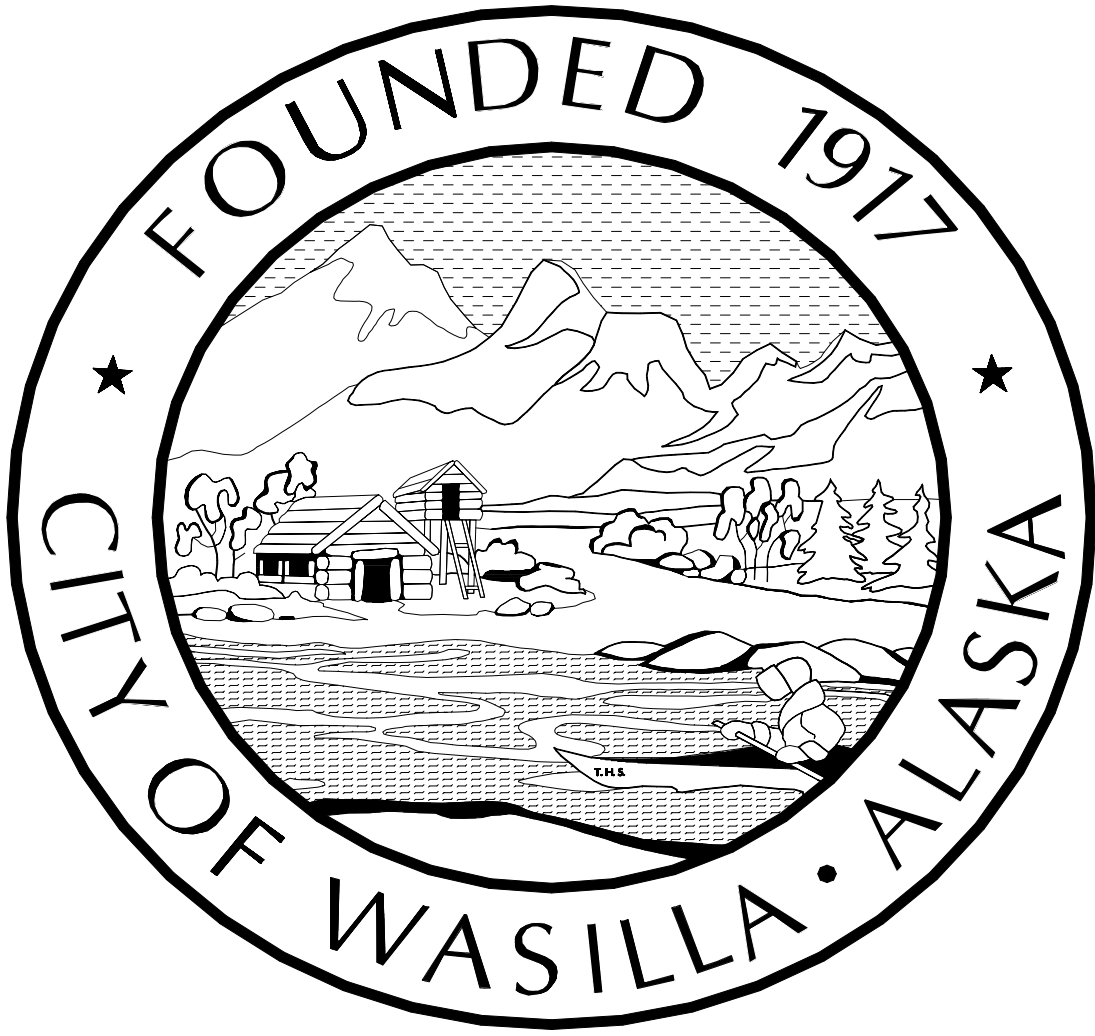
BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	3,954	3,954	3,954	-	3,954	0.00%
Bond Interest	8,336	8,093	7,851	-	7,609	-3.08%
Total	\$ 12,290	\$ 12,047	\$ 11,805	\$ -	\$ 11,563	-2.05%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	\$ 645	\$ 341	\$ 250	\$ 92	\$ 350	40.00%
Special Assessment Revenue	24,282	20,073	16,948	4,824	15,000	-11.49%
Total	\$ 24,927	\$ 20,414	\$ 17,198	\$ 4,916	\$ 15,350	-10.75%

Personnel (Full-time Equivalents)

N/A



DEPARTMENT BUDGET SUMMARY

Gas Special Assessment Fund

Mission

This fund accounts for the accumulation of money for payment of principal, interest, and fiscal fees related to bond debt for Gas Special Assessment Districts and to get the gas rebates to the property owners in a timely manner.

Program

This fund was established to finance and account for the payment of interest and principal on all gas special assessment debt and also to collect rebates from the natural gas provider and rebate the rebates to the property owners in the gas district (Free Main Allowances). Funds to pay the interest and principal come from the accumulation of assessment revenue from the property owners in the assessment districts and revenue for the rebates comes from the natural gas provider.

Performance Goals, Objectives, Measures

N/A

Significant Budget changes

There are no bond issues projected to be issued in FY 2004.

Previous Year's Accomplishments

N/A

Gas Special Assessment Fund

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Gas LIDS	\$ 152,789	\$ -	\$ 13,167	\$ -	\$ -	-100.00%
Total	\$ 152,789	\$ -	\$ 13,167	\$ -	\$ -	-100.00%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Free Main Allowances	152,789	-	13,167	-	-	-100.00%
Total	\$ 152,789	\$ -	\$ 13,167	\$ -	\$ -	-100.00%

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	\$ 307	\$ 167	\$ 60	\$ 132	\$ 200	233.33%
Free Main Allow. Reimb.	1,458	3,919	-	5,665	-	-100.00%
Total	\$ 1,765	\$ 4,086	\$ 60	\$ 5,797	\$ 200	233.33%

Personnel (Full-time Equivalents)

N/A

Performance Indicators

N/A

DEPARTMENT BUDGET SUMMARY

Paving Special Assessment Fund

Mission

This fund accounts for the accumulation of money for payment of principal, interest, and fiscal fees related to bond debt for Paving Special Assessment Districts.

Program

This fund was established to finance and account for the payment of interest and principal on all paving special assessment debt. Funds to pay the interest and principal come from the accumulation of assessment revenue from the property owners in the assessment districts.

Performance Goals, Objectives, Measures

N/A

Significant Budget changes

N/A

Previous Year's Accomplishments

N/A

Paving Special Assessment Fund

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Paving LID's	\$ 322,925	\$ 322,925	\$ 212,707	\$ 130,528	\$ 155,542	-26.87%
Total	\$ 322,925	\$ 322,925	\$ 212,707	\$ 130,528	\$ 155,542	-26.87%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	266,437	155,679	154,546	100,779	115,515	-25.26%
Bond Interest	56,488	40,070	58,161	29,749	40,027	-31.18%
Total	\$ 322,925	\$ 195,749	\$ 212,707	\$ 130,528	\$ 155,542	-26.87%

*NOTE : Tracking expenditures by program will be implemented in Fiscal Year 03

Summary Of Resources

BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	\$ 4,522	\$ 1,738	\$ 5,000	\$ 531	\$ 5,000	0.00%
Special Assessment Rev.	232,482	218,382	188,823	141,617	180,000	-4.67%
Total	\$ 237,004	\$ 220,120	\$ 193,823	\$ 142,148	\$ 185,000	-4.55%

Personnel (Full-time Equivalents)

N/A

Performance Indicators

N/A

DEPARTMENT BUDGET SUMMARY

Bond Guarantee Fund

Mission

This fund accounts for the accumulation of deposits to guarantee payment of Special Assessment Bonds.

Program

This fund was established to track deposits that back up or guarantee payment of Special Assessment bonds through the debt service funds. If property owners make insufficient payments to make the yearly bond payments, the Bond Guarantee Fund will make up the difference

Performance Goals, Objectives, Measures

N/A

Significant Budget changes

N/A

Previous Year's Accomplishments

N/A

Bond Guarantee Fund

Summary Of Expenditures

BY PROGRAM	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Guarantee	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

BY CATEGORY	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Bond Principal	-	-	-	-	-	0.00%
Bond Interest	-	-	-	-	-	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

Summary Of Resources

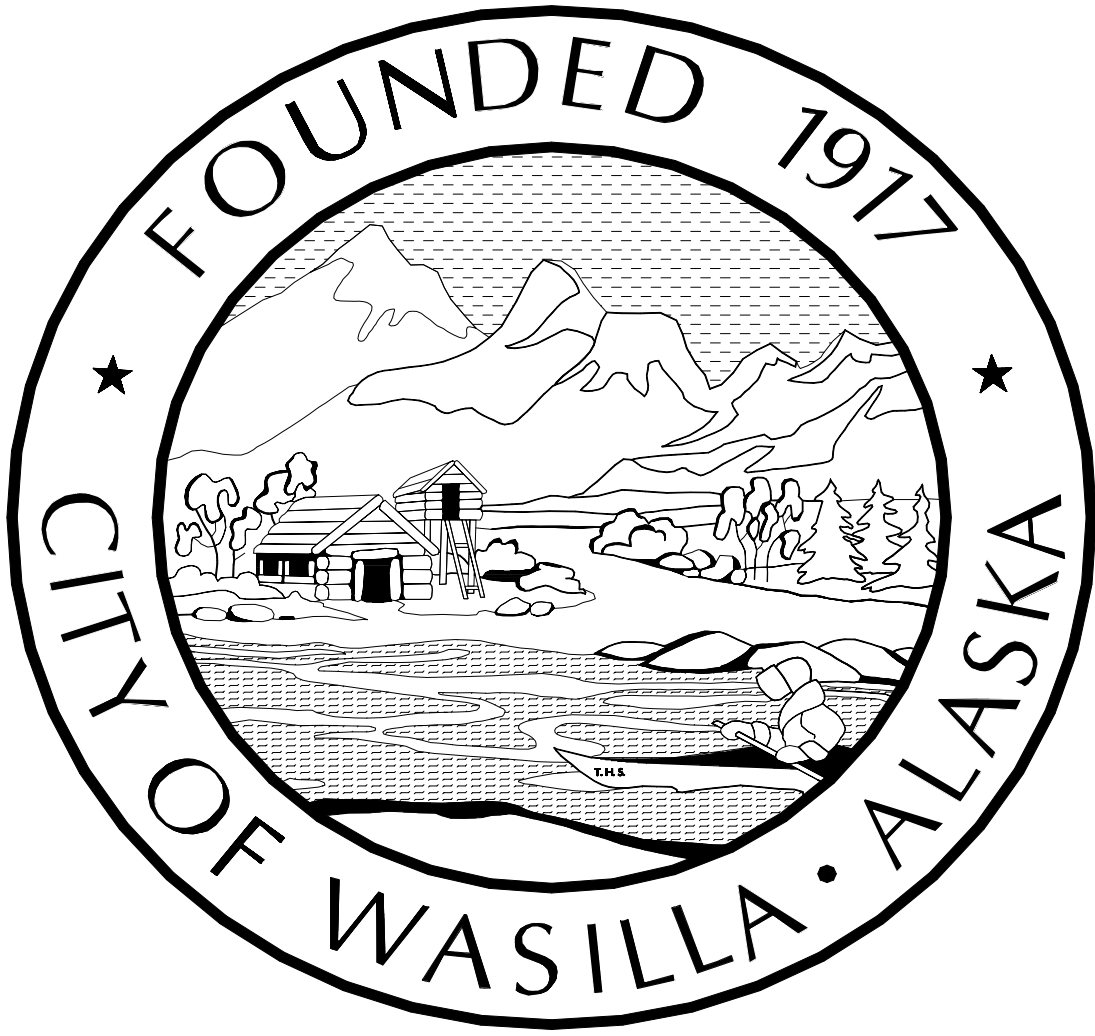
BY RESOURCE	F.Y. 2002 ACTUAL	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Interest Earnings	6,125	-	900	1	900	0.00%
Total	\$ 6,125	\$ -	\$ 900	\$ 1	\$ 900	0.00%

Personnel (Full-time Equivalent)

N/A

Performance Indicators

N/A



CAPITAL PROJECT IMPROVEMENT PLAN

Introduction

The City of Wasilla Municipal Code (WMC 05.04.020 (E)) requires that the city administration prepare a five-year capital plan and include the plan in a section of the annual budget labeled “Capital Projects”. All projects must have their budgets appropriated in the annual budget process (see-following CIP Fund sections for breakdown). An appropriation for a capital project shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from the original appropriation (WMC 05.04.160).

The CIP plan is a planning document and does not authorize funding of projects. Included are all capital expenditure projected to cost in excess of \$10,000. It is the policy of the City of Wasilla to include all projects in the first year of the CIP in the ensuing proposed budget submitted to the City Council. Preparation of the CIP document is assigned to the Public Works Department. The Mayor, Deputy Administrator, the City Planner and the Finance Director review all projects during the CIP preparation process.

In developing the City of Wasilla’s Capital Improvement Plan, the Mayor has directed that the CIP plan must:

- Support City Council goals and objectives;
- Satisfactorily address all state and City legal and financial limitations;
- Not place in danger the financial integrity of the City of Wasilla.

The mayor has also directed that the Capital Improvement plan should:

- Prevent the deterioration of the city’s existing infrastructure;
- Respond to and anticipate future growth in the City;
- Encourage and sustain the City of Wasilla’s economic growth;
- Be based on the City’s Five-Year Financial Forecast;
- Be financed on pay-as-you go financing, when ever possible;
- Be responsive to the needs of the residents and businesses; and ensure that there is Citizen input into the Annual CIP updating process;
- Coordinate CIP planning with other units of government in order to take maximum advantage of improvements provided by other units of government where appropriate.

Once the CIP plan is completed by administration, the City Council reviews all of the existing and proposed projects, considers citizen requests and evaluates staff recommendations, before making the final decision about which projects should be included in the annual CIP budget.

Financing the Capital Improvement Plan

The Five-Year CIP plan includes most of the projects the city will need to implement during the capital plan period. Potential funding sources are identified for each of the CIP project (see - detailed CIP detail project sheets). There are three types of financing techniques that the City of Wasilla utilizes to finance it CIP projects:

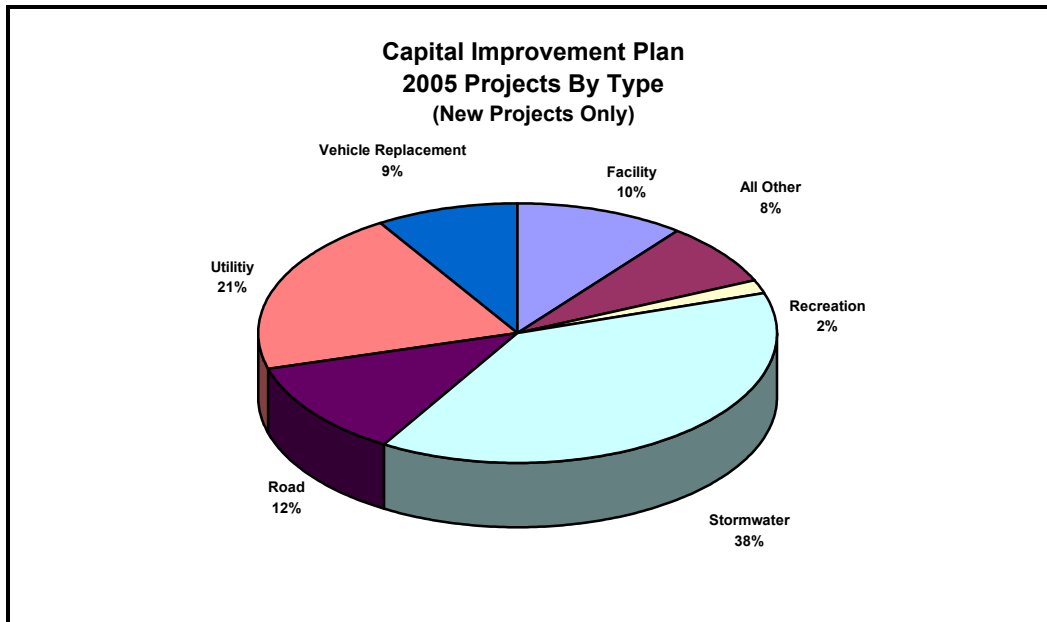
- Pay-as-you-go financing (General Fund transfers & Grant funding);
- Debt Financing (General Obligation Bonds & Revenue Bonds);

- Public-Private Financing (Local Improvement Districts).

Based on the financial forecast for the next five years and the type of capital projects, the City of Wasilla is planning to complete the upcoming projects for the next five years based on a pay-as-you-go financing through a combination of grant funding through State and Federal sources and transfers from the General Fund. The City of Wasilla is not planning at this time to incur a large amount of additional indebtedness for capital improvement over the next five years.

Summary of City of Wasilla’s Capital improvement Plan

The graph below shows the breakdown of the 2004-05 capital projects by major category type.

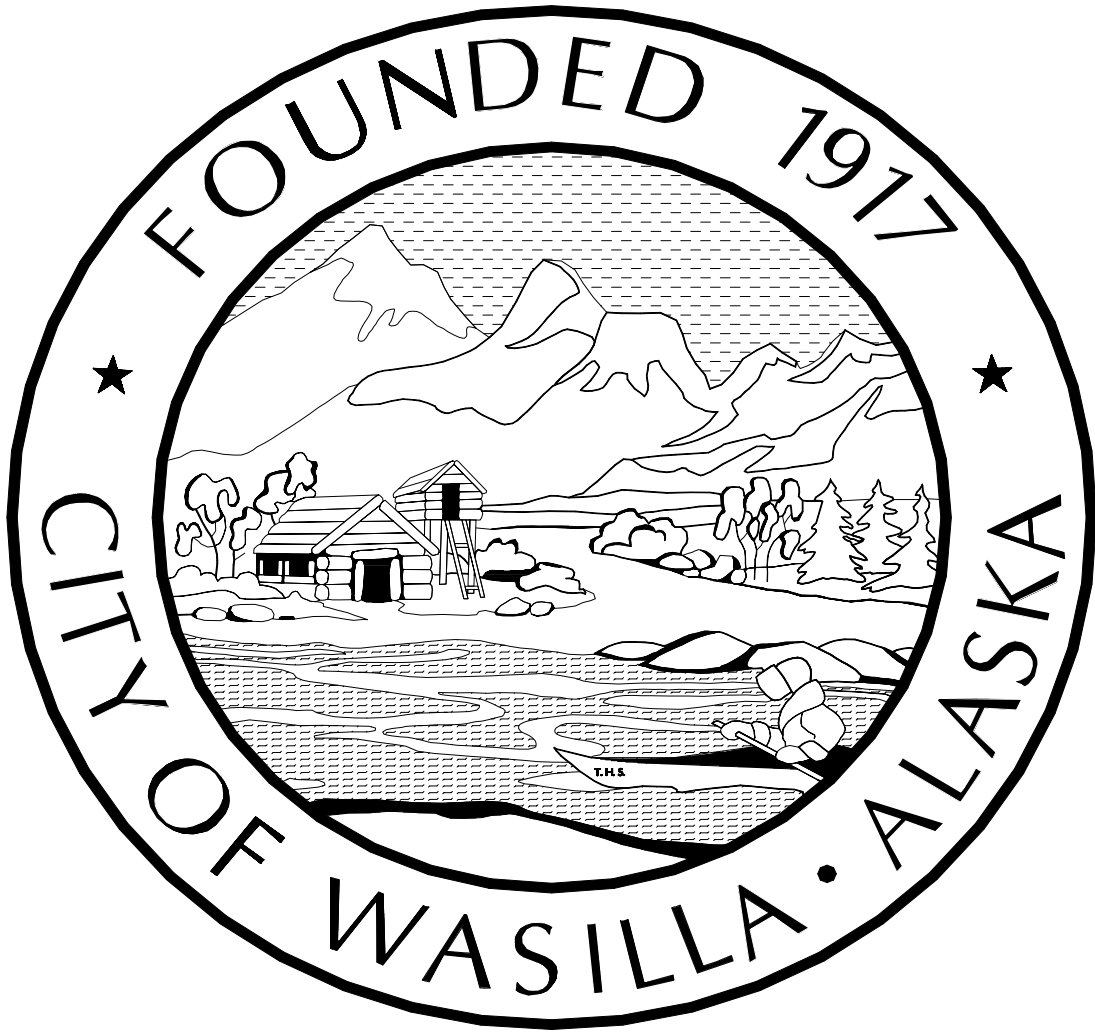


In the sections following the capital improvement plan description are the capital projects listed by fund. The major capital projects are listed and a CIP detail sheet is included for each project that will have funds appropriated for the project for Fiscal Year 2005. Each detail sheet contains a project description, the estimated impact on the operating budget, estimated expenditures by category and the sources of revenues projected to fund the project.

CAPITAL PROJECT FUNDS RECAP.

	CIP FUNDS	ENTERPRISE FUNDS	TOTAL
ESTIMATED BEGINNING BALANCES	\$ 1,598,048	\$ 1,659,356	\$ 3,257,404
REVENUES			
Intergovernmental-PY Approp.	\$ 5,262,776	\$ 4,440,159	\$ 9,702,935
Intergovernmental-FY 05 Ap.	530,500	75,000	605,500
Local Revenue	28,250	-	28,250
Other	-	10,000	10,000
Transfer In	920,888	308,888	1,229,776
TOTAL SOURCES OF FUNDS	6,742,414	4,834,047	11,576,461
TOTAL AVAILABLE FUNDS	\$ 8,340,462	\$ 6,493,403	\$ 14,833,865
EXPENDITURES			
Capital Outlay - Funded By Prior Year Appropriations	\$ 5,965,400	\$ 5,866,331	\$ 11,831,731
Capital Outlay - Funded By FY 05 Appropriations	1,447,500	375,000	1,822,500
TOTAL USE OF FUNDS	\$ 7,412,900	\$ 6,241,331	\$ 13,654,231
ESTIMATED FUNDS AVAILABLE 6/30/05	\$ 927,562	\$ 252,072	\$ 1,179,634

Note: Per City of Wasilla Fiscal Policy, unexpended appropriations for capital expenditures do not lapse and will continue in force until the purpose for which it was made has been accomplished or abandoned.



CAPITAL PROJECT FUNDS

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Please note that water, sewer and airport construction projects are included in the enterprise funds.

CAPITAL PROJECT FUND

This fund was setup to account for the acquisition and construction of major capital facilities other than those financed by enterprise funds (Sewer, Water, Airport and Multi-Use Sport Complex funds).

VEHICLE FUND

This fund was setup to account for the acquisition of all vehicles purchased for city operations.

RIGHT-OF-WAY FUND

This fund accounts for the acquisition of needed right-of-way for city operations.

HONOR GARDEN CIP PROJECT FUND

This fund accounts for the construction of The Armed Forces Honor Garden project.

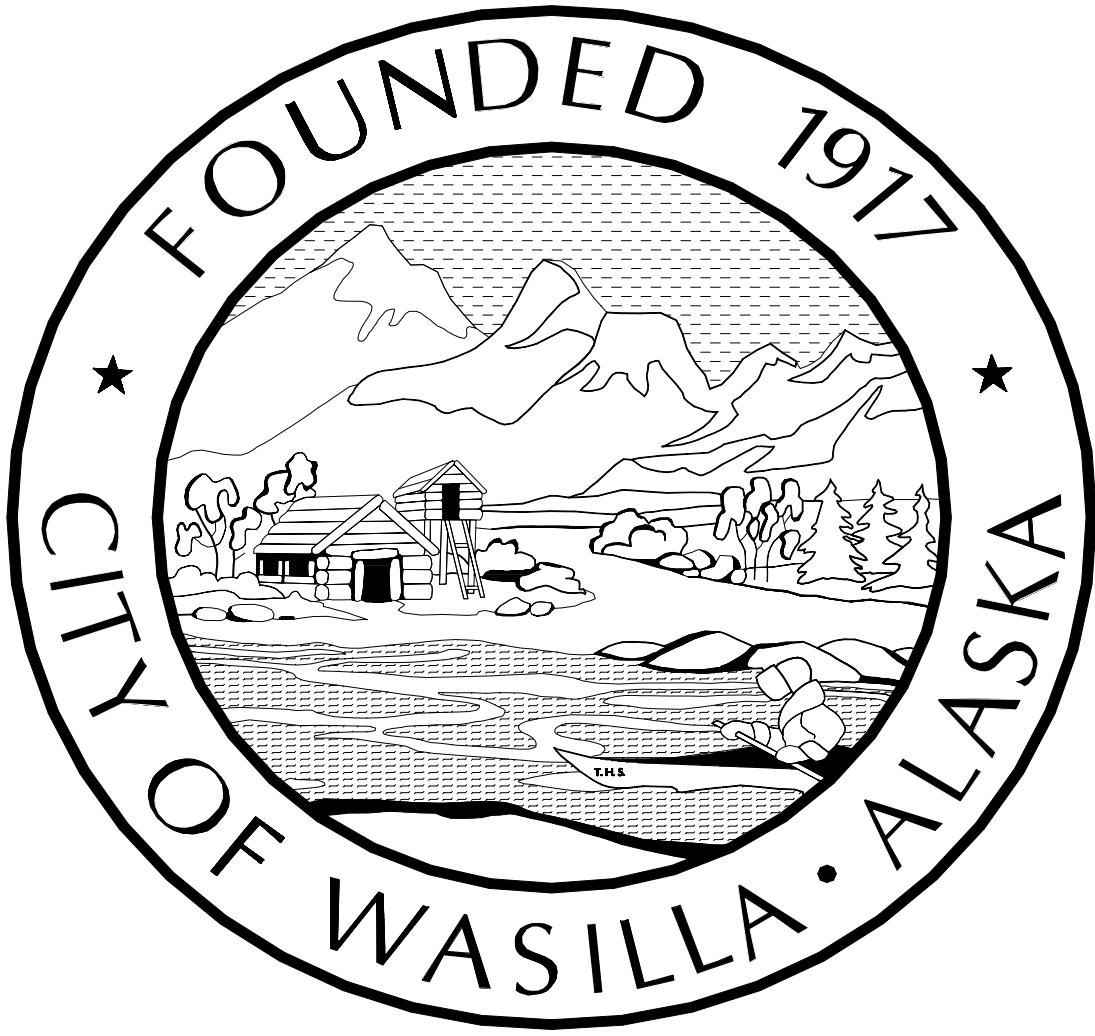
REGIONAL DISPATCH CENTER CIP PROJECT FUND

This fund accounts for the construction of the new Regional Dispatch Center for the City of Wasilla's Police Department.

CAPITAL PROJECT FUNDS RECAP.

	<u>CIP</u>	<u>VEHICLE</u>	<u>R. O. W.</u>	<u>HONOR GARDEN</u>	<u>REGIONAL DISPATCH CENTER</u>	<u>TOTAL</u>
ESTIMATED BEGINNING BALANCES	\$ 1,278,584	\$ 256,732	\$ 38,284	\$ 17,355	\$ 7,093	\$ 1,598,048
REVENUES						
Intergovernmental- PY Approp.	\$ 4,069,144	-	-	\$ -	\$ 1,193,632	\$ 5,262,776
Intergovernmental-FY 05	530,500	-	-	-	-	530,500
Local Revenue	26,000	2,000	200	50	-	28,250
Other	-	-	-	-	-	-
Transfer In	708,888	155,000	-	-	57,000	920,888
TOTAL SOURCES OF FUNDS	<u>5,334,532</u>	<u>157,000</u>	<u>200</u>	<u>50</u>	<u>1,250,632</u>	<u>6,742,414</u>
TOTAL AVAILABLE FUNDS	<u>\$ 6,613,116</u>	<u>\$ 413,732</u>	<u>\$ 38,484</u>	<u>\$ 17,405</u>	<u>\$ 1,257,725</u>	<u>\$ 8,340,462</u>
EXPENDITURES						
Capital Outlay - Funded By Prior Year Appropriations	\$ 4,756,497	\$ -	\$ -	\$ 8,399	\$ 1,200,504	\$ 5,965,400
Capital Outlay - Funded By FY 05 Appropriations	1,230,500	160,000	-	-	57,000	1,447,500
TOTAL USE OF FUNDS	<u>\$ 5,986,997</u>	<u>\$ 160,000</u>	<u>\$ -</u>	<u>\$ 8,399</u>	<u>\$ 1,257,504</u>	<u>\$ 7,412,900</u>
ESTIMATED FUNDS AVAILABLE 6/30/04	<u>\$ 626,119</u>	<u>\$ 253,732</u>	<u>\$ 38,484</u>	<u>\$ 9,006</u>	<u>\$ 221</u>	<u>\$ 927,562</u>

Note: Per City of Wasilla Fiscal Policy, unexpended appropriations for capital expenditures do not lapse and will continue in force until the purpose for which it was made has been accomplished or abandoned.



DEPARTMENT BUDGET SUMMARY

Capital Project Fund

Program

This Fund accounts for capital improvements to various city facilities, city roads and performance of feasibility studies. Financing is provided from transfers of funds from other funds and intergovernmental grant appropriations.

Goal

To protect the City of Wasilla's interest in each capital project by ensuring satisfactory job progress and reasonable performance by all parties involved in the projects.

Objectives for Fiscal Year 2005

- ❑ To administer professional and construction contracts in a manner consistent with appropriate legal requirements, City policies, Federal and State grant requirements, and department needs for each project.
- ❑ To investigate all possible funding sources for upcoming projects to ensure that the City of Wasilla is receiving the maximum outside funding possible for upcoming project needs.
- ❑ To Support City Council goals and objectives for Fiscal Year 2005, specially:
 - To continue to coordinate and integrate DOT, Mat-Su Borough, Alaska Railroad, and City transportation projects.
 - To complete construction of the downtown storm water system by the end of Fiscal Year 2006.

Significant Budget Changes

Significant shares of actual capital expenditures are from projects budgeted in prior years. Out of the total planned capital expenditures in Fiscal 2005 of \$5,986,997, approximately \$4,756,497 is for expenditures on projects started in or before FY 04 (79%). New projects account for a total of 21% of total CIP expenditures (\$1,230,000).

The three main projects that are being completed under this fund are the completion of the construction of the Intermodal Facility (\$900,000), Storm Water improvements (\$1,570,294) and the construction of South Mack Drive and the intersection at Church Road & South Mack Drive (\$ 1,920,263). Expenditures on these three projects are approximately 73% of total planned expenditures in this CIP Fund.

Impact On The Operating Budget

The City of Wasilla's operating budget is directly affected by the CIP projects. Almost every new capital improvement entails ongoing expenses for routing operation, repairs and maintenance. The cost of future operations and maintenance for new CIP projects are estimated by each department based on the past experience and anticipated increase in the cost of materials, labor, and other project components. The new projects started this year include projects for parks and recreation. It is estimated that it cost

Capital Project Fund

the City of Wasilla approximately \$2,136 to maintain a new acre of park property (estimate 2 acres developed). The new CIP projects include road projects. It is estimated it cost approximately \$9,436 to maintain a mile of road (estimated 6 miles paved). It is estimated that the cost of placing the new Intermodal Facility into operation will cost the City \$2,000 a month and the deficit between revenues and expenses. Total estimated impact on the operating budget for the new projects budgeted in Fiscal 2005 would be approximately \$84,888 per Fiscal Year.

CAPITAL PROJECT FUND

	F.Y. 2004 L-T-D Budget	Projected Activity Thru 6/30/04	Project Balance 6/30/2004
Revenue:			
Federal Grants	\$ 1,680,000	\$ -	\$ 1,680,000
State Grants	4,627,756	2,238,612	2,389,144
Local Government Grants	34,216	34,216	-
Project Plan Fees	-	5,820	(5,820)
Interest Income	-	1,000	(1,000)
Local Donations	20,000	675	19,325
LID Bond Proceeds	-	-	-
General Fund Operating Transfer	461,895	461,895	-
Capital Reserve Fund Transfer	150,000	150,000	-
78-1 Debt Service Fund Transfer	-	-	-
Capital Project Fund's Fund Balance Drawdown	947,645	272,797	674,848
Total Revenue	\$ 7,921,512	\$ 3,165,015	\$ 4,756,497
Projects:			
Facility Projects:			
City Building Improvements	173,978	88,088	85,890
Intermodal Facility	900,000	-	900,000
Land Aquisition	19,711	-	19,711
Library Modifications	152,061	152,061	-
Police Building	95,917	47,732	48,185
South Mack Utilities	194,894	24,926	169,968
City Shop	-	-	-
Miscellaneous Projects:			
Miscellaneous City Projects	198,154	41,905	156,249
City Website	50,000	-	50,000
Recreation Projects:			
Bumpus Recreational Complex	39,762	5,691	34,071
Iditapark	210,036	106,981	103,055
Miscellaneous Projects	131,340	8,039	123,301
Stormwater Projects:			
Stormwater System	3,184,249	2,319,455	864,794
Street Projects:			
Church Road Intersection	225,000	79,650	145,350
Gravel Road Rehab	144,102	66,543	77,559
Miscellaneous Road Projects	58,574	473	58,101
South Mack Drive	2,143,734	223,471	1,920,263
Total Project Expenditures	\$ 7,921,512	\$ 3,165,015	\$ 4,756,497

Note - 6/30/04 project balances per Wasilla Municipal Code are automatically brought forward to Fiscal Year 2005. It is projected that all of the Fiscal Year 2004 project balances will be expended in Fiscal Year 2005.

F.Y. 2005 Budget Additions	F.Y. 2006 Budgeted Additions	F.Y. 2007 Budgeted Additions	F.Y. 2008 Budgeted Additions	F.Y. 2009 Budgeted Additions
\$ -	\$ -	\$ -	\$ -	\$ -
530,500	1,346,350	4,376,000	410,000	410,000
-	-	-	-	-
-	-	-	-	-
26,000	-	-	-	-
-	-	-	-	-
-	-	-	-	-
700,000	550,000	604,000	335,000	295,000
-	-	-	-	-
8,888	-	-	-	-
-	-	-	-	-
<u>\$ 1,265,388</u>	<u>\$ 1,896,350</u>	<u>\$ 4,980,000</u>	<u>\$ 745,000</u>	<u>\$ 705,000</u>

50,000	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
65,000	95,000	-	-	-
-	-	-	-	-
75,000	100,000	100,000	115,000	125,000
-	-	-	-	-
35,000	35,000	-	-	-
50,000	50,000	50,000	50,000	-
-	-	-	-	-
30,000	110,000	110,000	110,000	110,000
-	-	-	-	-
-	-	-	-	-
705,500	1,086,350	150,000	150,000	150,000
-	-	-	-	-
200,000	300,000	300,000	300,000	300,000
20,000	20,000	20,000	20,000	20,000
-	100,000	4,250,000	-	-
<u>\$ 1,230,500</u>	<u>\$ 1,896,350</u>	<u>\$ 4,980,000</u>	<u>\$ 745,000</u>	<u>\$ 705,000</u>

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

FY05 Projects including council chambers rear offices, to combine the two existing work areas into one large training area and meeting room for executive secessions.

Impact on Operating Budget:

No effect on operating budget

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	\$173,978	88,088	85,890	50,000	-	-	-	-	223,978
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$173,978	\$ 88,088	\$ 85,890	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 223,978

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	173,978	173,978	-	50,000	-	-	-	-	223,978
	-	-	-	-	-	-	-	-	-
Totals	\$ 173,978	\$ 173,978	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 223,978

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

FY05 Projects include improvements to the heating and ventilation system, enclosed cartport, and emergency generator screening wall.

Impact on Operating Budget:

No effect on operating budget

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	95,917	47,732	48,185	65,000	95,000	-	-	-	255,917
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 95,917	\$ 47,732	\$ 48,185	\$ 65,000	\$ 95,000	\$ -	\$ -	\$ -	\$ 255,917

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$0	\$0	\$0	\$0	\$0	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	95,917	95,917	-	65,000	95,000	-	-	-	255,917
	-	-	-	-	-	-	-	-	-
Totals	\$ 95,917	\$ 95,917	\$ -	\$ 65,000	\$ 95,000	\$ -	\$ -	\$ -	\$ 255,917

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This project will construct a new 15,000 square feet City Shop at Centaur Ave over the next 5 years. FY05 work includes 800 feet of water main extension along Willow with fire hydrants on Lake View Avenue and Centaur Ave. The FY05 work will also include the sewer connection septic tank and pump vault. FY06 will include the foundation and purchase of metal building. FY07-09 will complete the building in phases. The existing shop will continue to be in service to allow for more of the existing equipment to be stored and maintained in doors

Impact on Operating Budget:

An increase reflecting additional roads and parks services needs over the next five years. No impact for the FY 05 budget is projected

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	75,000	100,000	100,000	115,000	125,000	515,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$0	\$ -	\$ -	\$ 75,000	\$ 100,000	\$ 100,000	\$ 115,000	\$ 125,000	\$ 515,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	75,000	100,000	100,000	115,000	125,000	515,000
Totals	\$ -	\$ -	\$ -	\$ 75,000	\$ 100,000	\$ 100,000	\$ 115,000	\$ 125,000	\$ 515,000

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:
These funds will be used to continue with information management system.

Impact on Operating Budget:
Will increase maintenance cost of MIS system. Estimated cost increase per year to budget will be \$3,000.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Services	51,203	35,338	15,865	35,000	35,000	-	-	-	121,203
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 51,203	\$ 35,338	\$ 15,865	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ -	\$ 121,203

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	51,203	51,203	-	35,000	35,000	-	-	-	121,203
Totals	\$ 51,203	\$ 51,203	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ -	\$ 121,203

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 These funds will be used to continue with the development of the City web site, to provide more information for public use and to allow for online city business. In FY 05, the city plans to implement a budget page, a citizen survey module, a page that will be used to take utility payments and allow citizens to view their utility consumption. Also, the city will be designing an intranet in conjunction with our website. The first module for the intranet will allow employees to view employee information on-line and also the have ability to change certain employee information on line such as addresses, ect.

Impact on Operating Budget:
 Maintenance fees for modules for citizen survey, Human resources, and for utility payments are estimated to be \$5,000.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment & Software	50,000	-	50,000	50,000	50,000	50,000	50,000	-	250,000
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 250,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:									
Operating Transfers	50,000	50,000	-	50,000	50,000	50,000	50,000	-	250,000
	-	-	-	-	-	-	-	-	-
Totals	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 250,000

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

Impact on Operating Budget:

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	39,762	5,691	34,071	30,000	110,000	110,000	110,000	110,000	509,762
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 39,762	\$ 5,691	\$ 34,071	\$ 30,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 509,762

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:	-	-	-	-	-	-	-	-	-
FY03 Iditapark Additions	39,762	5,691	34,071	-	110,000	110,000	110,000	110,000	479,762
Local:	-	-	-	30,000	-	-	-	-	30,000
Operating Transfers	-	-	-	-	-	-	-	-	-
Totals	\$ 39,762	\$ 5,691	\$ 34,071	\$ 30,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 509,762

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

The FY05 work will complete the Tommy Moe Storm Drain System that will improve road drainage between Main Street and Tommy Moe Drive, including the pump vault within the VPA parking lot sending treated stormwater into Iditapark for further treatment and groundwater recharge for Lake Lucille. Future projects will follow the Stormwater Master Plan improving drainage and water quality.

Impact on Operating Budget:

Increased O&M for the pump station will be offset by reduced maintenance caused by local street flooding.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$15,000	\$ 15,000	\$0	\$ -	\$ -	\$ -	\$ -	\$ -	15,000
Land		-	-						-
Design Services									
Engineering	264,700	264,700							264,700
Construction	2,904,729	2,039,755	864,974	705,500	1,086,350	150,000	150,000	150,000	4,281,605
Equipment									
Other Services									
Contingency									
Totals	\$3,184,429	\$ 2,319,455	\$ 864,974	\$ 705,500	\$ 1,086,350	\$ 150,000	\$ 150,000	\$ 150,000	\$ 4,561,305

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
State:									
DEC 70/30	\$ 1,219,501	\$ 859,138	\$ 360,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 859,138
DOT	1,693,428	1,280,000	413,428						1,280,000
DEC 50/50 FY04	271,500	180,317	91,183						180,317
DEC 50/50 FY05				455,500					455,500
Future State Funding					1,086,350	150,000	150,000	150,000	1,536,350
Local:									
Operating Transfers				250,000					250,000
Totals	\$ 3,184,429	\$ 2,319,455	\$ 864,974	\$ 705,500	\$ 1,086,350	\$ 150,000	\$ 150,000	\$ 150,000	\$ 4,561,305

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

Improve gravel road surfaces strip pavement. Improve ditches and install culverts as needed to protect road structure. Strip-pave selected roads; Holiday Drive and portions of Fern Street, and Lake Lucille Drive. This capital improvement project is intended to continue until all gravel roads are paved. The city is funding \$75,000 more than projected due to a cut at the state level from our funding request.

Impact on Operating Budget:

Cost is estimated at \$9,436 per mile. The City of Wasilla is estimated to pave 3 miles of road. Total O&M cost per year is projected at \$28,303.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	144,102	66,543	77,559	200,000	300,000	300,000	300,000	300,000	1,544,102
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 144,102	\$ 66,543	\$ 77,559	\$ 200,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,544,102

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:	-	-	-	-	-	-	-	-	-
Legislative Approp.	-	-	-	75,000	150,000	150,000	150,000	150,000	675,000
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	144,102	144,102	-	125,000	150,000	150,000	150,000	150,000	869,102
	-	-	-	-	-	-	-	-	-
Totals	\$ 144,102	\$ 144,102	\$ -	\$ 200,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,544,102

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

New regulations on a Federal and State level require all traffic control signs meet the new standards by 2012. All STOP signs have been replaced with the new standard.

Impact on Operating Budget:

None.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	23,455	473	22,982	20,000	20,000	20,000	20,000	20,000	123,455
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 23,455	\$ 473	\$ 22,982	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 123,455

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	23,455	23,455	-	20,000	20,000	20,000	20,000	20,000	123,455
	-	-	-	-	-	-	-	-	-
Totals	\$ 23,455	\$ 23,455	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 123,455

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This is funded by state bonds, and this project will pave South Mack Drive to the Multi-Use Sports Complex, construct a bike path from the Parks Hwy to the Sports Complex, and construct a road to the airport from South Mack Drive and in the future connect South Mack to Mack road.

Impact on Operating Budget:

Additional funds will be required to maintain new roads and bikepath. Estimated cost per year for maintenace \$18,872.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-	-	-		-	-	-
Design Services	-	-	-	-	-		-	-	-
Engineering	-	-	-	-	-		-	-	-
Construction	2,143,734	223,471	1,920,263	-	100,000	4,250,000	-	-	6,493,734
Equipment	-	-	-	-	-		-	-	-
Other Services	-	-	-	-	-		-	-	-
Contingency	-	-	-	-	-		-	-	-
Totals	\$ 2,143,734	\$ 223,471	\$ 1,920,263	\$ -	\$100,000	\$ 4,250,000	\$ -	\$ -	\$ 6,493,734

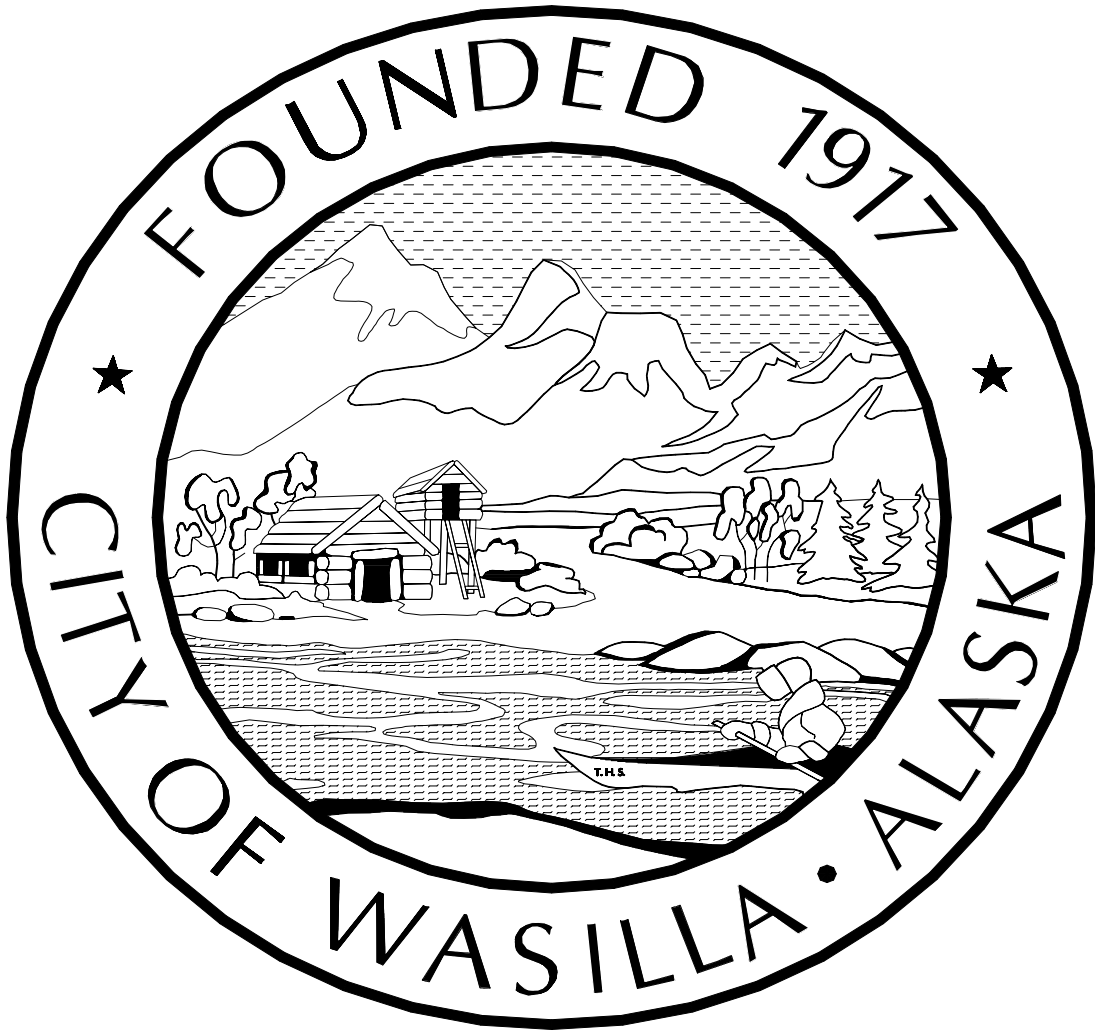
Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:	1,566,269	167,989	1,398,280	-	100,000	4,250,000	-	-	5,916,269
Local: Operating Transfers	577,465	577,465	-	-	-	-	-	-	577,465
Totals	\$ 2,143,734	\$ 745,454	\$ 1,398,280	\$ -	\$100,000	\$ 4,250,000	\$ -	\$ -	\$ 6,493,734

Cost Beyond 5-Year

Program:



DEPARTMENT BUDGET SUMMARY

Vehicle Fund

Program

To account for the acquisition of needed vehicles for city operations.

Goal

To purchase needed vehicles for the departments at the best price available. Also, to provide a means for the City of Wasilla to accumulate funds over a period of time to fund replacement of vehicles as the vehicles wear out.

Objectives for Fiscal Year 2005

- To review policies on vehicle replacement.

Significant Budget Changes

None

Impact On The Operating Budget

It is projected that the impact on the operating budget will be favorable. Repair cost on new vehicles should decrease compared to the replaced vehicles.

VEHICLE FUND

	<u>L-T-D Budget</u>	<u>Projected Activity As of 6/30/04</u>	<u>Project Balance 6/30/2004</u>
Revenue:			
Interest Income	\$ -	\$ 483	\$ (483)
Operating Transfers:			
General Fund	120,000	120,000	\$ -
Capital Project Fund	-	-	\$ -
Utility Fund	25,000	25,000	\$ -
Fund Balance Draw Down	70,738	70,255	\$ 483
Total Revenue	<u>\$ 215,738</u>	<u>\$ 215,738</u>	<u>\$ -</u>
 Projects:			
Vehicle Purchases - Police	\$ 90,000	\$ 90,000	\$ -
Vehicle Purchases - Public Works	125,738	125,738	\$ -
Total Project Expenditures	<u>\$ 215,738</u>	<u>\$ 215,738</u>	<u>\$ -</u>

F.Y. 2005 Budgeted Additions	F.Y. 2006 Budgeted Additions	F.Y. 2007 Budgeted Additions	F.Y. 2008 Budgeted Additions	F.Y. 2009 Budgeted Additions
\$ 2,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
155,000	115,000	125,000	145,000	145,000
-	-	-	-	-
-	25,000	25,000	25,000	25,000
5,000	-	-	-	-
<u>\$ 162,000</u>	<u>\$ 143,000</u>	<u>\$ 153,000</u>	<u>\$ 173,000</u>	<u>\$ 173,000</u>
\$ 65,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
95,000	80,000	90,000	110,000	110,000
<u>\$ 160,000</u>	<u>\$ 140,000</u>	<u>\$ 150,000</u>	<u>\$ 170,000</u>	<u>\$ 170,000</u>

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This purchase is to replace vehicles which have gone over 100,000 miles and/or have started to experience high maintenance costs making them cost prohibitive. I estimate that we will have to purchase two new vehicles in FY05. It is unknown what the costs of those vehicles will be, however based on last year's prices I believe that the patrol package specials will cost about \$30,000. each. It will cost another eight thousand each to properly equip them with the emergency lights, cages, prisoner seats, radios, gun rack, siren, push bumpers and control panels. Also the public safety division will purchase a vehicle for the code compliance officer that was approved in the FY 05 operating budget.

Impact on Operating Budget:

N/A will not effect operating budget.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions				
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Equipment	90,000	90,000	-	65,000	60,000	60,000	60,000	60,000
Other Services	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-
Totals	\$ 90,000	\$ 90,000	\$ -	\$ 65,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions				
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-
Utility Fund Transf	-	-	-	-	-	-	-	-
General Fund Transf.	60,000	60,000	-	60,000	60,000	60,000	60,000	60,000
Fund Balance Draw	30,000	30,000	-	5,000	-	-	-	-
Totals	\$ 90,000	\$ 90,000	\$ -	\$ 65,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This project will provide a funding source for the future purchase of rolling stock for all divisions of public of Public Works and Parks Maintenance.

Impact on Operating Budget:

Efficient mobile equipment increases the safety and productivity of employees. The expansion of the vehicle fleet will increase vehicle maintenance costs.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions				
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Equipment	125,738	125,738	-	95,000	80,000	90,000	110,000	110,000
Other Services	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-
Totals	\$ 125,738	\$ 125,738	\$ -	\$ 95,000	\$ 80,000	\$ 90,000	\$ 100,000	\$ 110,000

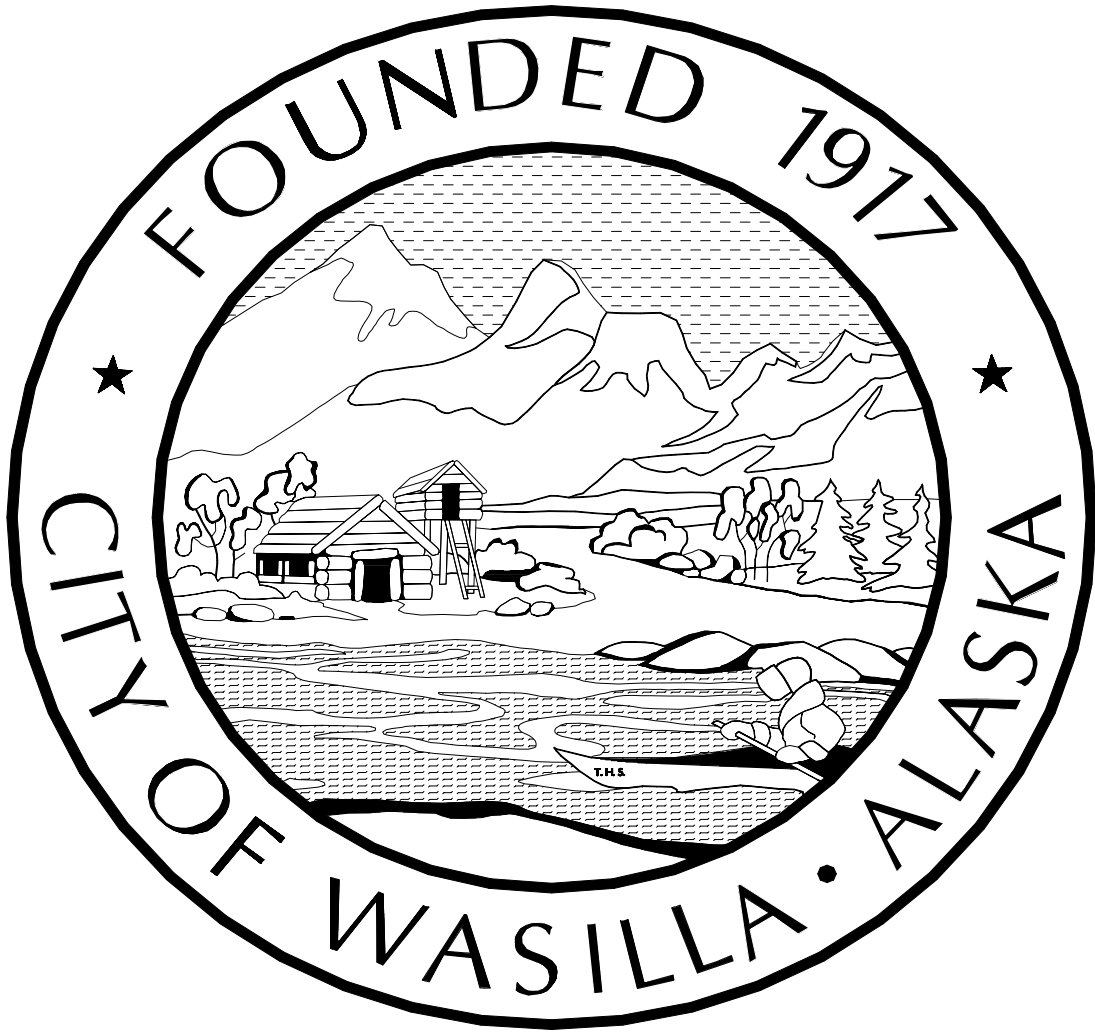
Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions				
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Local:								
Operating Transfers	85,000	85,000	-	95,000	80,000	90,000	110,000	110,000
	-	-	-	-	-	-	-	-
Fund balance draw	40,738	40,738	-	-	-	-	-	-
Totals	\$ 125,738	\$ 125,738	\$ -	\$ 95,000	\$ 80,000	\$ 90,000	\$ 110,000	\$ 110,000

Cost Beyond 5-Year

Program:



DEPARTMENT BUDGET SUMMARY

Right of Way Fund

Program

To account for the acquisition of needed right-of-ways for city operations.

Goal

To provide long-term funding for the acquisition of needed right-of-way for city operations.

Objectives for Fiscal Year 2005

- To ensure that there is funding for purchase of right-of-way rights for the City of Wasilla, if needed.

Significant Budget Changes

None

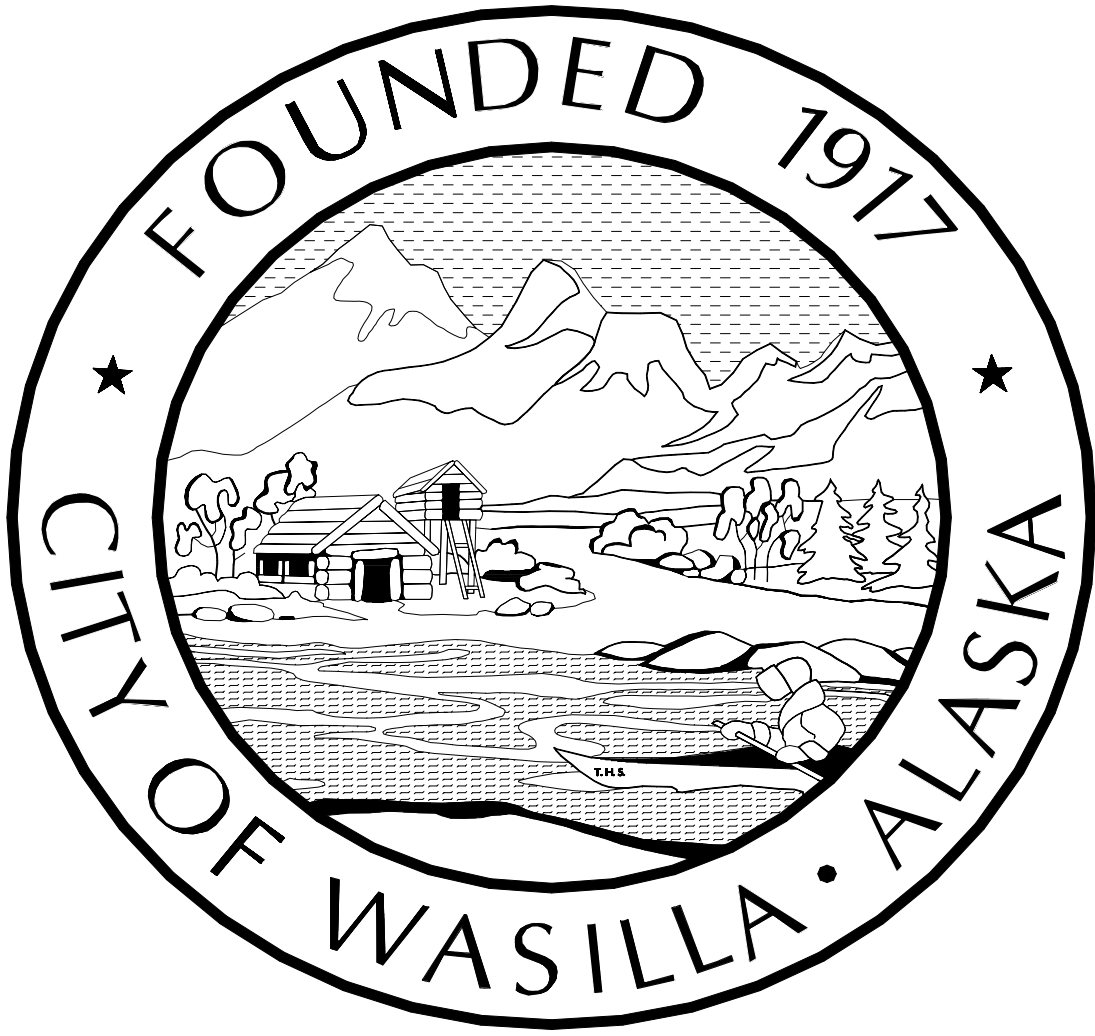
Impact on Operating Budget

None anticipated.

Right of Way Fund

	<u>L-T-D Budget</u>	<u>Projected Activity As of 6/30/04</u>	<u>Project Balance As of 6/30/04</u>
Revenue:			
Interest Income	\$ -	\$ 56	\$ (56)
General Fund Transfer	-	-	-
Total Revenue	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ (56)</u>
Projects:			
Appraisals	\$ -	\$ -	\$ -
ROW Acquisitions	-	-	-
Total Project Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

F.Y. 2005 Budgeted Additions	F.Y. 2006 Budgeted Additions	F.Y. 2007 Budgeted Additions	F.Y. 2008 Budgeted Additions	F.Y. 2009 Budgeted Additions
\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
-	-	-	-	-
\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -



DEPARTMENT BUDGET SUMMARY

Honor Garden CIP Project Fund

Program

To account for the construction of the Armed Forces Honor Garden (Alaska Path of Freedom Project).

Goal

To construct an Armed Forces Honor Garden through fund raising activities and local contributions.

Objectives for Fiscal Year 2005

- To complete the construction of the Armed Forces Honor Garden in FY 05.

Significant Budget Changes

None

Impact on Operating Budget

It is estimated that there will be a slight increase in operation and maintenance cost for the Recreation Department once the Honor Garden is completed. It is estimated that the increased cost to the Recreation budget would be approximately \$3,000.

Honor Garden Fund

	<u>L-T-D Budget</u>	<u>Projected Activity As of 6/30/04</u>	<u>Project Balance 6/30/2004</u>
Revenue:			
Interest Income	\$ -	\$ 43	\$ (43)
State Grant Revenue	-	-	-
Sales	-	759	(759)
General Fund Transfer	-	-	-
Fund Balance Drawdown	27,518	18,317	9,201
Total Revenue	<u>\$ 27,518</u>	<u>\$ 19,119</u>	<u>\$ 8,399</u>
Projects:			
Honor Garden	\$ 27,518	\$ 19,119	\$ 8,399
Total Project Expenditures	<u>\$ 27,518</u>	<u>\$ 19,119</u>	<u>\$ 8,399</u>

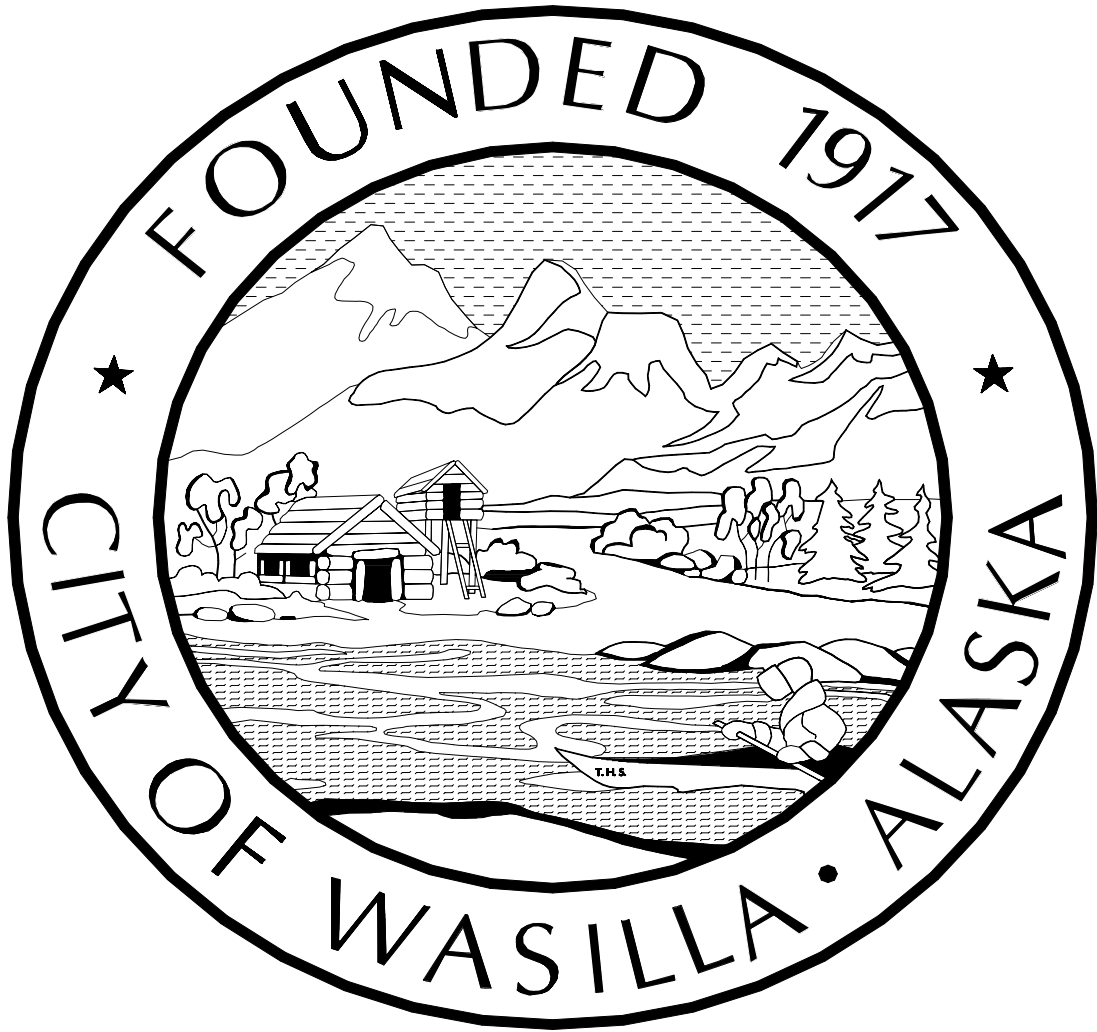
Note - 6/30/04 project balances per Wasilla Municipal Code are automatically brought forward to Fiscal Year 2005. It is projected that all of the Fiscal Year 2004 project balances will be expended in Fiscal Year 2005.

**F.Y. 2005
Budgeted
Additions**

\$ 50

\$ 50

\$ -



DEPARTMENT BUDGET SUMMARY

Regional Dispatch Center CIP Project Fund

Program

To account for the construction of a Regional Dispatch Center for the Police Department.

Goal

To construct a Regional Dispatch Center which will increase the level of service to the Police Officers and the Citizens from the Police Department.

Objectives for Fiscal Year 2005

- To complete phase two of the project and to have a Regional Dispatch Center fully operational by the end of Fiscal Year 2005.

Significant Budget Changes

None

Impact on the General Fund Operating Budget

When the City of Wasilla completes installation of the software it is estimated that the City will start paying \$82,000 annually in software maintenance fee beginning in Fiscal Year 2006.

Regional Dispatch Center

	<u>L-T-D Budget</u>	<u>Projected Activity As of 6/30/04</u>	<u>Project Balance 6/30/2004</u>
Revenue:			
Interest Income	\$ -	\$ -	\$ -
Federal Grant Revenue	1,625,615	431,983	\$ 1,193,632
Fund Transfer	100,000	100,000	\$ -
Total Revenue	<u>\$ 1,725,615</u>	<u>\$ 531,983</u>	<u>\$ 1,193,632</u>
Projects:			
Regional Dispatch Center	\$ 1,725,615	\$ 525,111	\$ 1,200,504
Total Project Expenditures	<u>\$ 1,725,615</u>	<u>\$ 525,111</u>	<u>\$ 1,200,504</u>

Note - 6/30/04 project balances per Wasilla Municipal Code are automatically brought forward to Fiscal Year 2005. It is projected that all of the Fiscal Year 2004 project balances will be expended in Fiscal Year 2005.

**F.Y. 2005
Budget
Additions**

\$ -
-
57,000
\$ 57,000

\$ 57,000
\$ 57,000

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

New funding for FY 05 will be used for funding a communication officer position for 6 months for project management.

Impact on Operating Budget:

Total dispatch operation cost will be reduce by approximate \$100,000 to \$150,000 per year.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ 194,073	\$ 171,585	\$ 22,488	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ 251,073
Land	-	-	-	-	-	-	-	-	-
Design Services	300,000	48,670	251,330	-	-	-	-	-	300,000
Engineering	-	-	-	-	-	-	-	-	-
Construction	300,000	21,186	278,814	-	-	-	-	-	300,000
Equipment & Software	1,150,000	258,194	891,806	-	-	-	-	-	1,150,000
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 1,944,073	\$ 499,635	\$ 1,444,438	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ 2,001,073

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ 1,750,000	\$ 328,050	\$ 1,421,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,750,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	194,073	194,073	-	57,000	-	-	-	-	251,073
	-	-	-	-	-	-	-	-	-
Totals	\$ 1,944,073	\$ 522,123	\$ 1,421,950	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ 2,001,073

Cost Beyond 5-Year

Program:

ENTERPRISE CAPITAL PROJECTS

ENTERPRISE CAPITAL PROJECTS

The enterprise construction projects are accounted for in the enterprise funds. The Enterprise Funds are used to account for operations that are financed and operated in manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing bases be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. For purposes of reporting, the enterprise capital projects are reported in the capital section of the budget. The retained earnings related to the projects are included in estimated beginning balances in this section.

UTILITY CONSTRUCTION PROJECTS

This utility construction projects were setup to account for the financial resources to be used for the acquisition and construction of major capital facilities for utility fund.

AIRPORT CONSTRUCTION PROJECTS

This airport construction projects were setup to account for the financial resources to be used for the acquisition and construction of major capital facilities for the Wasilla Municipal Airport.

MULTI-USE SPORTS COMPLEX (MUSC) CONSTRUCTION PROJECTS

This MUSC construction projects were setup to account for the financial resources to be used for construction of Multi-Use Sports Complex.

CONSTRUCTION FUND RECAP.

	<u>Utility</u>	<u>AIRPORT</u>	<u>MUSC</u>	<u>TOTAL</u>
Estimated Beginning Balances	\$ 691,320	\$ 64,117	\$ 903,919	\$ 1,659,356
Revenue				
Intergov Rev. - PY Approp	\$ 2,574,818	\$ 1,865,341	\$ -	\$ 4,440,159
Intergov. Revenue - FY 05 Approp.	75,000	-	-	75,000
Bond Proceeds	-	-	-	-
Local Revenue	-	-	10,000	10,000
Residual Equity Transfers	308,888	-	-	308,888
TOTAL SOURCES OF FUNDS	2,958,706	1,865,341	10,000	4,834,047
TOTAL AVAILABLE FUNDS	\$ 3,650,026	\$ 1,929,458	\$ 913,919	\$ 6,493,403
EXPENDITURES				
Capital Outlays- Prior Year Appropriations	\$ 3,275,026	\$ 1,929,458	\$ 661,847	\$ 5,866,331
Capital Outlays - Fiscal Year 05 Appropriations	375,000	-	-	375,000
TOTAL USE OF FUNDS	\$ 3,650,026	\$ 1,929,458	\$ 661,847	\$ 6,241,331
Estimated Funds Available 6/30/05	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,072</u>	<u>\$ 252,072</u>

DEPARTMENT BUDGET SUMMARY

Utility Capital Projects (Included in Utility Enterprise Fund)

Program

To account for capital improvements for the Utility Fund.

Goal

To protect the City of Wasilla's interest in each capital project by ensuring satisfactory job progress and reasonable performance by all parties involved in the projects.

Objectives for Fiscal Year 2005

- ❑ To administer professional and construction contracts in a manner consistent with appropriate legal requirements, City policies, Federal and State grant requirements, and department needs for each project.
- ❑ To investigate all possible funding sources for upcoming projects to ensure that the City of Wasilla is receiving the maximum outside funding possible for upcoming project needs.
- ❑ To incorporate the water and sewer master plans into the 5-Year long-term Capital Improvement Plan.
- ❑ To continue to expand water and sewer systems west towards Wasilla Municipal Airport and east towards Trunk road.

Significant Budget Changes

Significant share of actual capital expenditures are from projects budgeted in prior fiscal years. Out of the total planned capital expenditures of \$3,650,026, approximately 90 percent (\$3,275,026) of projected expenditures were appropriated in prior fiscal years. \$375,000 of new projects is budget appropriations for FY 05.

The two main projects that are projected to be completed are the Continued Expansion of Water & Sewer Lines (\$1,916,196), and the sewer plant expansion (\$1,000,000). Expenditures on these projects are approximately 80% of total planned expenditures in Utility CIP Funds.

Impact On The Operating Budget

The City of Wasilla's utility operating budget is directly affected by the CIP projects. Almost every new capital improvement entails ongoing expenses for routing operation, repairs and maintenance. The cost of future operations and maintenance for new CIP projects are estimated by the Public Works Department based on the past experience and anticipated increase in the cost of materials, labor, and other project components. Based on the new projects added the total impact on the utility operating budget due to the construction projects is \$20,000 for Fiscal Year 2005.

Utility Construction Projects

	<u>F.Y. 2001 L-T-D Budget</u>	<u>Projected Activity As of 6/30/04</u>	<u>Projected Balance 6/30/2004</u>
Revenue:			
Federal Grants	\$ 2,372,794	\$ 619,020	\$ 1,753,774
State Grants	1,710,046	889,002	821,044
Dec Loan Proceeds	77,643	4,952	72,691
Local Government Grants	-		
General Fund Residual Equity Transfers	614,000	614,000	-
Other Funds Transfers	-	-	-
Utility Fund Reserves for Construction	2,834,156	2,206,639	627,517
Total Revenue	<u>\$ 7,608,639</u>	<u>\$ 4,333,613</u>	<u>\$ 3,275,026</u>
Projects:			
Automated Meter Reading Sys.	21,419	8,212	13,207
Bumpus Well Reservoir	2,752,995	2,568,580	184,415
Emergency Power Generator	54,496	169	54,327
Future Sewer Plant Permitting	95,045	8,872	86,173
Garden Terrace Main Ext/Parks Hwy Ext	30,932	-	30,932
Iditapark Tank Drainage Basin	27,256	12,981	14,275
Manway Change Out	22,206	-	22,206
Mapping GPS Upgrades	18,055	773	17,282
Miscellaneous Sewer Projects	74,075	16,583	57,492
Miscellaneous Water Projects	33,773	-	33,773
Palmer-Wasilla Hwy Sewer Ext	67,143	-	67,143
Palmer-Wasilla Hwy Water Ext	1,456,142	230,390	1,225,752
Parks West Extension	246,947	87,886	159,061
Septage Facility	112,126	91,622	20,504
Septic Tank Replacement	29,436	4,260	25,176
Sewer Lagoon Upgrade	-	-	-
Sewer Metal Storage Building	-	-	-
Sewer Plant Expansion	1,000,000	-	1,000,000
South Mack Drive Sewer Ext.	512,100	346,167	165,933
South Mack Drive Water Ext	1,054,493	957,118	97,375
Total Project Expenditures	<u>\$ 7,608,639</u>	<u>\$ 4,333,613</u>	<u>\$ 3,275,026</u>

Note - 6/30/04 Project Balances per Wasilla Municipal Code are automatically brought forward to Fiscal Year 2005. It is projected that all the project balances will be expended in Fiscal Year 2005.

F.Y. 2005 Budgeted Additions	F.Y. 2006 Budgeted Additions	F.Y. 2007 Budgeted Additions	F.Y. 2008 Budgeted Additions	F.Y. 2009 Budgeted Additions
\$ -	\$ 600,000	\$ 1,000,000	\$ 2,500,000	\$ 2,500,000
-	1,000,000	-	-	-
-	-	-	-	-
75,000	-	-	-	-
300,000	335,000	170,000	95,000	95,000
8,888	-	-	-	-
-	-	-	-	-
<u>\$ 383,888</u>	<u>\$ 1,935,000</u>	<u>\$ 1,170,000</u>	<u>\$ 2,595,000</u>	<u>\$ 2,595,000</u>
-	-	-	-	-
20,000	-	-	-	-
45,000	-	-	-	-
-	-	-	-	-
-	-	-	-	-
170,000	1,800,000	-	-	-
-	-	-	-	-
-	-	-	-	-
60,000	20,000	20,000	20,000	20,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
30,000	40,000	75,000	75,000	75,000
-	-	-	-	-
50,000	75,000	75,000	-	-
-	-	1,000,000	2,500,000	2,500,000
-	-	-	-	-
-	-	-	-	-
<u>\$ 375,000</u>	<u>\$ 1,935,000</u>	<u>\$ 1,170,000</u>	<u>\$ 2,595,000</u>	<u>\$ 2,595,000</u>

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2005
 Through Fiscal Year 2009

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 Replace existing manual read meter heads with automatic heads. This has been an ongoing project that is scheduled to be completed in fiscal year 05.

Impact on Operating Budget:
 O&M budget increases will be lessened as new connections come on line with improved meter reading efficiency.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	21,419	8,212	13,207	20,000	-	-	-	-	41,419
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 21,419	\$ 8,212	\$ 13,207	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 41,419

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:									
Operating Transfers	21,419	21,419	-	20,000	-	-	-	-	41,419
	-	-	-	-	-	-	-	-	-
Totals	\$ 21,419	\$ 21,419	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 41,419

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

To install approximately 2,000 feet of security fencing and gate for new reservoir facility.

Impact on Operating Budget:

Estimated operating cost of \$15,0000

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land									
Design Services									
Engineering									
Construction	3,538,390	3,353,875	184,515	45,000					3,583,390
Equipment									
Other Services									
Contingency									
Totals	\$ 3,538,390	\$ 3,353,875	\$ 184,515	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ 3,583,390

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:									
Local:									
Oper. Transfers	238,390	238,390	-	45,000	-	-	-	-	283,390
Bond Proceeds	3,300,000	3,300,000	-	-	-	-	-	-	3,300,000
Totals	\$ 3,538,390	\$ 3,538,390	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ 3,583,390

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005
Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

Phase I is being included in the ADOT contract for the Parks Hwy Improvements at Seward Meridian Parkway. FY05 work will construct 1/4 mile of water main in front of Wal-Mart to Old Matanuska Road. FY06 work will continue east along the Parks Hwy corridor in the newly established water utility service area towards Trunck Road.

Impact on Operating Budget:

Increase in O&M costs will be offset by new customer revenue.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	145,000	-	-	-	145,000
Engineering	30,932	-	30,932	-	150,000	-	-	-	180,932
Construction	-	-	-	170,000	1,500,000	-	-	-	1,670,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 30,932	\$ -	\$ 30,932	\$ 170,000	\$ 1,800,000	\$ -	\$ -	\$ -	\$ 2,000,932

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:									
EPA	\$ -	\$ -	\$ -	\$ -	\$ 900,000	\$ -	\$ -	\$ -	\$ 900,000
	-	-	-	-	-	-	-	-	-
State:									
ADEC	-	-	-	-	900,000	-	-	-	900,000
Mat-Su Borough:	-	-	-	75,000	-	-	-	-	75,000
	-	-	-	-	-	-	-	-	-
Local:									
Operating Transfers	30,932	-	30,932	95,000	-	-	-	-	95,000
	-	-	-	-	-	-	-	-	30,932
	-	-	-	-	-	-	-	-	-
Totals	\$ 30,932	\$ -	\$ 30,932	\$ 170,000	\$ 1,800,000	\$ -	\$ -	\$ -	\$ 2,000,932

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005
Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

Begin development of GIS system that will provide electronic GPS mapping for utilities that will expand to include roads, parks, and city buildings. This will improve staff efficiency in providing locate services, information requests, and maintenance services. Once completed the utility's infrastructure will be able to be distributed by CD to MEA, MTA, Enstart and other utilities including DOT for their road improvement projects. The GIS system will also enable public works to more effectively manage maintenance services as the city grows.

Impact on Operating Budget:

Increases in computer software upgrades and training will be offset by increased productivity in responding to utility relocations and information requests.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land									
Design Services									
Engineering									
Construction									
Equipment	18,055	773	17,282	60,000	20,000	20,000	20,000	20,000	158,055
Other Services									
Contingency									
Totals	\$ 18,055	\$ 773	\$ 17,282	\$ 60,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 158,055

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:									
Local:									
Operating Transfers	18,055	18,055	-	60,000	20,000	20,000	20,000	20,000	158,055
Totals	\$ 18,055	\$ 18,055	\$ -	\$ 60,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 158,055

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005
Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

Septic tank replacement is an ongoing project for the utility, replacing septic tanks that corrode over time.

Impact on Operating Budget:

No impact

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land									
Design Services									
Engineering									
Construction	29,436	4,260	25,176	30,000	40,000	75,000	75,000	75,000	324,436
Equipment									
Other Services									
Contingency									
Totals	\$ 29,436	\$ 4,260	\$ 25,176	\$ 30,000	\$ 40,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 324,436

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:									
Local:									
Operating Transfers	29,436	29,436	-	30,000	40,000	75,000	75,000	75,000	324,436
Totals	\$ 29,436	\$ 29,436	\$ -	\$ 30,000	\$ 40,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 324,436

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

To expand sewer treatment plant capacity to meet projected growth over the next 10 years.

Impact on Operating Budget:

Estimated impact when completed will be approximately 435,000 in O&M expenditures.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-		-	-	-	-	-
Design Services	75,000	-	-						75,000
Engineering	75,000	-	-						75,000
Construction	750,000	-	-		-	1,000,000	2,500,000	2,500,000	6,750,000
Equipment	100,000	-	-						100,000
Other Services	-	-	-						-
Contingency	-	-	-						-
Totals	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 2,500,000	\$ 2,500,000	\$ 7,000,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ 2,500,000	\$ 2,500,000	\$ 7,000,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Totals	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ 2,500,000	\$ 2,500,000	\$ 7,000,000

Cost Beyond 5-Year

Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2005
 Through Fiscal Year 2009

Project Title: Sewer Utility Storage Building

Project Number:
 (Assigned By Finance Department)

Project Description: Construct Storage Building for Utility

Department/Div.: Public Works/Sewer

Ranking:
 (Assigned By Administration)

Project Narrative:

The sewer utility has constructed a foundation and purchased a metal building to date for this project. FY05 funds will be used to erect the building, purchase and install roll-up doors, and provide electricity. FY06 will complete the building that will provide interior storage for materials needed to support the utility.

Impact on Operating Budget:

Increase in heating and electrical cost estimated at \$6,000 per year.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land									
Design Services									
Engineering									
Construction				50,000	75,000	75,000			200,000
Equipment									
Other Services									
Contingency									
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000</u>

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State:									
Local:									
Operating Transfers				50,000	75,000	75,000			200,000
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000</u>

Cost Beyond 5-Year Program:

DEPARTMENT BUDGET SUMMARY

Airport Capital Project (Included As Part of Airport Enterprise Fund)

Program

To account for capital improvements for the Airport Fund.

Goal

To protect the City of Wasilla's interest in each capital project by ensuring satisfactory job progress and reasonable performance by all parties involved in the projects.

Objectives for Fiscal Year 2005

- To increase amount of lease lots available to customers.

Significant Budget Changes

N/A

Impact On The Operating Budget

\$500 per fiscal year.

Airport Construction Projects

	<u>L-T-D Budget</u>	<u>Projected Activity As of 6/30/03</u>	<u>Project Balance As of 6/30/03</u>
Revenue:			
Federal Grants	\$ 1,941,366	\$ 129,311	\$ 1,812,055
State Grants	56,522	3,236	53,286
General Fund Operating Transfer	82,000	82,000	-
Airport Retained Earnings	47,051	-	47,051
Total Revenue	<u>\$ 2,126,939</u>	<u>\$ 214,547</u>	<u>\$ 1,912,392</u>
	-		
Projects:			
Airport Master Plan	\$ 39,938	\$ 39,938	\$ -
Airport Clear Zone Brushing	38,993	38,993	-
Airport Security Gates	15,000	15,000	-
Airport Apron Expansion Phase 1	2,033,008	103,550	1,929,458
Total Project Expenditures	<u>\$ 2,126,939</u>	<u>\$ 197,481</u>	<u>\$ 1,929,458</u>

Note - 6/30/03 Project Balances per Wasilla Municipal Code are automatically brought forward to Fiscal Year 2004. It is projected that all the project balances will be expended in Fiscal Year 2004.

F.Y. 2005 Budgeted Additions	F.Y. 2006 Budgeted Additions	F.Y. 2007 Budgeted Additions	F.Y. 2008 Budgeted Additions	F.Y. 2009 Budgeted Additions
\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
-	-	-	-	-
-	70,000	70,000	70,000	70,000
-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>

\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	1,070,000	1,070,000	1,070,000	1,070,000
<u>\$ -</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2005 Through Fiscal Year 2009

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

With the Airport Master Plan complete, new capital projects can proceed over the next 5 years. Over the next 2 years, the City is seeking to purchase approximately 60 acres west of the airport for new lease lots. With the completion of the Airport Master Plan, the City is expecting to receive over \$1.0 million per year beyond FY05 for other improvements.

Impact on Operating Budget:

Increased O&M costs will be offset by increased revenue from lease lots.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Land					-				-
Design Services					82,000				82,000
Engineering					85,000				85,000
Construction	2,033,008	103,550	1,929,458	-	898,000	1,070,000	1,070,000	1,070,000	6,141,008
Equipment									
Other Services									-
Contingency									-
Totals	<u>\$2,033,008</u>	<u>\$ 103,550</u>	<u>\$ 1,929,458</u>	<u>\$ -</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 6,313,008</u>

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2005	Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	
Federal:									
FAA Grant	\$1,941,366	\$ 129,311	\$ 1,812,055	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,941,366
State:									
	9,642	3,236	6,406	-	-	-	-	-	9,642
Local:									
Operating Transfers	82,000	82,000	-	-	70,000	70,000	70,000	70,000	362,000
Totals	<u>\$2,033,008</u>	<u>\$ 214,547</u>	<u>\$ 1,818,461</u>	<u>\$ -</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 1,070,000</u>	<u>\$ 6,313,008</u>

Cost Beyond 5-Year

Program:

DEPARTMENT BUDGET SUMMARY

Multi-Use Sports Complex Capital Projects (Included as Part of MUSC Enterprise Fund)

Program

To account for capital improvements for the Multi-Use Sports Complex (MUSC) Fund.

Goal

To protect the City of Wasilla's interest in each capital project by ensuring satisfactory job progress and reasonable performance by all parties involved in the projects.

Objectives for Fiscal Year 2005

- To complete construction of the Sports Complex and related projects such as road to the facility.
- To continue to seek funding from private foundations for funding of infrastructure projects listed in the MUSC master plan

Significant Budget Changes

Major portion of the facility was completed in FY 04. The complex opened in February of 2004. In FY 05 final additions will be completed and landscaping done.

Impact On The Operating Budget

The complex started operations in FY 04. Based on FY 05 operating budget, it is estimated that the operations will generate enough revenue to cover its expenses. It is projected that the opening of the complex will not have an affect on the operating budget in the foreseeable future.

Multi-Use Sports Complex Construction Projects

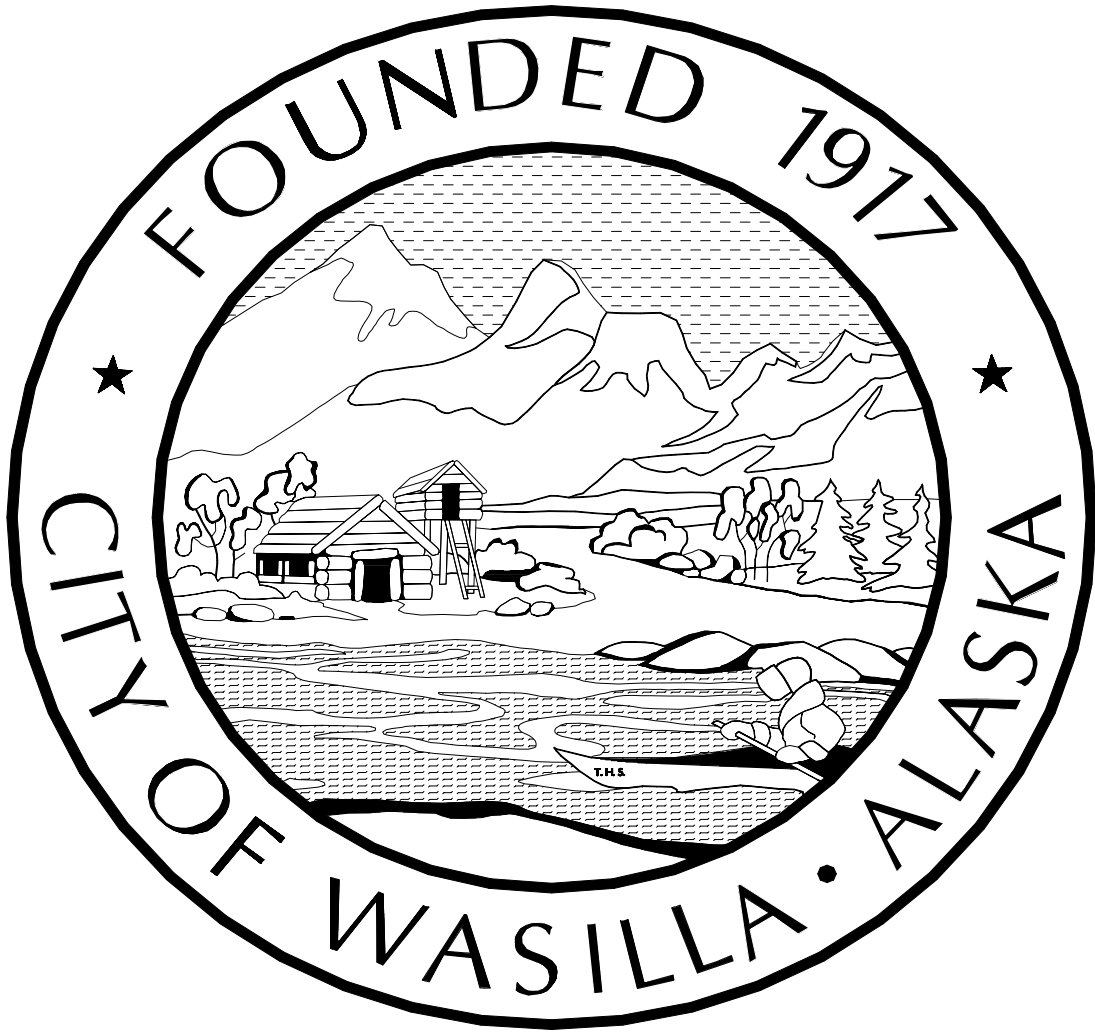
	<u>L-T-D Budget</u>	<u>Projected Activity As of 6/30/04</u>	<u>Project Balance As of 6/30/04</u>
Revenue:			
Federal Grants	\$ -	\$ -	\$ -
State Grants	-	-	-
Local Revenue	-	51,958	(51,958)
General Fund Operating Transfer	81,250	81,250	-
Retained Earnings	12,331,045	11,617,240	713,805
Total Revenue	<u>\$ 12,412,295</u>	<u>\$ 11,750,448</u>	<u>\$ 661,847</u>
Projects:			
MUSC Project	\$ 12,412,295	\$ 11,750,448	\$ 661,847
Total Project Expenditures	<u>\$ 12,412,295</u>	<u>\$ 11,750,448</u>	<u>\$ 661,847</u>

Note - 6/30/04 Project Balances per Wasilla Municipal Code are automatically brought forward to Fiscal Year 2005. It is projected that all the project balances will be expended in Fiscal Year 2005.

**F.Y. 2005
Budgeted
Additions**

\$	-
	-
	10,000
	-
	-
\$	10,000

\$	-
\$	-



SUPPORTING SCHEDULES/APPENDIX SECTION

Why Include Schedules? The budget schedules are intended to give the reader a brief glance at the city's community profile and financial situation. Included in these schedules are schedules that summarize the personnel information by position and department, the community profile statistics, economic future outlook and other financial information such as property tax rates affecting the citizens of Wasilla (all governments). The two ordinances that were adopted to implement the FY 04 budget are also included at the end of this section.

**2002-2005 RECOMMENDED CITY BUDGET
PERSONNEL SUMMARY**

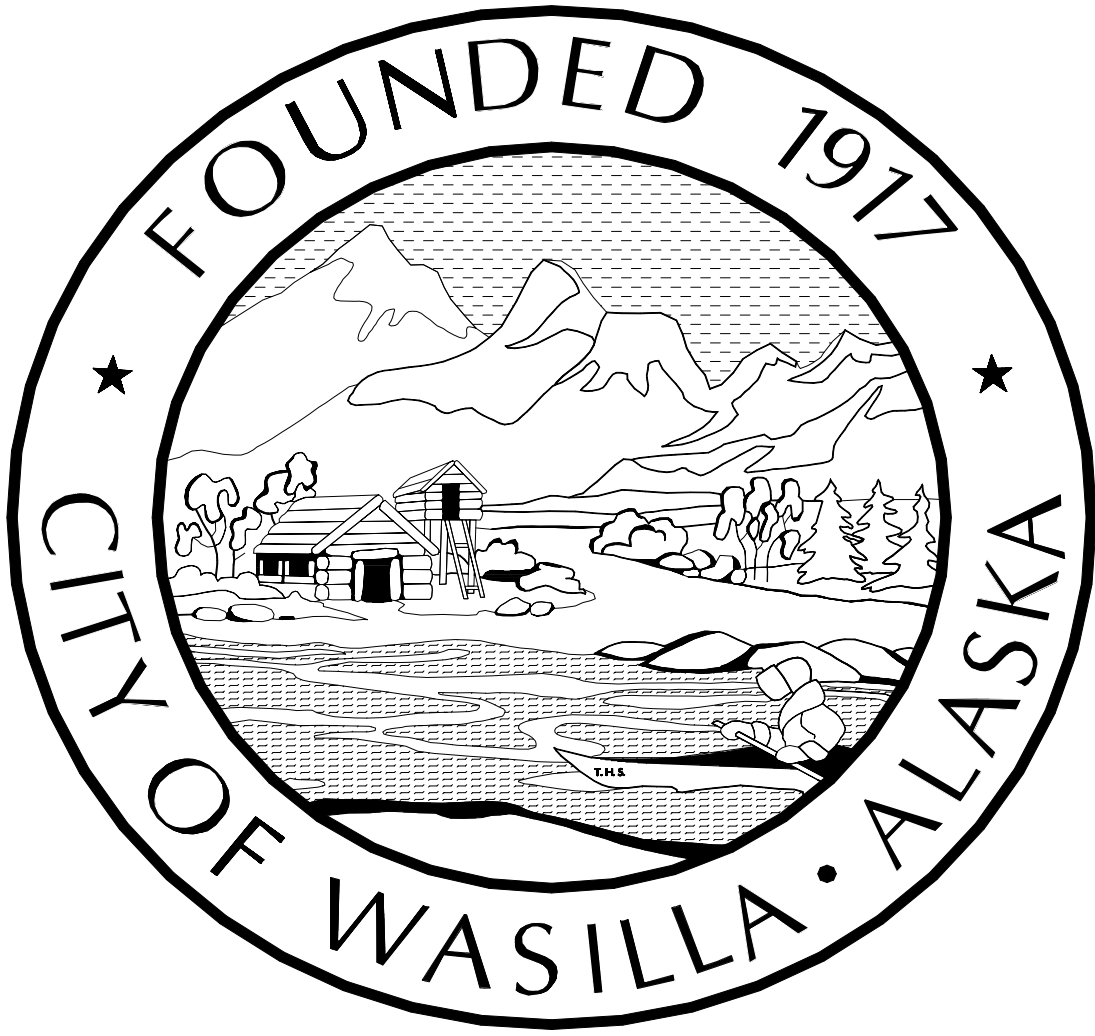
	<u>2002</u> <u>Approved</u>	<u>2003</u> <u>Approved</u>	<u>2004</u> <u>Approved</u>	<u>2005</u> <u>Approved</u>
Council/Clerk				
Clerk	1.00	1.00	1.00	1.00
Deputy Clerk	1.00	1.00	1.00	1.00
Student Intern	0.50	0.50	0.50	-
	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.00</u>
Mayor				
Mayor	1.00	1.00	1.00	1.00
Deputy Administrator	1.00	1.00	-	-
Admin. Assistant	1.00	1.00	1.00	1.00
	<u>3.00</u>	<u>3.00</u>	<u>2.00</u>	<u>2.00</u>
General Adm. Services				
Human Resource Assist.	0.65	0.65	0.75	1.00
Finance Director	-	-	0.25	0.25
	<u>0.65</u>	<u>0.65</u>	<u>1.00</u>	<u>1.25</u>
Finance/MIS				
Finance Director	1.00	1.00	0.75	0.75
Asst Finance Director	1.00	1.00	1.00	1.00
Human Resource Assist.	0.35	0.35	0.25	-
Finance Clerk	4.00	4.00	4.00	4.75
Cashier	1.00	1.00	1.00	1.00
	<u>7.35</u>	<u>7.35</u>	<u>7.00</u>	<u>7.50</u>
Economic Development:				
Economic Dev. Director	-	-	1.00	1.00
	<u>-</u>	<u>-</u>	<u>1.00</u>	<u>1.00</u>
Police				
Police Chief	1.00	1.00	1.00	1.00
Admin. Assistant	1.00	1.00	1.00	2.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	1.00	2.00	2.00	2.00
Investigator	2.00	1.00	1.00	1.00
Communication Officer	1.00	1.00	1.00	0.50
Code Compliance Officer	-	-	-	1.00
Police Officer II	11.00	12.00	11.00	12.00
Police Officer I	-	-	1.50	1.00
Communication Manager	-	-	-	1.00
Dispatchers	-	-	6.00	14.00
	<u>18.00</u>	<u>19.00</u>	<u>25.50</u>	<u>36.50</u>
Youth Court				
Probation Officer	1.50	1.50	1.50	1.50
Secretary II	1.00	1.00	1.00	1.00
	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>

**2002-2005 RECOMMENDED CITY BUDGET
PERSONNEL SUMMARY**

	<u>2002</u> <u>Approved</u>	<u>2003</u> <u>Approved</u>	<u>2004</u> <u>Approved</u>	<u>2005</u> <u>Approved</u>
Public Works				
Administration:				
Director	1.00	1.00	1.00	1.00
Dep. Director	0.50	0.50	0.50	0.50
Engineer	1.00	1.00	1.00	-
Public Works Clerk	1.00	1.00	1.00	1.00
Public Works Acct Tech. II	1.00	1.00	1.00	1.00
Pub. Works Assistant	0.75	1.00	1.00	1.00
Planning:				
City Planner	1.00	1.00	1.00	1.00
Economic Planner	1.00	1.00	-	-
Planning Clerk	1.00	1.00	1.00	1.00
Roads:				
Road Tech. III	0.65	0.65	0.65	0.65
Road Tech. II	1.00	2.00	2.00	2.00
Road Tech. I	-	1.00	1.00	1.00
Property Maintenance:				
Property Tech. III	0.35	0.35	0.35	0.35
Property Tech. II	0.80	0.80	0.80	0.80
Property Tech. I	0.20	0.20	1.20	1.20
Utilities:				
Dep. Director	0.50	0.50	0.50	0.50
Utility Acct Clerk III	1.00	1.00	1.00	1.00
Laborer	1.00	1.00	1.00	1.00
Water Tech. I	1.00	1.00	1.00	1.00
Water Tech. II	1.00	1.00	1.00	1.00
Waste Water Tech. I	1.00	1.00	1.00	1.00
Waste Water Tech. II	2.00	2.00	2.00	2.00
Waste Water Tech. III	1.00	1.00	1.00	1.00
	<u>19.75</u>	<u>22.00</u>	<u>22.00</u>	<u>21.00</u>
Museum				
Museum Registrar	0.50	0.50	0.50	0.50
Museum Aide	0.50	0.50	0.50	0.50
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Recreation Services				
Culture & Rec Svc Manager	0	0	0.25	0.25
Comm. Act. Coord.	0.50	0.50	0.50	0.50
Parks & Prop. Tech. II	0.20	0.20	0.20	0.20
Parks & Prop. Tech. I	1.55	1.55	1.55	1.55
	<u>2.25</u>	<u>2.25</u>	<u>2.50</u>	<u>2.50</u>

**2002-2005 RECOMMENDED CITY BUDGET
PERSONNEL SUMMARY**

	<u>2002 Approved</u>	<u>2003 Approved</u>	<u>2004 Approved</u>	<u>2005 Approved</u>
MUSC Facility				
Culture & Rec Svc Manager	-	-	0.75	0.75
Admin Sec. II	-	-	1.00	1.00
Building Supervisor	-	-	2.00	2.00
Maint. Specialist	-	-	1.00	1.00
Building Support Worker	-	-	2.75	2.75
Concession Worker II	-	-	0.75	0.75
Concession Worker I	-	-	1.20	1.20
Cashier	-	-	1.20	1.20
	<u>-</u>	<u>-</u>	<u>10.65</u>	<u>10.65</u>
Library				
Director	1.00	1.00	1.00	1.00
Children's Librarian	1.00	1.00	1.00	1.00
Adult Serv. Librarian	1.00	1.00	1.00	1.00
ILL Coordinator	1.00	1.00	1.00	1.00
Library Aide	5.00	5.00	5.00	5.00
Library Intern	0.50	0.50	0.50	0.50
	<u>9.50</u>	<u>9.50</u>	<u>9.50</u>	<u>9.50</u>
Total	<u><u>66.50</u></u>	<u><u>69.75</u></u>	<u><u>87.15</u></u>	<u><u>97.40</u></u>



City of Wasilla
* FY05 Salary Grades and Ranges *

Grade	Salary Range	FLSA	Min	2nd Quartile	Midpoint	3rd Quartile	Max	Spread
1	Interns Temporary Employees	N-Ex N-Ex	\$15,112	\$16,057	\$17,001	\$17,946	\$18,890	25%
2	Library Intern MUSC Cashier (temp) MUSC Concession Attendant I (temp)	N-Ex N-Ex N-Ex	\$18,275	\$19,646	\$21,017	\$22,387	\$23,758	30%
3	Parks & Properties Tech I: Grounds Maint. (PT) WasteWater Laborer	N-Ex N-Ex	\$22,845	\$24,558	\$26,271	\$27,985	\$29,698	30%
4	Cashier - Finance Finance Clerk I Library Aide Museum Aide MUSC Concession Attendant II (temp) Public Works Clerical Asst.	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$25,178	\$27,381	\$29,584	\$31,787	\$33,990	35%
5	Secretary II MUSC Building Support Worker (temp)	N-Ex N-Ex	\$27,146	\$29,861	\$32,575	\$35,290	\$38,005	40%
6	Administrative Assistant-Police Finance Clerk II Parks & Properties Tech I: Beautification Public Works Accounting Clerk II	N-Ex N-Ex N-Ex N-Ex	\$28,608	\$31,826	\$35,045	\$38,263	\$41,482	45%
7	Children's Librarian Deputy City Clerk Finance Clerk III Interlibrary Loan Coordinator Museum Registrar Planning Clerk Public Works Clerk	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$30,893	\$34,755	\$38,617	\$42,478	\$46,340	50%
8	Adult & Electronic Services Librarian Exec Asst to the Mayor Parks & Properties Tech I: Facilities Maint Probation Officer Public Safety Dispatcher/Clerk Roads/Airports Tech I Wastewater Tech I Water Tech I	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$33,462	\$38,063	\$42,665	\$47,266	\$51,867	55%
9	Associate Librarian MUSC Building Supervisor MUSC Maintenance Specialist Parks & Prop Tech II Police Officer I Roads Tech II Wastewater Collection Tech II Wastewater Treatment Tech II Water Tech II HR Generalist	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$36,052	\$41,460	\$46,868	\$52,275	\$57,683	60%

City of Wasilla
 * FY05 Salary Grades and Ranges *

Grade	Salary Range	FLSA	Min	2nd Quartile	Midpoint	3rd Quartile	Max	Spread
10	City Clerk	Cont.	\$40,846	\$47,483	\$54,121	\$60,758	\$67,396	65%
	Library Director	Ex						
	Code Compliance Officer	N-Ex						
	Parks & Properties Tech III	N-Ex						
	Police Officer II	N-Ex						
	Roads Tech III	N-Ex						
	Water/Wastewater Tech III	N-Ex						
11	City Engineer	Ex	\$46,063	\$54,124	\$62,185	\$70,246	\$78,307	70%
	City Planner	Ex						
	Deputy Dir of Finance	Ex						
	Deputy Director of Public Works	Ex						
12	Cultural & Recreation Services Manager	Ex	\$50,987	\$59,910	\$68,832	\$77,755	\$86,678	70%
	Police Investigator	N-Ex						
	Police Officer Dispatch Coordinator	N-Ex						
	Police Sergeant	N-Ex						
	Police Lieutenant	N-Ex						
13	Chief of Police	Ex	\$55,070	\$64,707	\$74,345	\$83,982	\$93,619	70%
	Director of Economic Development	Ex						
	Director of Finance & Adm. Services	Ex						
	Director of Public Works	Ex						

City Of Wasilla Community Profile – Summary Of The Local Economy

The City of Wasilla is located in the Matanuska-Susitna (Mat-Su) Borough, which is the third largest Borough in the State. The Mat-Su Borough is the fastest growing area in the State of Alaska. The Mat-Su Borough's population has grown by 40 percent over the last 10 years and the City of Wasilla's population has grown by over 90 percent since 1991. Population growth is one of the key economic ingredients for the robust economy in the City of Wasilla.

Through careful planning and investment in the City's infrastructure, the City of Wasilla has developed itself into the retail trade center for the Mat-Su Borough. It is estimated that the City of Wasilla provided services for over 42,400 people in the Mat-Su Borough (approximately 76 percent of the Borough's total population). Traffic counts support this estimate. Based on Alaska Department of Transportation vehicle counts, over 31,615 vehicles traveled through Wasilla per day in 1999. It is estimated that the retail and service expansion will continue to expand at a rapid rate as the City of Wasilla's and the Greater Wasilla area's populations continue to grow.

One of the main exports from the City of Wasilla and the Mat-Su Borough is labor. It is estimated that over 38 percent of the Borough's population works in Anchorage (Source: Alaska Department of Labor and Workforce Development). Vehicle counts in 1998 showed that over 40,000 vehicles traveled from the Mat-Su Borough each day to Anchorage. It is estimated that the Mat-Su Borough will continue to attract more people from the Anchorage Area to invest their earnings in housing, consumer goods, businesses and services located in the City of Wasilla in the up coming years. It is estimated that the total percent of Anchorage/Mat-Su Region population living in the Mat-Su Borough will increase from 18 percent in 1999 to 26 percent in 2018 (source: Alaska Department of Labor and Workforce Development).

The key factor to this robust migration from Anchorage to the Mat-Su Borough and the City of Wasilla is the availability of less expensive housing. According to the Alaska Department of Labor and Workforce Development, the average sales price of a single-family home in the Mat-Su Borough is nearly 23 percent below the price of an Anchorage home. Also, other factors have had an influence on homeowner's decisions to move to the Mat-Su Borough. Surveys have shown that a more rural lifestyle and the ability to live on larger sections of land are appealing to homeowners. These factors along with the State's investment in the transportation infrastructure between the Municipality of Anchorage and the Mat-Su Borough will continue to make the Borough an attractive place to live.

Another ingredient to the expansion of economic activity in the City of Wasilla and the Mat-Su Borough is the availability of developable land. It is estimated that the City of Wasilla and the Mat-Su Borough will capture more of the share of the total economic development that occurs in South Central Alaska as the amount of developable land shrinks in the Municipality of Anchorage. An example of this trend is increased number of car dealerships in the Borough that service both residents in the Borough and Anchorage. The development of the new port facility at Point McKenzie and possibility of new projects such as a commuter railroad will help the expansion of this type of economic investment to continue in the City of Wasilla.

The tourist industry is becoming one the keystones of the City of Wasilla's economy along with the Mat-Su Borough's economy. The Mat-Su Borough has become a vacation spot for people living in the South Central Alaska. According to the Mat-Su Borough, hotel sales receipts have grown by over 600 percent since 1993 and hotel employment has increased by over 300 percent since 1990. Also, a significant number of people living outside the Mat-Su Borough own recreational property in the Borough. These people spend their weekend in the Borough spending money in the City's retails stores for food and other services. Another section of the tourist economy that is growing is the group tour section. Since

City Of Wasilla
Community Profile –
Summary Of The Local Economy

the City of Wasilla is a Gateway to the Denali park system, tourist groups traveling through the City to get to the Park system are stimulating the City's economy.

Other industries that will continue to play an indirect part in the City's economy include agriculture and resource extraction. According to the Alaska Department of Labor and Workforce Development over half of all agriculture production in Alaska is from the Mat-Su Borough. With the development of Point Mckenzie and the possibility of a Trans Alaska Gas pipeline, the resource extraction portion of our economic activity, will also continue to play an important role in the City's economy in the future years.

In summary, the future looks bright for the City of Wasilla's economy. Based on investment trends of large retail companies and the demographic trend for the Borough, the City of Wasilla will retain its position as the retail center for the Mat-Su Borough. According to estimates from the Alaska Department of Labor and Workforce, the Mat-Su Borough's population could surpass 100, 000 by the Year 2018. This population trend means that the City of Wasilla could be servicing over 76,000 people by the Year 2018. Retail and service expansion will continue to dominate the City of Wasilla's economy. The City of Wasilla's economy is ultimately linked to the Mat-Su Borough's and the Municipality of Anchorage's economy. As long as the South Central's economy expands, the City of Wasilla should retain it's place as one of the strongest performing economies in the State of Alaska.

City of Wasilla

Community Profile Statistics

Wasilla At A Glance

Government

Year of Incorporation: 1974
Status: First Class City
Form of Government: Elected Mayor and 6-person City Council.
Type Of Government: Strong Mayor

Location: Wasilla is located 12 miles north of Knik Arm on Cook Inlet in the Matanuska-Susitna Borough, Alaska, at about 61° North Latitude and 149° West Longitude.



Demographics

Land Area

Total Area..... 8,458 acres
 City 700 acres
 Borough..... 150 acres
 State 140 acres
 University of Alaska..... 40 acres
 Private 7,428 acres

Population

1995 4,381
 1996 4,635
 1997 4,917
 1998 5,134
 1999 5,213
 2000 5,469
 2001 5,568
 2002 5,790
 2003 6,343
 2004 6,715

Age Distribution

Younger than 5 8.8%
 5-19 27.6%
 20-34 20.6%
 35-54 30.2%
 55 and Older 13.0%
 Median Age.....29.7

Housing Indicators

Total No. Of Housing Units2,119
 No. Of Occupied Units1,979
 No. Of Vacant Units 140
 Seasonal.....34
 Percent of Occupied Housing 93.4%
 No. of Owner-Occupied Units 1,104
 No. Of Renter-Occupied Units875
 % of Owner-Occupied Units 55.8%

Household Income

1990 Median Family Income.....40,685
 2000 Median Family Income.....53,792
 2000 Per Capita Income21,127
 Median earnings (dollars):
 Male full-time, year round41,132
 Female full-time, year round29,119

Climate

Average Low Temperature (°F):

January6
 July48
 September39
 December8

Average Maximum Temperature (°F):

January23
 July69
 September59
 December24

Highest Average Monthly Precipitation:

Rainfall..... 2.65 inches
 Snowfall 9.30 inches

City of Wasilla
Community Profile Statistics (Continued)

**Wasilla At
A Glance**

Economics

Major Employers (based primarily on the number of employees)

Wal-Mart
 Matanuska-Susitna Bor. School District
 Fred Meyer
 Carrs Quality Center
 Nye Frontier Ford
 Sears
 Valley Hospital
 Tony Chevrolet Buick
 Spenard Builders Supply, Inc.
 City of Wasilla

Employment Statistics (2000 Census)

Percent of Population 16 and over in Labor Force 70.8%
 In Labor Force
 Percent Employed 88.8%
 Percent-Unemployed 11.2%

Education Facilities

Matanuska-Susitna Borough School District
 Matanuska-Susitna College/UAA Campus

Services

Public Water System: Operated by City Of Wasilla.
 Number of customers 746
 # of Gallons produced 162,000,000
 Number of feet of Water Main .. 211,421

Public Sewer System: Operated by City of Wasilla.
 Number of customers 523
 # of Gallons treated 84,000,000

Heating: Primarily piped natural gas (Privately Operated).

Police: City Of Wasilla – 19.5 Officers (including Police Chief & Communication Officer)

Fire/Rescue: Matanuska-Susitna Borough (Mat-Su) Fire Department

Ambulance: Matanuska-Susitna Borough

Medical Facilities:
 West Valley Medical Campus – City of Wasilla
 Valley Hospital – City of Palmer

Public Transportation: MASCOT (Non-Profit) operates 20-passenger buses in Mat-Su Borough.

Taxes

Sales Tax

City Of Wasilla 2.5%

Property Taxes

City of Wasilla 0.40 mills
 Mat-Su Borough Area Wide. 11.80 mills
 Mat-Su Borough Fire Dist. 1.50 mills

Accommodations (Bed) Tax

Mat-Su Borough..... 5.0%

**SUMMARY OF REVENUES AND OTHER FINANCIAL SOURCES
FOR OPERATING BUDGET
FOR FISCAL YEAR 2002 THROUGH FISCAL YEAR 2005**

Fund	Revenue Description	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
General Fund					
	Sales Tax	6,497,069	7,136,111	7,140,598	7,895,000
	Property Tax	321,112	191,584	207,000	198,269
	Vehicle tax	83,520	82,035	95,000	95,000
	Licenses, Permits & Fines	91,898	76,162	108,300	119,100
	Intergovernmental Revenue	541,698	577,253	701,796	431,137
	Local Revenue	261,689	326,629	268,870	178,788
	Other Revenues	66,422	93,670	22,310	952,668
	Transfers In	37,873	490	1,000	1,000
	Total General Fund	7,901,281	8,483,934	8,544,874	9,870,962
LIBRARY FUND					
	Licenses, Permits & Fines	20,249	17,939	22,050	20,400
	Intergovernmental Revenue	328,400	336,407	385,819	405,819
	Other Revenues	688	61	100	100
	Transfers In	234,129	257,429	298,627	318,627
	Total Library Fund	583,466	611,836	706,596	744,946
YOUTH COURT FUND					
	Licenses, Permits & Fines	-	10,150	9,000	9,000
	Intergovernmental Revenue	119,026	94,160	138,935	154,500
	Local Revenue	21,246	20,474	17,150	20,150
	Other Revenues	-	-	-	-
	Transfers In	-	-	-	-
	Total Youth Court Fund	140,272	124,784	165,085	183,650
ASSET FORFEITURE					
	Intergovernmental Revenue	27,395	8,747	-	-
	Local Revenue	62	4	100	100
	Total Asset Forfeiture Fund	27,457	8,751	100	100
TECH. REPLACEMENT FUND					
	Local Revenue	-	130	500	200
	Transfers In	-	94,500	44,500	72,500
	Total Tech. Replacement Fund	-	94,630	45,000	72,700
CAPITAL RESERVE FUND					
	Local Revenue	2,298	2,459	5,000	804
	Transfers In	978,053	573,409	-	-
	Total Capital Reserve Fund	980,351	575,868	5,000	804
GENERAL OBLIGATION DEBT SERVICE FUND					
	Transfers In	440,891	439,398	438,026	436,347
	Total General Obligation Fund	440,891	439,398	438,026	436,347
SEWER SPECIAL ASSEMENT DEBT SERVICE FUND					
	Local Revenue	1,870	1,046	800	300
	Other Revenues	28,442	40,571	23,100	20,000
	Total SEWER SPEC. ASSMT. Fund	30,312	41,617	23,900	20,300
WATER SPECIAL ASSESSMENT DEBT SERVICE FUND					
	Local Revenue	3,878	796	2,750	650
	Other Revenues	48,309	59,206	37,948	36,000
	Total Water Spec. Assmt. Fund	52,187	60,002	40,698	36,650

**SUMMARY OF REVENUES AND OTHER FINANCIAL SOURCES
FOR OPERATING BUDGET
FOR FISCAL YEAR 2002 THROUGH FISCAL YEAR 2005**

Fund	Revenue Description	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
GAS SPECIAL ASSESSMENT DEBT SERVICE FUND					
	Local Revenue	307	167	60	200
	Other Revenues	1,458	3,919	-	-
	Total GAS ASSMT Fund	<u>1,765</u>	<u>4,086</u>	<u>60</u>	<u>200</u>
PAVING SPECIAL ASSESSMENT DEBT SERVICE FUND					
	Local Revenue	4,522	1,738	5,000	5,000
	Other Revenues	232,482	218,382	188,823	180,000
	Total Paving Spec. Assmt. Fund	<u>237,004</u>	<u>220,120</u>	<u>193,823</u>	<u>185,000</u>
BOND GUARANTEE FUND					
	Local Revenue	6,125	-	900	900
	Total Bond Guarantee Fund	<u>6,125</u>	<u>-</u>	<u>900</u>	<u>900</u>
CEMETARY					
	Local Revenue	1,542	490	1,000	1,000
	Other Revenues	6,400	11,125	5,000	11,000
	Total Cemetery Fund	<u>7,942</u>	<u>11,615</u>	<u>6,000</u>	<u>12,000</u>
UTILITY FUND (OPERATING ONLY)*					
	Operating Income	953,352	1,019,399	1,227,596	1,329,846
	Local Revenue	58,158	70,148	22,242	58,000
	Transfers In	63,384	45,705	30,000	-
	Total Utility Fund	<u>1,074,894</u>	<u>1,135,252</u>	<u>1,279,838</u>	<u>1,387,846</u>
AIRPORT FUND (OPERATING ONLY)*					
	Operating Income	31,802	35,000	41,000	43,500
	Local Revenue	838	1,300	500	500
	Transfers In	37,357	39,789	54,590	96,273
	Total Airport Fund	<u>69,997</u>	<u>76,089</u>	<u>96,090</u>	<u>140,273</u>
MUSC FUND (OPERATING ONLY)*					
	Sales Tax	-	1,740,790	1,785,150	1,973,750
	Operating Revenue	-	-	96,000	690,695
	Local Revenue	-	-	255	-
	Other Revenues	-	-	-	180,000
	Transfers In	-	-	376,845	-
	Total Musc. Fund Revenue	<u>-</u>	<u>1,740,790</u>	<u>2,258,250</u>	<u>2,844,445</u>
Grand Total		<u>11,553,944</u>	<u>13,628,772</u>	<u>13,804,240</u>	<u>15,937,123</u>

* DOES NOT INCLUDE REVENUE USED TO FUND CAPITAL OUTLAYS.

**SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCIAL USES
FOR OPERATING BUDGET
FOR FISCAL YEAR 2002 THROUGH FISCAL YEAR 2005**

Fund	Expenditure by Function Desc.	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
General Fund					
	General Government (inc. Council)	1,366,027	1,542,455	1,684,113	1,713,694
	Economic Development	-	-	184,704	158,550
	Public Safety	1,921,788	1,989,408	2,421,885	3,362,343
	Public Works	1,252,080	1,508,005	1,559,017	1,727,539
	Culture & Recreation	393,207	400,435	523,846	556,582
	Non-Departmental	129,455	69,472	263,974	113,727
	Debt Service	440,323	-	-	-
	Transfers Out	2,696,957	2,978,778	2,588,803	2,122,747
	Total General Fund	8,199,837	8,488,553	9,226,342	9,755,182
LIBRARY FUND					
	Culture & Recreation	584,356	602,949	715,463	734,917
	Transfers Out	-	-	-	10,000
	Total Library Fund	584,356	602,949	715,463	744,917
YOUTH COURT FUND					
	Public Safety	141,343	145,369	161,527	182,861
	Transfers Out	-	-	-	-
	Total Youth Court Fund	141,343	145,369	161,527	182,861
ASSET FORFEITURE					
	Public Safety	28,395	-	-	-
	Total Asset Forfeiture Fund	28,395	-	-	-
TECH. REPLACEMENT FUND					
	General Government	-	83,971	24,000	25,600
	Total Tech. Replacement Fund	-	83,971	24,000	25,600
CAPITAL RESERVE FUND					
	Transfers Out	168,090	1,198,456	150,000	-
	Total Capital Reserve Fund	168,090	1,198,456	150,000	-
GENERAL OBLIGATION DEBT SERVICE FUND					
	Debt Service	-	439,398	438,026	436,347
	Total General Obligation Fund	-	439,398	438,026	436,347
SEWER SPECIAL ASSEMENT DEBT SERVICE FUND					
	Debt Service	10,830	10,983	10,738	10,247
	Total SEWER SPEC. ASSMT. Fund	10,830	10,983	10,738	10,247
WATER SPECIAL ASSESSMENT DEBT SERVICE FUND					
	Debt Service	12,290	12,047	11,805	11,563
	Transfers Out	17,776	17,776	17,776	17,776
	Total Water Spec. Assmt. Fund	30,066	29,823	29,581	29,339
GAS SPECIAL ASSESSMENT DEBT SERVICE FUND					
	Debt Service	152,789	-	13,167	-
	Total GAS ASSMT Fund	152,789	-	13,167	-
PAVING SPECIAL ASSESSMENT DEBT SERVICE FUND					
	Debt Service	322,925	195,749	212,707	155,542
	Total Paving Spec. Assmt. Fund	322,925	195,749	212,707	155,542

**SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCIAL USES
FOR OPERATING BUDGET
FOR FISCAL YEAR 2002 THROUGH FISCAL YEAR 2005**

Fund	Expenditure by Function Desc.	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Budget	Fiscal Year 2005 Budget
BOND GUARANTEE FUND					
	Debt Service	-	-	-	-
	Total Bond Guarantee Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CEMETARY					
	Transfers Out	1,542	160	1,000	1,000
	Total Cemetery Fund	<u>1,542</u>	<u>160</u>	<u>1,000</u>	<u>1,000</u>
UTILITY FUND (OPERATING ONLY)*					
	Public Works - Operating Expenditures	895,967	958,019	1,021,481	1,058,997
	Debt Service	24,939	24,610	92,729	325,253
	Transfers Out	60,334	27,500	28,500	3,000
	Total Utility Fund	<u>981,240</u>	<u>1,010,129</u>	<u>1,142,710</u>	<u>1,387,250</u>
AIRPORT FUND (OPERATING ONLY)*					
	Public Works - Operating Expenditures	62,716	76,089	96,090	139,773
	Debt Service	-	-	-	-
	Transfers Out	-	-	-	-
	Total Airport Fund	<u>62,716</u>	<u>76,089</u>	<u>96,090</u>	<u>139,773</u>
MUSC FUND (OPERATING ONLY)*					
	Culture & Recreation - Operating Expenditures	-	-	341,650	866,768
	Debt Service	-	1,366,275	1,573,119	1,647,519
	Transfers Out	-	-	-	-
	Total Musc. Fund Revenue	<u>-</u>	<u>1,366,275</u>	<u>1,914,769</u>	<u>2,514,287</u>
Grand Total		<u>10,684,129</u>	<u>13,647,904</u>	<u>14,136,120</u>	<u>15,382,345</u>

-SEE INDIVIDUAL FUND SECTIONS FOR EXPENDITURE BREAKDOWN BY CATEGORY.

* DOES NOT INCLUDE EXPENDITURES USED TO FUND CAPITAL OUTLAYS.

**PROPERTY TAX RATES-ALL DIRECT AND
OVERLAPPING GOVERNMENTS
FOR TEN FISCAL YEARS**

FISCAL YEAR	MAT-SU BOROUGH	WASILLA FIRE SERVICE AREA	CITY OF WASILLA	TOTAL
1996	13.750	1.300	1.700	16.750
1997	12.250	1.300	2.000	15.550
1998	11.500	1.300	1.500	14.300
1999	11.730	1.000	1.300	14.030
2000	12.500	1.000	1.200	14.700
2001	11.940	1.000	1.000	13.940
2002	13.130	1.000	0.900	15.030
2003	11.702	1.000	0.500	13.202
2004	11.702	1.000	0.500	13.202
2005	11.800	1.500	0.400	13.700

Tax Rate - Millage per \$1,000 of assessed value.

**TAX REVENUES BY SOURCES
FOR TEN FISCAL YEARS**

FISCAL YEAR	PROPERTY TAXES	SALES TAXES	TOTAL TAXES
1996	447,548	4,179,316	4,626,864
1997	553,962	4,406,359	4,960,321
1998	465,494	4,656,270	5,121,764
1999	439,901	4,932,494	5,372,395
2000	440,877	5,509,279	5,950,156
2001	370,160	5,985,169	6,355,329
2002	323,000	6,473,284	6,796,284
2003	193,980	8,491,000 *	8,684,980
2004	235,621	9,459,297	9,694,918
2005	198,269	9,868,750	10,067,019

* Dramatic increase in Sales Tax in FY 03 is due to 1/2 percent increase in sales tax for Debt Service on 2002 Multi-Use Complex General Obligation Bond.

Sales Tax Projection For Next 7 Fiscal Years (Based On Analysis by Northern Economics):

2006	10,265,000
2007	10,891,000
2008	11,541,000
2009	12,216,000
2010	12,916,000
2011	13,643,000
2012	14,397,000

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FOR TEN FISCAL YEARS**

<u>FISCAL YEAR</u>	<u>REAL PROPERTY</u>	<u>PERSONAL PROPERTY (1)</u>	<u>TOTAL ASSESSED VALUE NET OF EXEMPTIONS (1)</u>
1995	222,219,600	34,652,956	246,270,256
1996	249,438,500	38,301,293	275,748,993
1997	244,837,100	41,981,450	273,538,950
1998	268,459,100	46,586,585	299,376,085
1999	303,475,800	-	286,868,900
2000	322,482,900	-	304,377,400
2001	361,413,900	-	341,866,700
2002	381,258,900	-	360,261,400
2003	408,866,900	-	387,961,600
2004	445,441,100	-	418,986,300

- (1) Effective with Fiscal Year 1999, Personal Property was exempted from property tax.
 (2) Each Dollar of assessed value will generate .0005 of a dollar of property tax for the City of Wasilla.

**GENERAL GOVERNMENT REVENUES BY SOURCE (1)
FOR FISCAL YEAR 1993 THROUGH 2003**

FISCAL YEAR	(2) TAXES	STATE SHARED REVENUES	OTHER GOVERN- MENTS	PENAL- TIES FINES AND FORFEI- TURES	INVEST- MENT INCOME	FEES, PERMITS AND OTHER REVENUES	SPECIAL ASSESS- MENTS	OTHER	TOTAL
1993	2,094,933	1,334,508	280,690	5,520	42,585	37,276	245,685	216,267	4,257,464
1994	3,699,781	2,381,351	131,316	19,450	58,809	39,650	355,433	312,073	6,997,863
1995	4,252,607	955,571	282,216	53,297	107,130	44,251	303,141	388,141	6,386,354
1996	4,626,864	879,473	315,499	53,728	110,929	52,585	407,258	529,828	6,976,164
1997	4,960,321	1,140,947	345,711	58,641	392,417	51,005	407,887	211,959	7,568,888
1998	5,121,764	680,238	379,770	79,841	490,879	48,922	332,234	299,437	7,433,085
1999	5,372,395	671,215	1,646,918	76,805	653,695	33,168	349,228	258,115	9,061,539
2000	5,950,156	685,834	977,443	71,191	528,552	33,630	345,511	598,680	9,190,997
2001	6,405,685	394,769	597,992	84,621	355,627	31,305	275,491	161,648	8,307,138
2002	6,901,702	367,078	649,445	74,642	282,810	35,540	309,234	89,715	8,710,166
2003	7,409,202	445,275	563,832	52,811	241,185	38,996	318,159	230,337	9,299,797

(1) Includes General, Special Revenue, Debt Service, and Capital Project Func

(2) A 2% sales tax on retail sales and services was approved by the voters
October 1992, becoming effective January 1, 1993

**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION(1)
FOR FISCAL YEARS 1992 THROUGH 2002**

FISCAL YEAR	(2) GENERAL GOVERN- MENT	(3) POLICE	PUBLIC WORKS	(4) (5) LIBRARY, YOUTH COURT & PASS-THRU GRANTS	MUSEUM & RECREA- TION SERVICES	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
1993	832,358	151,459	420,550	372,372	201,032	207,064	1,145,857	3,330,692
1994	994,402	861,096	484,963	435,082	285,469	336,819	2,556,528	5,954,359
1995	1,353,163	981,124	603,926	436,098	345,626	179,975	1,663,337	5,563,249
1996	1,286,594	1,090,305	587,309	520,367	442,987	390,385	2,309,488	6,627,435
1997	1,319,683	1,280,540	668,716	653,242	477,911	264,826	1,376,179	6,041,097
1998	1,283,709	1,289,878	731,585	674,234	486,756	333,429	1,805,596	6,605,187
1999	1,335,308	1,502,984	728,392	709,991	439,771	486,298	4,382,531	9,585,275
2000	1,425,757	1,632,413	754,122	669,743	480,528	642,999	4,840,525	10,446,087
2001	1,528,350	1,752,855	1,089,402	666,613	519,655	745,646	3,543,124	10,512,258
2002	1,583,586	1,950,183	1,093,759	725,698	458,926	939,157	2,187,939	9,605,861
2003	1,899,275	1,990,275	1,289,360	748,317	460,436	658,662	2,153,900	9,866,838

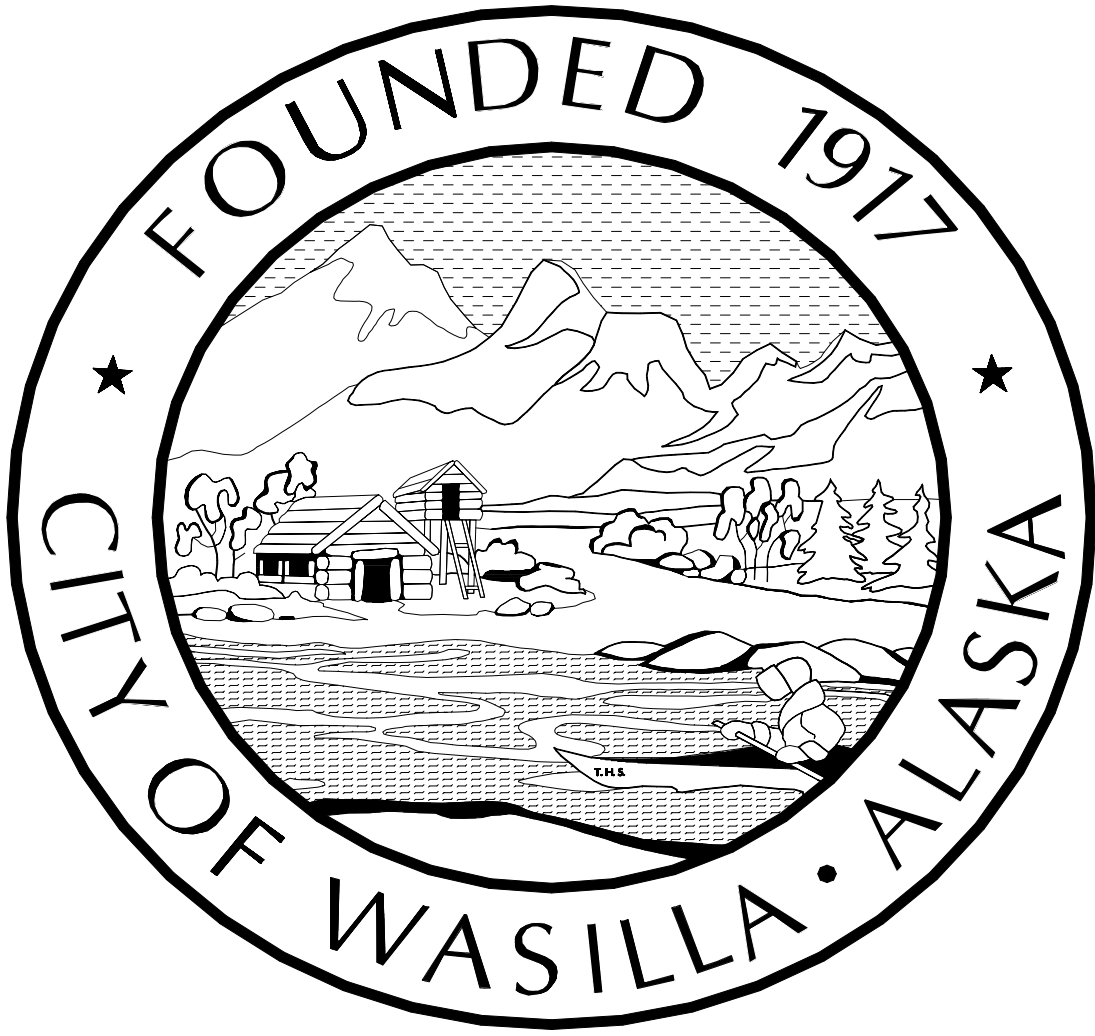
(1) Includes General, Special Revenue, Debt Service, and Capital Project Funds.

(2) Includes Administration, City Council, Planning, Finance and Nondepartmental.

(3) Police Department established in FY93. Includes Asset Forfeiture Special Revenue Fund's Expenditures.

(4) Library is shown as a Special Revenue Fund as the expenditures are funded partly by the Matanuska-Susitna Borough.

(5) Youth Court established in FY96.



NON CODE ORDINANCE

Prepared by: Finance Director
Requested by: Finance Director
Introduced: May 12, 2004
Public Hearing: May 24, 2004
Amended: May 26, 2004
Adopted: May 26, 2004
Vote: Unanimous; Lowe absent

**CITY OF WASILLA
ORDINANCE SERIAL NO. 04-36(AM)**

**AN ORDINANCE OF THE CITY OF WASILLA, ALASKA PROVIDING FOR THE
ADOPTION OF THE ANNUAL BUDGET FOR THE FISCAL YEAR 2005 AND
APPROPRIATING FUNDS TO CARRY OUT SAID BUDGET.**

Section 1. Classification. This is a non-code ordinance.

Section 2. Purpose. In accordance with WMC 5.04.020, the Wasilla City Council hereby adopts the Annual Operating Budget for the Fiscal Year 2005, as presented by the Mayor and introduced on May 12, 2004.

Section 3. Appropriation. There is hereby appropriated out of the revenues of the City of Wasilla, for the fiscal year beginning July 1, 2004 and ending June 30, 2005, the sum of \$15,382,345 to be raised by taxation and otherwise, which sum is deemed by Council to be necessary to defray all expenditures of the City during said budget year to be divided and appropriated in accordance with the attached budget proposal as follows:

General Fund		Special Revenue Funds	
Council/Clerk	\$ 406,757	Library	\$ 744,917
Administration	211,480	Youth Court	182,861
General Administration	363,864	Asset Forfeiture	-
Finance	567,857	Technology Replacement	25,600
M.I.S.	193,736	Capital Reserve	-
Economic Development	159,050		
Public Safety	3,478,343		
Public Works		Fiduciary Funds	
Administration	396,568	Cemetery	\$ 1,000
Roads	738,656		
Property Maintenance	436,142		
Planning	211,673		
Culture and Recreation			
Museum	91,327		
Recreation	54,525		
Recreation Fac. Maint.	423,230		
Non-Departmental			
Non-Departmental	113,727		
Transfers	1,908,247		
Total General Fund	\$ 9,755,182		

Section 4. Tax Levy. The rate of tax levy on each dollar assessed valuation of taxable property is fixed at .4 mills.

Enterprise Funds

Utility	
Operations & Transfers	\$ 1,061,997 *
Debt Service	325,253
Total Utility Fund	\$ 1,387,250

Airport

Operations & Transfers	\$ 139,773
Total Airport	\$ 139,773

Multi-Use Sports Complex

Operations & Transfers	\$ 866,768
Debt Service	1,647,519
Total Multi-Use Sports Complex Fund	\$ 2,514,287

Debt Service Funds

1983 Sewer Assessment District	\$ 10,247
1982 Original Water Bond	17,776
1986 Southside Water District	11,563
Gas Assessment	-
General Obligation	436,347
Paving Assessments	155,542

*Does not include depreciation.

Section 5. Effective Date. This ordinance takes effect July 1, 2004.

ADOPTED by the Wasilla City Council on May 26, 2004.



 DIANNE M. KELLER, Mayor

ATTEST:



 KRISTIE SMITHERS, MMC
 City Clerk

[SEAL]

NON-CODE ORDINANCE

Requested by: Finance Director
Introduced: June 7, 2004
Public Hearing: June 14, 2004
Adopted: June 14, 2004
Vote: Unanimous; Cox and O'Neil absent

**CITY OF WASILLA
ORDINANCE SERIAL NO. 04-40**

AN ORDINANCE OF THE WASILLA CITY COUNCIL PROVIDING FOR THE AMENDING OF THE FISCAL YEAR 2005 BUDGET BY APPROPRIATING FUNDS TO THE CAPITAL PROJECT AND ENTERPRISE FUNDS FOR CONSTRUCTION PROJECTS.

Section 1. Classification. This is a non-code ordinance.

Section 2. Purpose. In accordance with WMC 6.04.020, the Wasilla City Council hereby adopts the Annual Capital Budget for the Fiscal Year 2005, as presented by the Mayor and introduced on June 7, 2003.

Section 3. Appropriation. There is hereby appropriated out of the revenues of the City of Wasilla, for the fiscal year beginning July 1, 2004 and ending June 30, 2005, the sum of \$1,822,500 to be raised by taxation and otherwise, which sum is deemed by Council to be necessary to defray all expenditures of the City during said budget year to be divided and appropriated in accordance with the attached budget proposal for Construction Projects:

Capital Funds:	
Capital Project Fund	\$1,230,500
Vehicle Fund	\$160,000
Regional Dispatch Center	\$57,000
Enterprise Funds:	
Utility Fund	\$375,000

Section 4. Effective Date. This ordinance takes effect July 1, 2004.

ADOPTED, by the Wasilla City Council on June 14, 2004.



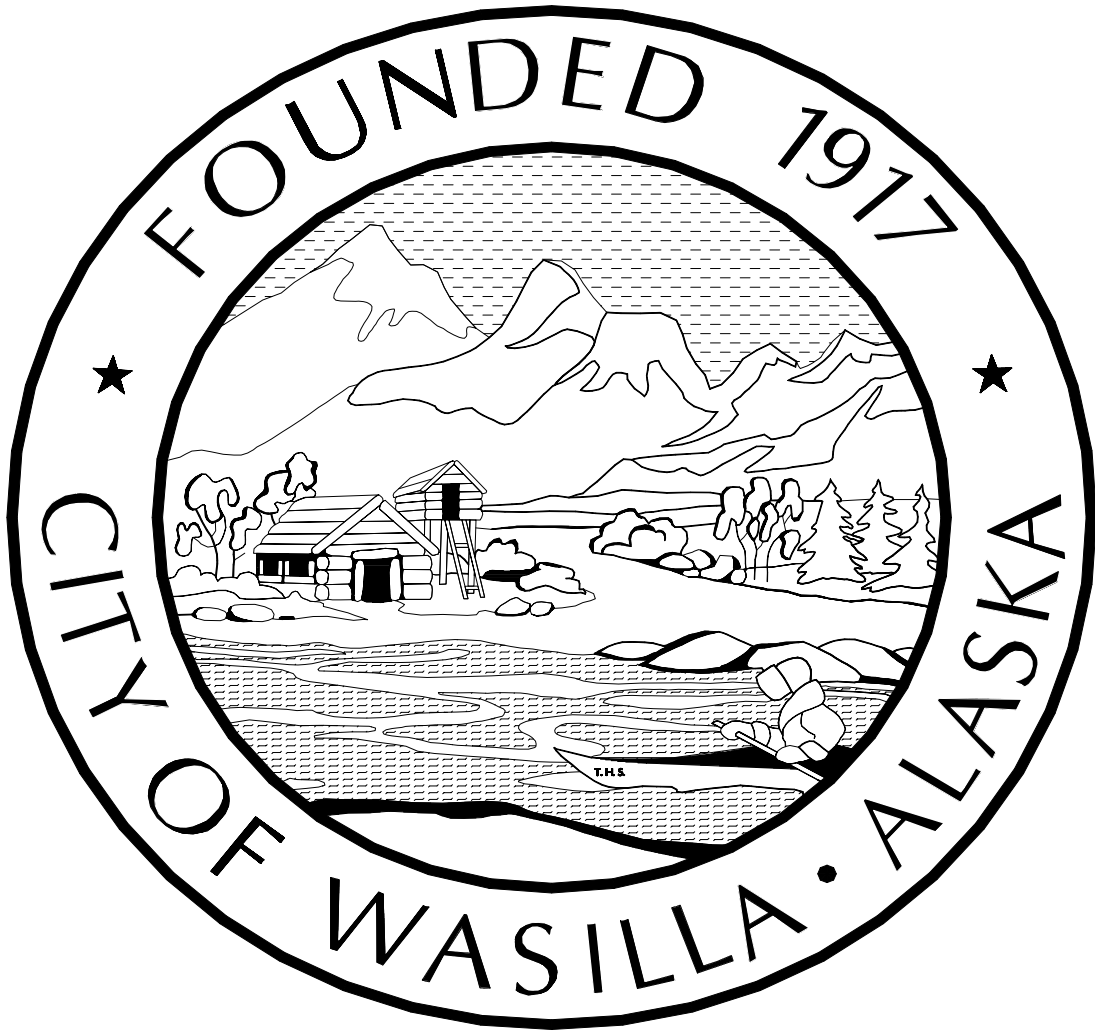
DIANNE M. KELLER, Mayor

ATTEST:



KRISTIE SMITHERS, MMC
City Clerk

[SEAL]



GLOSSARY

ADOPTED BUDGET – Refers to the budget amounts as originally approved by the City Council at the beginning of the year and also to the budget document which consolidates all beginning-of-the-year operating appropriations and new capital project appropriations.

ANNUAL BUDGET – A budget developed and enacted to apply to a single fiscal year.

APPROPRIATION – The legal authorization granted to the legislative body of a government, which permits officials to incur obligations and make expenditures of governmental resources for specific purpose. Appropriations are usually limited in amounts and time they may be expended.

ASSESSED VALUATION - The valuation set upon all real and personal property in the City that is used as a basis for levying taxes. Tax-exempt property is excluded from the assessable base.

ASSESSED VALUE – The fair market value placed on personal and real property owned by taxpayers.

BASIS OF ACCOUNTING - A term referring to when revenues, expenditures, expenses and transfers (and the related assets and liabilities) are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

BUDGET – A plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them. Sometimes the term “budget” designates the financial plan presented to the appropriating governing body for adoption and sometimes, the plan finally approved by that body.

BUDGET DOCUMENT – The official written statement prepared by the City’s administrative staff to present a comprehensive financial program to the City Council. The first part provides overview information, together with a message from the budget-making authority and a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the past year’s actual revenues, expenditures, and other data used in making the estimates. The third part is composed of personnel and salary schedules, the chart of accounts and a glossary.

BUDGET MESSAGE – A general discussion of the proposed budget presented in writing by the budget-making authority to the City Council. The budget message contains an explanation of the principal budget items, an outline of the City’s experience during the past period and its financial status at the time of the message and recommendations regarding the financial policy for the coming period.

CAPITAL PROJECTS FUND – Funds established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than propriety and trust funds).

CAPITAL OUTLAY – Expenditures that result in the acquisition of items such as tools, desks, machinery and vehicles costing more than \$500 each having a useful life of more than one year and are not consumed through use are defined as capital items.

COMPONENT UNIT – A separate government unit, agency, or nonprofit corporation that is combined with other component units to constitute the reporting entity in conformity with GAAP.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) – The official annual report of a government including: (a) the five combined financial statements in the combined statement overview and their related notes, (b) combining statements by fund type and individual fund, and (c) account group financial statements prepared in conformity with GAAP and organized into a financial report pyramid. It also includes support schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplementary information, extensive introductory material and detailed statistical sections.

CONTINGENCY – Those funds included in the budget for the purpose of providing a means to cover minor unexpected costs during the budget year.

CONTRACTUAL SERVICES – Items of expenditure from services the City receives primarily from an outside company.

DEBT SERVICE FUNDS – Funds established to account for the accumulation of resources for and the payment of general long-term debt principal and interest that resulted from the issuance of bonds.

ENCUMBRANCES – Commitments related to unperformed contracts, in the form of purchase orders or contracts, for goods or services. Used in budgeting, encumbrances are not expenditures or liabilities, but represent the estimated amount of expenditures that will result if unperformed contracts in process are completed.

ENTERPRISE FUND – A proprietary fund established to account for operations that are financed and operated in a manner similar to private business enterprises. In this case, the intent of the governing body is that the expenses, including depreciation, of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

EXPENDITURE – Decrease in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, intergovernmental grants, entitlements and shared revenues.

EXPENSES – Outflows or other using up of assets or incurrence of liabilities (or a combination of both) from delivering or producing goods, rendering services, or carrying out other government units, and/or other funds.

FIDUCIARY FUND TYPES – The trust and agency funds used to account for assets held by a government unit in a trustee capacity or an agent for individual, private organizations, other government units, and/or other funds.

FISCAL YEAR – The twelve-month period to which the annual operating budget applies and at the end of which a government determines the financial position and results of its operations. The City's fiscal year extends from July 1 to the following June 30.

FUND – A fiscal and accounting entity with a self-balancing set of accounts in which cash and /or other financial resources, all related liabilities and residual equities or balances and changes

therein are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

FUND TYPE – The three broad fund categories of governmental accounting are subdivided into seven fund types. The seven types are general, special revenue, debt services, capital projects, enterprises, internal service and trust and agency.

GENERAL FUND – A type of governmental fund used to account for revenues and expenditures for regular day-to-day operations of the City, which are not accounted for in specific purpose funds. The primary sources of revenue for this fund are local taxes and federal and state revenues.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general applications, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations.

GOVERNMENT FUND TYPES – Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities, except those accounted for in the proprietary funds and fiduciary funds. Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

INTERFUND TRANSFERS – Amounts transferred from one fund to another fund. This includes reimbursements, residual equity transfers and operating transfers.

INTERGOVERNMENTAL REVENUES – Revenues from other governments in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

INVESTMENT – Securities held for the production of income in the form of interest in compliance with the policies set out by the City's Code of Ordinances.

LAPSE – As applied to appropriations, the automatic termination of an appropriation. Except for indeterminate appropriations and continuing appropriations, an appropriation is made for a certain period of time.

LEVY – To impose taxes, special assessments, or service charges for the support of government activities. Also used to denote the total amount of taxes, special assessments, or service charges imposed by a government.

LIABILITIES – Debt or other legal obligations arising from present obligations of a particular entity, to transfer assets or provide services to other entities in the future as a result of past transactions or events.

MAJOR FUND – A governmental fund or enterprise fund reported as a separate column on the basic fund financial statements. The general fund is always a major fund. Otherwise, major fund are funds whose revenues, expenditures/expenses, assets or liabilities are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all government and enterprise funds for the same item. Any other

government or enterprise fund may be reported as a major fund if the government's officials believe that the fund is particularly important to financial statement users.

MEASUREMENT FOCUS – The accounting convention that determines (1) which assets and which liabilities are included on a government's balance sheet and where they are reported and (2) whether an operating statement presents information on the flow of financial resources (revenues and expenditures) or information on the flow of economic resources (revenue and expenses).

MILL - A measure of the rate of property taxation, representing one one-thousandth of a dollar of assessed value.

MILLAGE RATE – The tax rate on property, based on mill(s). A rate of 1 mill applied to a taxable value of \$100,000 would yield \$100 in taxes.

MODIFIED ACCRUAL BASIS OF ACCOUNTING – A basis of accounting in which revenues and other financial resources are recognized when they become susceptible to accrual, that is when they are both “measurable” and “available to finance expenditures of the current period”. “Available” means collectable in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used and (2) prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Annual operating budgets are essential to sound financial management and should be adopted by every government.

OPERATING TRANSFERS – All Inter-fund Transfers other than residual equity transfers.

ORDINANCE – A formal legislative enactment by the legislative body which, if not in conflict with any highest form of law, has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

OTHER FINANCING SOURCES – Governmental funds, general long-term debt proceeds, land lease payments, land sale payments, proceeds from the sale of fixed assets, operating transfers-in, service charges and fees for governmental services.

OVERSIGHT RESPONSIBILITY – The basic, but not the only, criterion for including a government department, agency, institution, commission, public authority, or other organization in a government unit's reporting entity for general purpose financial reports. Oversight responsibility is derived from the government unit's power and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

PROGRAM – An organized set of related work activities, which are directed toward a common purpose or goal and represent a well-defined expenditure of City resources.

PROGRAM BUDGET – A budget which structures budget choices and information in terms of programs and their related activities (i.e. repairing roads, treating water, etc), provides information on what each program is committed to accomplish in the long run (goals) and in the short run (objectives) and measures the degree of achievement of program objectives (performance measures).

PROGRAM DESCRIPTION – A program description describes the function of the program, the various activities involved in the program and other pertinent information about the program. It answers the question, “what does this program do?”

PROGRAM GOAL – A program goal is a general statement on the intended effect or purpose of the program’s activities. It includes terms such as to provide (a service), to supply (a given need), to control, reduce, or eliminate (an occurrence), to maintain (standards), or to maximize (quality). A goal is not limited to a one-year time frame and should generally not change from year to year. A goal statement describes essential reason for the program’s existence.

PROGRAM OBJECTIVE – Objectives are statements of the intended beneficial and/or tangible effects of a program’s activities. They are measurable and related to the proposed budget year. They are specific targets toward which a manager can plan, schedule work activities and make staff assignments. Objectives should quantifiably be addressed in terms such as: to increase an activity, to maintain a service level, to reduce the incidence, or to eliminate a problem.

PROPERTY TAX – A tax levied on the assessed value of property.

PROPRIETARY FUNDS – A type of fund that accounts for governmental operations that are financed and operated in a manner similar to private business enterprises. The only proprietary fund type used by the City is the enterprise funds.

PURCHASE ORDER – A document authorizing the delivery of specified merchandise or the rendering of certain services for a stated, estimated price. Outstanding purchase orders at the end of a fiscal year are called encumbrances.

RESOLUTION – A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

RETAINED EARNINGS – An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

REVENUE – Increases in the net current assets of a governmental type other than expenditure refunds and residual equity transfers. General long-term debt proceeds and operating transfers-in are classified as “other financing sources” rather than revenues. Increases in the net total assets of a proprietary fund type other than expense refunds, capital contributions and residual equity transfers. Operating transfers, as in governmental fund types, are classified separately from revenues.

SALES TAX – A tax levied on retail sales, rentals and service activities.

SPECIAL REVENUE FUND – A fund is used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditure for specified purposes.

TAX RATE – The level at which taxes are levied. For example, a property tax rate may be proposed to be \$0.12 per \$100 of assessed value.

TAX LEVY – The total dollar amount of tax that optimally should be collected based on tax rates and assessed values of personal and real properties.

TAX ROLL – The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two can be distinguished.

ACRONYMS

ADA	American Disability Act
CAFR	Comprehensive Annual Financial Report
CIP	Capital Improvement Project
ED	Economic Development
FTE	Full-time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principals
GAAS	Generally Accepted Auditing Standards
GFOA	Government Finance Officers Association
GASB	Governmental Accounting Standards Board
GO	General Obligation
Mill	Millage
MIS	Management Information Systems
MUSC	Multi-Use Sports Complex
PW	Public Works
SOA	State of Alaska
WMC	Wasilla Municipal Code