

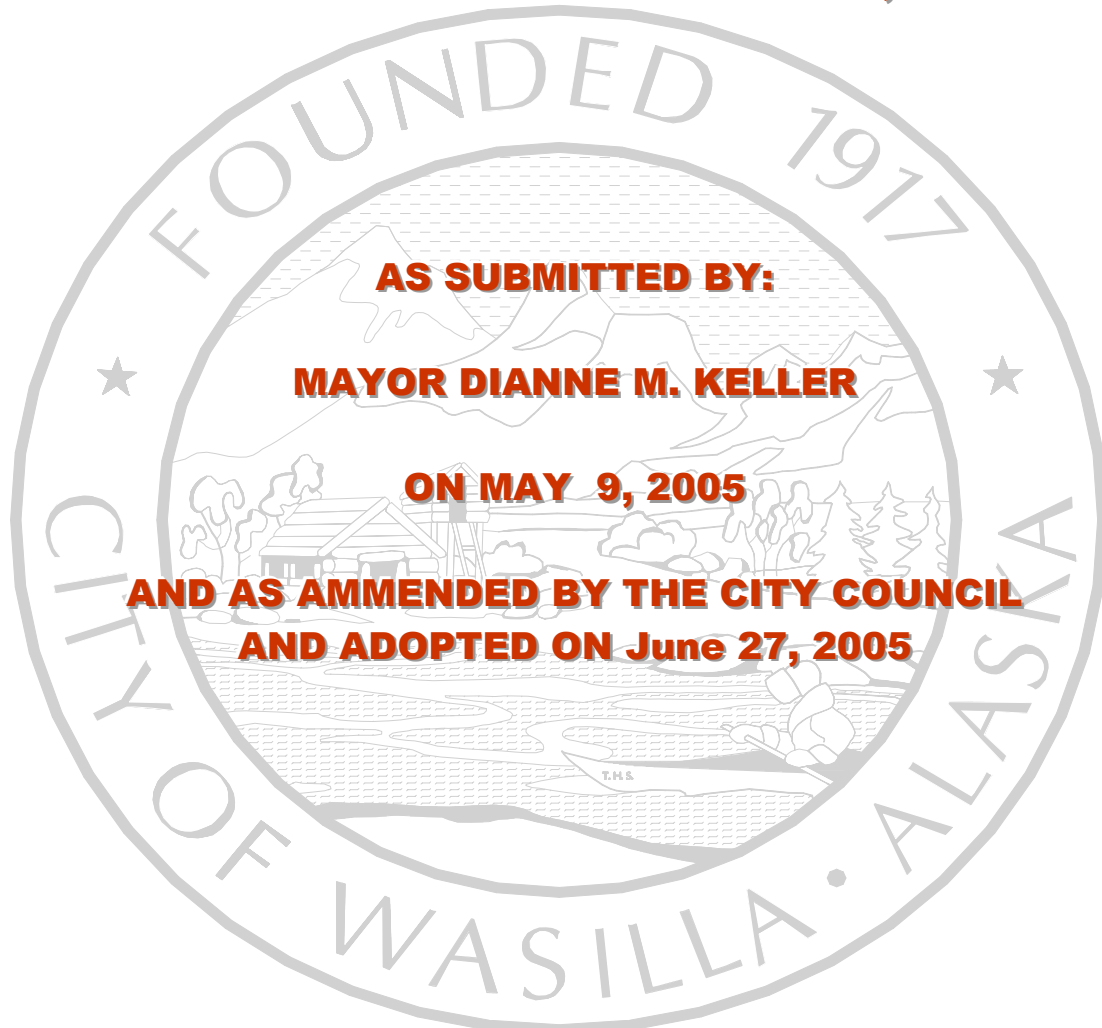
CITY OF WASILLA
FISCAL YEAR 2006
ANNUAL BUDGET

CITY OF WASILLA'S MULTI-USE SPORTS COMPLEX

CITY OF WASILLA

ANNUAL BUDGET

FOR FISCAL YEAR ENDING JUNE 30, 2006



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

MARK EWING, SEAT F

TABLE OF CONTENTS

BUDGET MESSAGE	1
BUDGET CALENDAR	11
MISSION AND GOALS	27
FINANCIAL SUMMARIES	33
FUND STRUCTURE.....	33
FINANCIAL POLICIES.....	35
BUDGET ASSUMPTIONS.....	41
BUDGET SUMMARY - ALL FUNDS.....	48
GENERAL FUND	53
FUND BALANCE.....	53
REVENUE SOURCES.....	55
EXPENDITURES.....	60
CLERK/COUNCIL.....	66
ADMINISTRATION.....	70
GENERAL ADMINISTRATION SERVICES.....	74
FINANCE.....	78
MANAGEMENT INFORMATION SYSTEMS.....	82
ECONOMIC DEVELOPMENT.....	86
POLICE.....	90
PUBLIC WORKS.....	96
MUSEUM.....	112
RECREATION SERVICES.....	115
RECREATION FACILITIES MAINTENANCE.....	118
NONDEPARTMENTAL.....	122
SPECIAL REVENUE FUNDS	125
LIBRARY.....	128
YOUTH COURT.....	132
ASSET FORFEITURE.....	136
TECHNOLGY REPLACEMENT.....	138
CAPITAL RESERVE.....	140
ENTERPRISE FUNDS	143
UTILITY.....	146
MUNICIPAL AIRPORT.....	154
MULT-USE SPORTS COMPLEX.....	158
FIDUCIARY FUNDS	163
CEMETARY.....	164

TABLE OF CONTENTS

DEBT SERVICE FUNDS	167
GENERAL OBLIGATION.....	174
SEWER.....	176
WATER.....	180
GAS.....	184
PAVING.....	186
BOND GUARANTEE.....	188
CAPITAL PROJECTS.....	191
CAPITAL FUNDS' PROJECTS.....	195
CAPITAL PROJECT FUND.....	197
VEHICLE FUND.....	209
RIGHT-OF-WAY FUND.....	213
ROAD FUND.....	217
ENTERPRISE FUNDS' CAPITAL PROJECTS.....	223
UTILITY FUND.....	225
AIRPORT FUND.....	231
MULTI-USE SPORTS COMPLEX FUND.....	235
APPENDIX.....	239
GLOSSARY.....	257



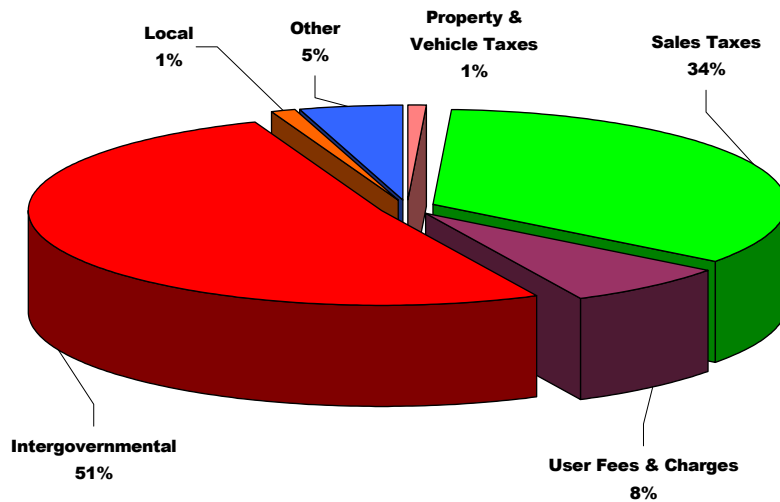
FISCAL YEAR 2006 AT A GLANCE

Monies generated from Intergovernmental sources is the largest single source of revenue (51%). It is projected that revenue from sales tax collections will be 79% of the General Fund's revenue and 34% of total revenue (not including amortization of contributed capital and transfers) generated by the city. The total expenditure budget not including transfers is \$31,934,925.

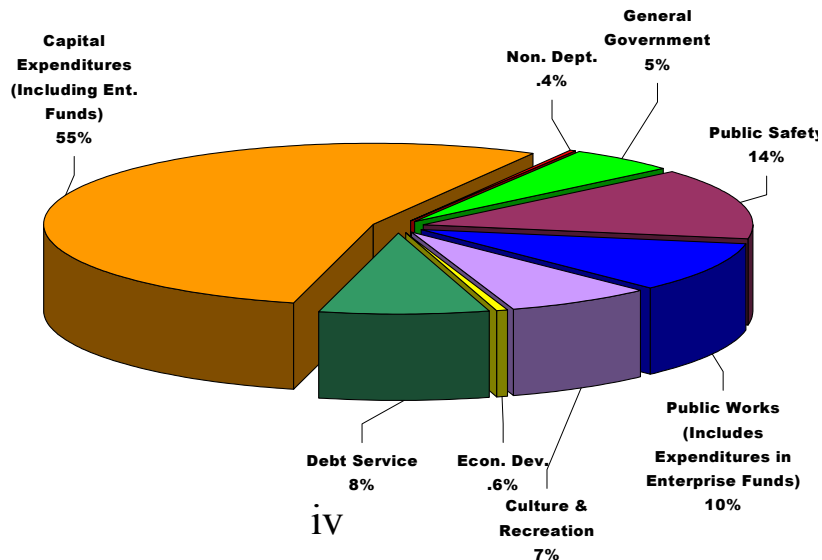
The City of Wasilla mill rate is proposed to be set at .3 mills. This mill rate will be decreased by 25% from the previous Fiscal Year.

Shown below is a breakdown of total revenue (not including transfers) and total expenditures (not including depreciation) appropriated in Fiscal Year 2006 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, 2004

Nancy L. Ziehl
President

Jeffrey R. Emer
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 2005. 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 2006
BUDGET LETTER OF TRANSMITTAL

June 30, 2005

To the Residents of the City of Wasilla:

It is my pleasure to transmit to you the Fiscal Year 2006 (FY 06) 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 FY 06.



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 continues to be one of the fastest growing communities in the United States. It is a challenge for the City of Wasilla to keep up this growth. The increased demand for services made on our City based on the population growth must be met at the same time that we are seeing an increasing number of unfunded mandates and decreased funding from both the federal government and state of Alaska.

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 FY 06 budget initiatives, the city has actively improved and refined the system we use to evaluate the performance of each city department in providing services to you, our citizens. Throughout this budget document, you will see the new performance measurements that the city departments will use to keep their part of the city's budget accountable to the citizens of Wasilla.

One of the City Council's FY 06 budget initiatives is to encourage a strong and diverse economic base in the City Of Wasilla. To meet this goal, the City has established an Economic Development Department to assist businesses to locate in the City of Wasilla and also to assist current businesses to stay healthy and to expand. We believe that this department will be a key player in the continued expansion of Wasilla's economic sector.

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. 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 \$1,100,000 to the Capital Improvement Project budget to fund needed infrastructure projects. At

the same time, we will be able to transfer \$327,577 (a 3% increase) to the Library Special Revenue Fund. Once again, we have “held the line” on spending, and are able to present a General Fund budget including transfers to you that is 1.64% lower than last year.

Another of the FY 06 budget initiatives is to reduce property taxes to the low rate of 0.3 mills. Based on the budget document submitted, the City of Wasilla will be able to accomplish this Budget initiative. Since Fiscal Year 1995 (FY 95), the City of Wasilla has reduced the City’s portion of your property tax mill rate by over 83%. Based on FY 06 property valuation, this reduction in the mill rate is an estimated savings to city property owners in FY 06 of over \$1,104,574 in taxes not assessed.

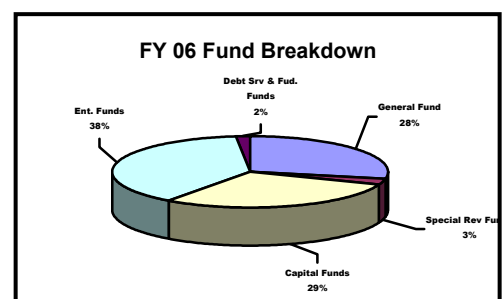
Since FY 95, while expenditures for public safety (not including dispatch services to other agencies) have increased approximately 216% (19.63% per year) and expenditures on public work functions have increased approximately 133% (12% per year), general government expenditures (including council) have increased only by 43%, an average of only 3.9% per year. The FY 06 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. In FY 95, general government expenditures were 26% of total operating expenditures and in FY 06 general governmental expenditures will be only 11% of total operating expenditures. Total expenditures for general government in the General Fund is actually less in this Fiscal Year’s Budget by \$71,797 – a 4% reduction than in Fiscal Year 05. Projected growth in the FY 06 budget will continue to center around increased funding of direct services to the public for the Public Safety and the Public Works functions such as road maintenance.

In FY01, one of our major policy issues was to put a Fiscal Policy on stabilization of funds in the Wasilla Municipal code (WMC 5.04.025). The reason for adopting this policy was to ensure that the City would maintain fund balances and retained earnings at levels sufficient to preserve the City’s creditworthiness and to provide financial resources for unforeseeable emergencies. Having a stable General Fund fund balance also allows the City to react to adverse changes in economic conditions should they arise and to 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 in 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 79 % of the General Fund Revenue will be generated from sales tax. Due to this dependence on sales tax revenue, the City Council and Administration believes that a healthy fund balance is necessary to offset any dramatic swings in the economy. Our fiscal policy states that all of the Enterprise Funds will maintain positive retained earnings in each Fund. The FY 06 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 over \$1,100,000 for infrastructure investment.

Budget Highlights and Fiscal Analysis

The total FY 06 budget including debt service for the City of Wasilla is \$31,934,925 this does not include transfers to other

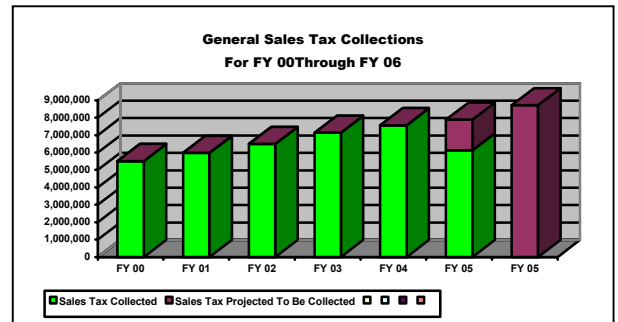


funds. The breakdown of expenditures are as follows: 28% for the General fund operating expenditures (not including transfers to other funds), 3% for Special Revenue Fund expenditures, 29% for Capital Fund expenditures, 38% for Enterprise Fund operations (does not include projected depreciation expense), and 2% for debt service & Fiduciary Fund Expenditures (including GO bond debt service).

General Fund

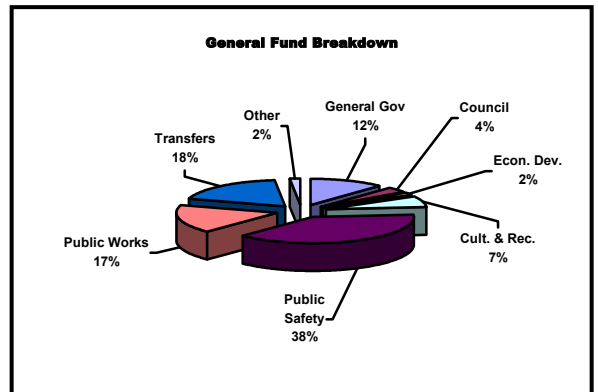
The General Fund budget submitted is based on a property tax mill rate of three-tenths of a mill (0.3 mill). This mill rate is a decrease from the FY 05 rate and continues the trend of reducing the City’s portion of property taxes paid by property owners in the City of Wasilla.

In FY06, the main source of revenue for the General Fund is still sales tax revenue. Sales Tax revenue is projected to be approximately 79% of all General Fund revenue. General Sales Tax revenue is projected to increase by 10% over the projected total collections in FY05. As seen in the graph, Sales Tax collections have continually increased each year. Based on projected economic and population trends, it is anticipated that this Sales Tax collection trend will not decrease in the foreseeable future. Local taxes, fines and other locally generated revenue are approximately 16% of the General Fund revenue. Intergovernmental revenue will be approximately 5% of the General Fund revenue.



The General Fund Budget including transfers is \$11,056,395. The breakdown of the Fiscal 2006 budget is as follows:

- ▶ \$390,173 (4%) for Council,
- ▶ \$1,313,784 (12%) for General Government,
- ▶ \$188,887 for Economic Development (2%),
- ▶ \$729,854 (7%) for Cultural Services and Recreation,
- ▶ \$4,294,207 (38%) for Public Safety,
- ▶ \$1,932,543 (17%) for Public Works,
- ▶ \$170,000 for non-departmental (2%) and
- ▶ \$2,086,947 for transfers to other funds (18%).



Special Revenue Funds

Special Revenue funds are used to account for the expenditures for Library services and for providing Youth Court services for the youth of the Matanuska-Susitna Borough. Total expenditures for Library services will decrease this year by approximately \$49,623, a 6.5% reduction from FY05. This budget decrease is based on the Property Department consolidating services. This budget reduction will not represent a cut in services to the public.

Youth Court expenditures are projected to decrease by approximately 17.75% this year. 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 have to make adjustments in their operating expenses as needed, depending on revenues the 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 \$1,560,000 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 \$17,306,186 for Road, Public Safety, Utility, Multi-use Sports Complex and Airport Projects. Below is listed the main projects that the City of Wasilla will be working on in Fiscal Year 06:

- Construction of Radio Tower and a Mobile Data Network - \$1,229,143;
- Planning/Economic Development plans - \$195,000;
- Wasilla to Big Lake Trail Route and Environmental Impact Study - \$2,550,000;
- Construction of Airport 1C Taxiway & G/Ski Runway – estimated expenditures of \$3,900,000;
- Road projects - \$4,490,000;
- Continued expansion of Water/Sewer lines including Mission Hills extension, Palmer/Wasilla PH III, and Garden Terrace extension – estimated expenditures of \$2,834,543;
- Commercial Kitchen Addition to the Multi-Use Sports Complex - \$600,000 and
- Emergency Generators for the Multi-Use Sports Complex - \$250,000.

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 while at the same time ensuring that the City will not have to raise rates or fees in the foreseeable future. The City of Wasilla has made significant strides in meeting this goal over the last two fiscal years.

Based on infrastructure investments, the City is projected to increase its customer base for the utilities fund substantially. By increasing the customer base and by maintaining a cost efficient system, the City expects that the utilities fund will cover its operating expenses and debt service for FY 06. Based on the City's continued strategy of increasing the utilities customer base over the next five years, the City is projecting that it will be able to continue to cover its operating expenses and debt service without raising utility rates in the foreseeable future.

The City of Wasilla will transfer \$82,333 to cover operating cost of the Airport, which is a 15% reduction from the FY 05 transfer. The Administration continues to look for ways to enhance revenue at the Airport and to reduce expenditures to lower the transfer to that fund. One such strategy, for example, is to increase lease and tie-down spaces.

The City of Wasilla has completed its first year of operation of the Multi-Use Sports Complex (MUSC). The city has elected to use an enterprise fund to account for the operation of the facility and for collecting the and disbursing 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 revenue to cover its cost of operation. Based on the FY 06 budget, administration believes that it will need to transfer approximately \$120,727 to cover operating

cost of the facility. The City of Wasilla is continuing to look at new ways of generating revenue from the MUSC through increased use of the facility, which will result in reducing the operating transfer to the Multi-Use Sports Complex in future years. It is the goal of administration to reduce the operating transfer to the MUSC Fund by 25% each year.

Staffing, Compensation and Benefits

In FY 06, the City of Wasilla is planning to increase staff by 8.76 full-time equivalent (8.6% increase) to 109.66 full-time equivalent (fte) staff. Out of the 109.66 staff, approximately 18.35 fte is funded by sources outside the City such as grant revenue or revenue from providing dispatch services to outside agencies such as the State Troopers (15 fte dispatch personnel).

The increase in staff is based on the same philosophy of keeping general government small and accountable to the citizens. 90% of the staff (7.76 fte) increases will go directly into staff that serves the public. The City of Wasilla will be adding only 1.00 full time equivalent (fte) to administration for a Purchasing/Contract Specialist. The City projects that this position will be able to save approximately \$100,000 in cost of goods and services in FY 06 by centralizing purchasing and in future years the savings are projected to be even higher. The City of Wasilla is adding a 3 fte of new commission officers, 3 dispatchers, 1 call-taker, and 2 fte of utility laborers. The City of Wasilla is increasing the Museum Registrar position from .5 fte to 1.0 fte and a Recreation Coordinator position from .5 fte to 1.0 fte. The City believes that these positions will have a direct effect on increasing the safety and quality of life of our citizens. Summary of personnel is as follows:

Fiscal Year	FY 03	FY 04	FY 05	FY 06
Full-Time Personnel	69.75	87.40	100.90	109.66

* Note: Multi-use Sports complex opened in FY 04 - 10.65 FTE & in FY 05, the City started providing dispatch services to other agencies - 15 FTE.

The City is projecting that the average merit increase will be approximately 3%. The City of Wasilla is projecting that Health Insurance costs will increase in FY 06 by approximately 15%, Workers Compensation Insurance will increase by approximately 10% and the city's contribution to the State's retirement system will increase by 44%.

The City of Wasilla has implemented an 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. This system rewards employees for performance and not just being in the job one more year. The City is also taking active steps to lower the experience rate in Worker Compensation by implementing a safety program in public works and a physical fitness incentive program for public safety. By reducing projected future claims, the City believes that our Worker Compensation insurance rates will be reduced in future years. The City will also be looking at new health insurance programs for future years. By taking these steps, the City is looking at slowing the staggering growth trend in future employee benefit costs.

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 FY 05 at \$4,268,494. The reason for the General Fund Balance consistently remaining near the same level is that it is 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 06 and which again allows us to reduce the property taxes to our residents and invest over \$850,000 in infrastructure from the General Fund.

The other funds' fund balances remain healthy. The Special Revenue Funds' fund balances will decrease by approximately by \$187,493. This decrease is mainly due to the Capital Reserve Fund transferring \$260,000 to infrastructure investment.

Debt Service Funds are able to meet their debt obligations and the total fund balance of the funds will grow in FY 06 by approximately \$47,922 as the city accumulates funds to pay off the special assessment bonds.

The Enterprise Funds fund balance also 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 06. The Multi-Use Sports Complex (MUSC) Enterprise Fund's fund balance will continue to grow as the enterprise fund accumulates funds through a 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 increase by a total of \$350,908, a 10.9% increase. The increase in fund balances attributed to the difference between the sales tax collected for retirement of the Multi-Use Sports Complex General Obligation and debt payment on that General Obligation Bond (\$452,044). 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 worked to have a strong and healthy financial 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 no debt increase planned.

Future Outlook

The City of Wasilla, through responsible economic development and investment in the city's infrastructure, has chosen to develop 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 55,000 citizens. Based on the investment decisions of large retail companies and small business entrepreneurs to locate in Wasilla, and the demographic growth trends of 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 has seen over the past years, is population growth. The Mat-Su Borough's population has grown by almost 45% in the last 10 years while the City of Wasilla's population increased by over 54% during 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, less expensive housing (compared to Anchorage), and our improved transportation infrastructure, 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 of the City of Wasilla are 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 intergovernmental 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 2005.

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 Manager.

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.

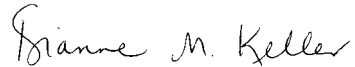
I would also like to thank the City Council for their interest and support in planning and conducting the financial operations of the city in a fiscally conservative and responsible manner.

Conclusion

As my Administration entered and worked through the budget process with the City Council for FY06, we addressed the reduced revenues from intergovernmental sources and trend of increased employee benefit costs and are able to present a responsible, balanced and accountable budget to our residents as well as reducing the property taxes again in FY06. 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. Due to the city's economic development strategy, the city had tremendous economic growth in Fiscal Year 05. Based on that economic growth, we are able to keep up with the changes we must face. With the changes in this budget, 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!

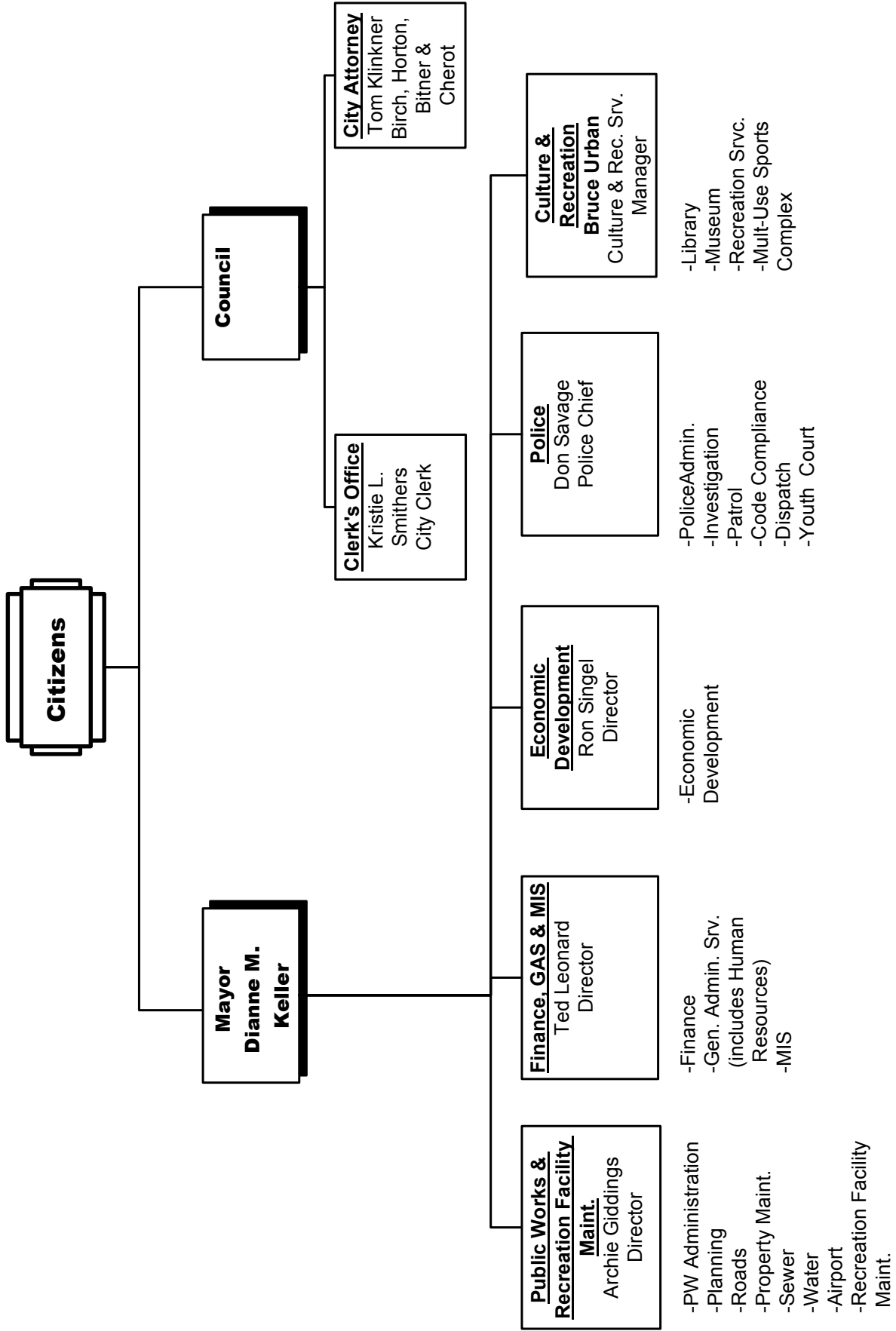
Respectfully submitted,

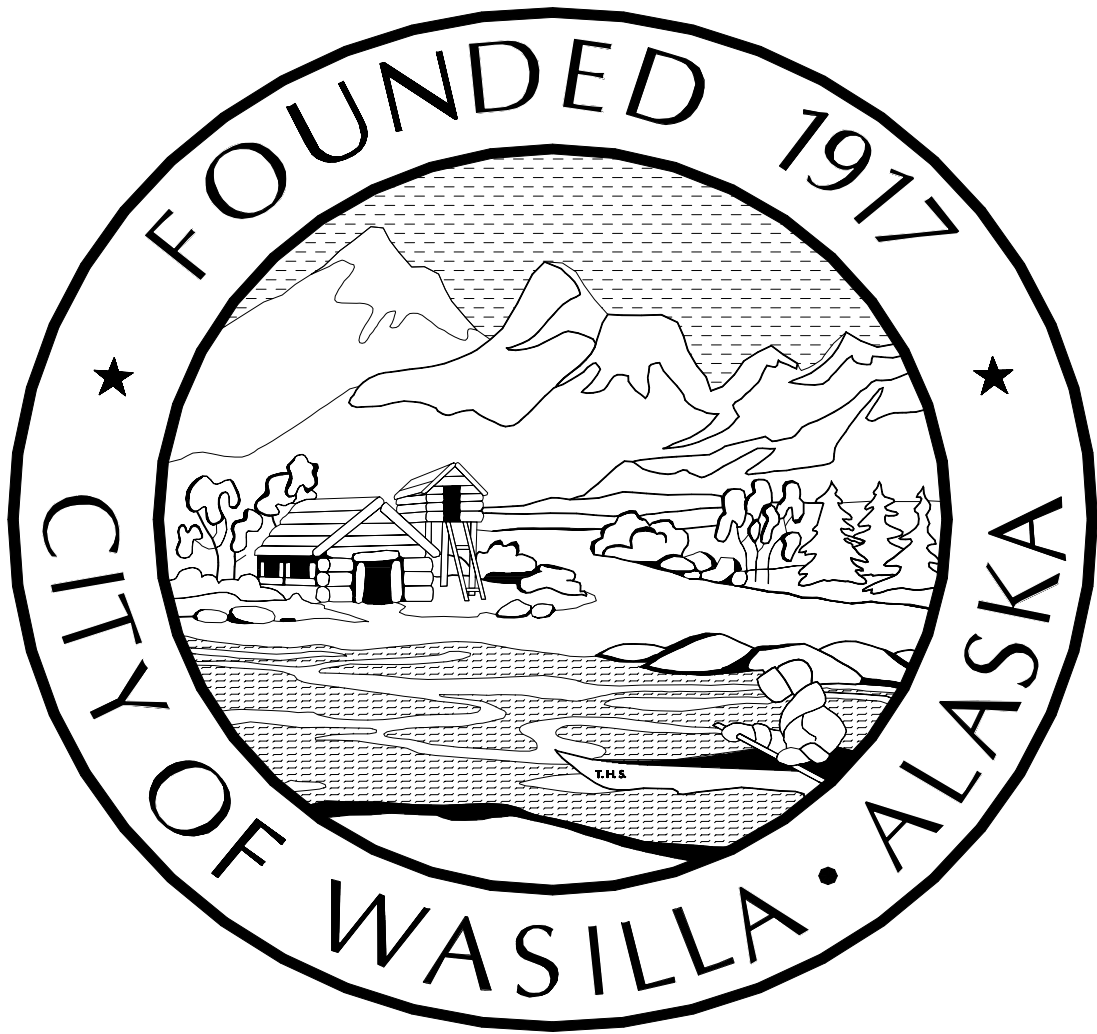
A handwritten signature in cursive script that reads "Dianne M. Keller".

Dianne M. Keller
Mayor

City of Wasilla

Organizational Chart





BUDGET CALENDAR

CITY OF WASILLA
FISCAL YEAR 2006

The following schedule outlines the City of Wasilla's plan for the formation of the Fiscal Year 2006 budget (July 1, 2006 through June 30, 2007).

Date	Facilitator	Action
January 2005	Finance Director	Finance Director prepares preliminary revenue projections.
January 31, 2005	Clerk	Work Session between Council and Clerk to discuss FY 06 budget planning and setting of goals and initiatives for Clerk's Department.
February 1, 2005	Finance Director	Distribution of budget worksheets to aid departments in submitting their budget request.
February 1 through February 28, 2005	Finance Director	Departments and Finance Department complete 5-year financial forecast based on current service levels.
March 5, 2005	Council	Council Retreat to Focus on City's Mission, Long-term Goals, & FY 06 Budget Initiatives.
March 14, 2005	Department Heads/ Clerk	Department Heads submit staffing needs to the Mayor based on Fiscal Year 06 Budget Initiatives.
March 28, 2005	Finance Director	Finance Department submits estimated staffing costs to Department Heads for department budgets.
April 11, 2005	Finance Director	Proposed Department Budgets submitted to Mayor based on Fiscal Year 06 Initiatives.
April 11 thru April 25, 2005	Mayor	Work meetings with the Department Heads to resolve or justify Fiscal Year differences of department budgets.
April 29, 2005	Mayor	Mayor submits approved proposed department budgets to the Finance Director with the Mayor's Budget Message.
May 9, 2005	Finance Director	Regular Council Meeting, Introduction of Operating Budget Ordinance and distribution FY 06 budget document to Council.
May 16, 2005	Council	Special Council Meeting, 6 p.m. Overview of Fiscal Year 06 Budget by Finance Director. Review of proposed budget for General Government Departments and Economic Development Department.

May 19, 2005	Council	Special Council Meeting, 6 p.m. Review of proposed budget for Public Safety and Recreation and Cultural Services Dept..
May 23, 2005	Council	Special Council Meeting, 5:30 p.m. Review of proposed budget for Public Works Department.
May 23, 2005	Council	Regular Council Meeting, 7 p.m. Public Hearing on Operating Budget and possible adoption.
June 2, 2005	Council	Special Council Meeting, 6 p.m. – Reserved date, if needed.
June 6, 2005	Council	Special Council Meeting, 6 p.m. - Reserved date, if needed.
June 13, 2005	Council	Regular Council Meeting, 7 p.m. Introduction of Capital Budget Ordinance. Absolute deadline for adopting Fiscal Year 2006 mil rate and Operating Budget.
June 15, 2005	Finance Director/Clerk	Notification to Mat-Su Borough Finance Department of City mil rate.
June 20, 2005	Council	Special Council Meeting, 6 p.m. – CIP Budget presentation by Departments.
June 27, 2005	Council	Regular Council Meeting, 7 p.m. Public Hearing on Capital Budget and adoption of Fiscal Year 2006 Capital Budget.
July 1, 2005	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 Fiscal Year 2006 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 Fiscal Year 2006 and are reflected in the Fiscal Year 2006 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 February, the departments and the Finance Department will be completing a 5-year financial forecast for the next five years. This 5-year forecast will be used as a tool to help complete the Fiscal Year 06 operating and capital budgets.

On March 5th, 2005, the Council and Mayor will meet with the Department Directors in a retreat to discuss the long-range goals and Fiscal Year 2006 budget initiatives. 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 2006 based on the goals and initiatives set at the March 5th, 2005 retreat. The Mayor and Department Heads will agree on which measurements will be used to assess whether or not the Fiscal Year 2006 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 March, 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 March and April, 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

BUDGET PROCESS CONT.

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 is introduced in a budget ordinance. During the month of May, the Council will review the operating budget and capital program with the Mayor and Department Heads. During May, there will be at least one public hearing on the operating budget. The goal of the Council is to adopt the operating budget ordinance by June 13th, 2005 and set the millage rate for the upcoming Fiscal Year. The Fiscal Year 2006 Budget must be adopted before June 30th per WMC 6.02.020 (C).

On June 13th, 2005 after the Fiscal Year 06 operating budget has been adopted, the Fiscal Year 06 Capital Budget will be introduced as a budget ordinance amending the Fiscal Year 2006 Budget. On June 20th, 2005 a special meeting will be held for the Council to review the Fiscal Year 06 capital program. On June 27th, 2005, the Council will hold a public hearing on the Capital budget and adopt the Capital Budget at that meeting.

On July 1st, the Fiscal Year 2006 budget will be implemented. During Fiscal Year 2006, 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.

OTHER PLANNING PROCESS

The City of Wasilla is concentrating on two other planning processes that will have a significant affect on the City of Wasilla's future budgets and budget process.

Five-Year Financial Forecast and Five-Year Fiscal Plan

The City of Wasilla's staff is in the process of completing a five-year financial forecast and a five-year fiscal plan. It is projected that the five-year financial forecast and five-year fiscal plan will be completed by the end of December 2005. The completion of the forecast and financial plan is critical to our plan to switch over to a Multi-year Budgeting system for Fiscal Year 2007.

Five-Year Capital Improvement Plan (CIP)

The other planning process that City of Wasilla has implemented for FY 06 is a five-year CIP program. The CIP plan for the City of Wasilla is a community plan for short- and long-range physical development. It is intended to link Wasilla's fiscal plan and comprehensive plan to physical development (see diagram below), and provide a mechanism for:

- ▶ Estimating capital requirements
- ▶ Planning, prioritizing, scheduling and implementing projects during the next five years
- ▶ Developing funding policy for proposed projects

OTHER PLANNING PROCESS CONT.

- ▶ Budgeting high priority projects
- ▶ Informing the public of planned capital projects.

At least once a year, the City Council adopts an updated CIP. The prioritized list is published for public comment prior to the public hearing which will be held before the adoption of the CIP.

Process

The CIP is updated annually by the City Council after public review and comment. Before the CIP is considered by the Council, the Wasilla Planning Commission must prepare and forward recommendations on the draft CIP to the City Council as required under Section 2.60.010 B(8) of the Wasilla Municipal Code. The Wasilla Parks and Recreation Commission and the Airport Advisory Board will also review portions of the CIP before it is considered by the Commission.

The process of CIP preparation begins in August and is completed by January. Projects in the CIP cover a wide range of capital improvements, including: transportation, drainage, utilities, buildings, park improvements and information technology.

Project Review

Project Category	Review & Recommendation to Wasilla Planning Commission
Airport	Airport Advisory Commission
City Buildings & Utilities	WPC
IT	IT Committee
Library	Friends of the Library
Museum	WPC
Parks & Recreation	Parks & Recreation Commission
Public Safety	WPC
Trails	Parks & Recreation Commission
Transportation	WPC

The CIP covers a five-year planning horizon, and is updated each year to reflect on-going changes and additions. The CIP is based on submissions from City departments, the public and local organizations. Nominations are reviewed and evaluated by the Wasilla Planning Commission before the Commission makes a recommendation to the City Council for adoption of the CIP. The typical schedule for this process appears in the following CIP Calendar.

OTHER PLANNING PROCESS CONT.

CIP Calendar

Due On or Before	Task	Responsibility
August 31	Staff Nominates FY 2007-2011 projects	City Department Heads
September 30	Public & outside organizations nominate FY 2006-2011 projects	Local residents & organizations
October 31	Staff prepares project background information & analysis	City staff
November 30	Review, evaluation & recommendations prepared for Planning Commission	Parks & Recreation Commission & Airport Advisory Board
December 14	Presentation to Planning Commission	City staff
January 25	Planning Commission Public Hearing	Planning Commission
January 31	City Council adoption of CIP	City Council

CIP as a budgeting tool

A CIP does not appropriate funds. It functions as a budgeting and planning tool, supporting the actual appropriations that are made through adoption of the annual budget. The City's Financial Policies contain eight related to capital improvements:

- ▶ 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 of the project.

OTHER PLANNING PROCESS CONT.

CIP Prioritization Criteria

With regard to the CIP's annual development, criteria used in prioritizing and including capital and maintenance projects and programs include:

Criteria	Weight Factor
▶ Corrects or lowers risk to public safety or health;	5
▶ Improves operating efficiency;	5
▶ Preservation of existing City facilities;	4
▶ Investment in new facilities;	4
▶ Part of systematic replacement program;	4
▶ Support of economic development;	3
▶ Increases the City's capacity to provide services to residents;	3
▶ Consistency with the City's Comprehensive Plan;	2
▶ Reinvestment/upgrade of existing facilities;	2
▶ Other, as defined by the Planning Commission	

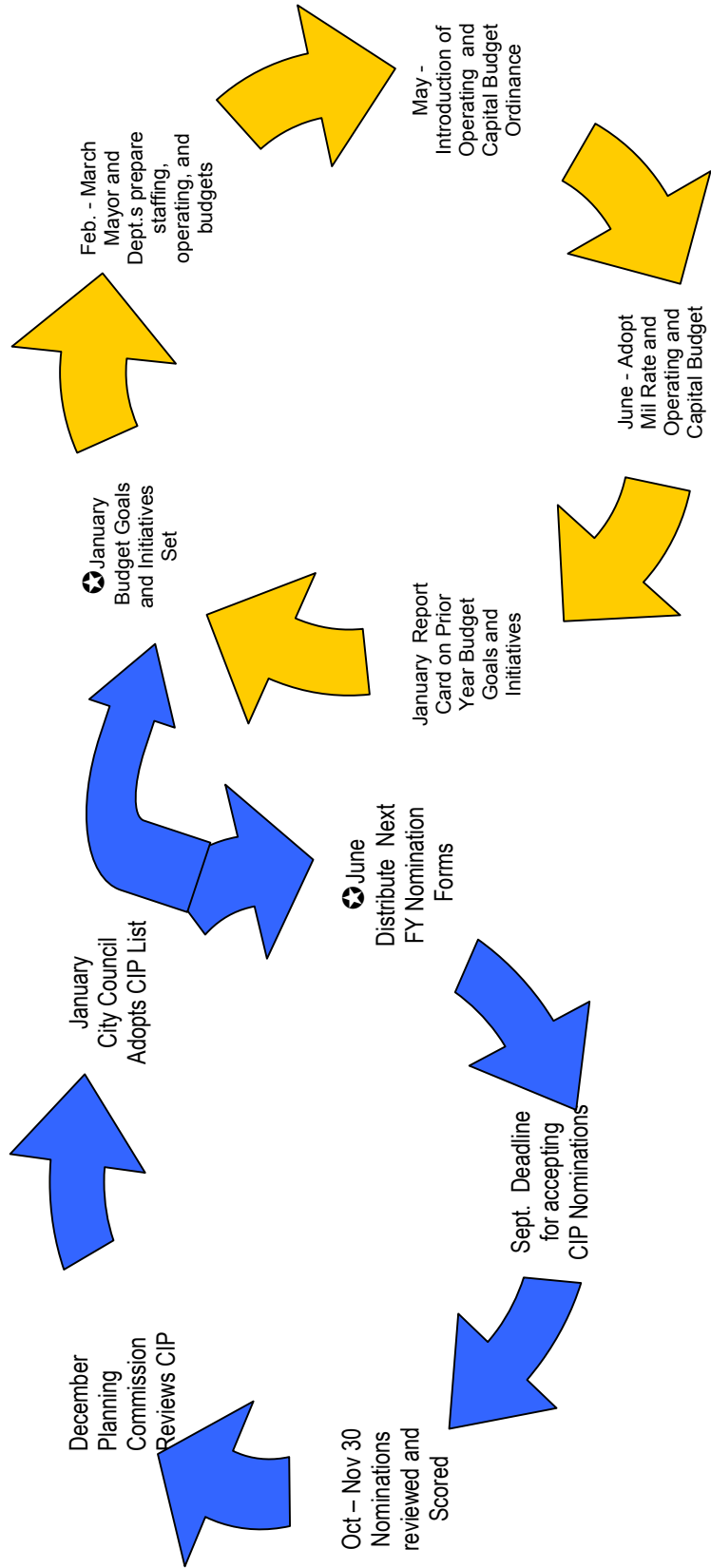
CIP Categories

The CIP is organized around several project categories. These categories include:

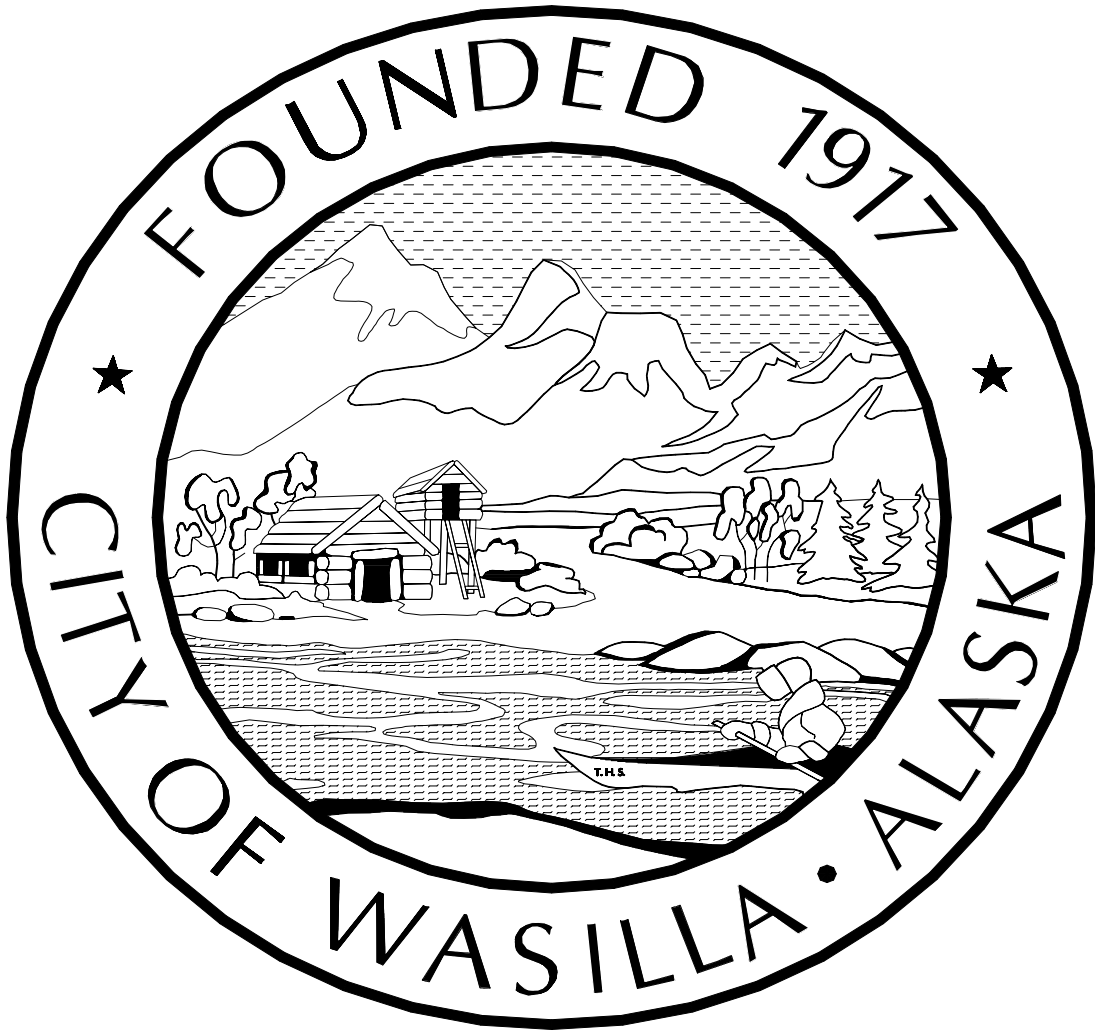
- ▶ Buildings
- ▶ Equipment
- ▶ Parks & Recreation
- ▶ Transportation (Roads, Vehicles, Airport)
- ▶ Utilities

The CIP should represent the City of Wasilla' on-going commitment to revitalizing aging infrastructure, and increasing its capacity to provide enhanced programs and services to the community

These two diagrams show the relationship of City of Wasilla Capital Improvement Plan (CIP) to the annual Budget cycle.



Preparation of the Capital Improvement Plan begins in June of each year with the distribution of CIP Project Nomination Forms. Preparation of the City Budget for the upcoming fiscal year begins in February of each year with the setting of Budget Goals and Budget Initiatives.



City of Wasilla
Fiscal Years 2006 - 2010
Capital Improvements Program Planning Schedule

PROJECTS	Est. Cost	FY06 Estimates			FY07 Estimates		
		Local	State	Federal	Local	State	Federal
BUILDINGS AND EQUIPMENT							
Cemetery Markers	\$15,000	\$15,000					
City Hall Air Conditioners	\$15,000	\$15,000					
Dispatch Fire Supression Equipment	\$10,000	\$10,000					
Dump Truck	\$100,000						
Greenhouse	\$15,000	\$15,000					
New City Shop Building	\$350,000	\$35,000			\$60,000		
Police Sta. Storage Area	\$100,000				\$50,000	\$50,000	
Police Training Room	\$50,000	\$25,000			\$25,000		
Street Markings Vehicle	\$55,000	\$55,000					
Vactor Truck	\$300,000					\$300,000	
GENERAL ADMIN							
City Events Marquee Sign	\$250,000				\$50,000	\$200,000	
Finance Software	\$40,000	\$20,000			\$20,000		
Police Staffing Study	\$50,000	\$25,000			\$25,000		
Records Retension Program	\$48,000	\$24,000			\$24,000		
Wasilla Gateway Signs	\$150,000						
Website Updates	\$300,000				\$50,000		
MUNICIAPL AIRPORT							
Access Road	\$1,000,000						
Airport Camping	\$10,000				\$10,000		
Airport Maintenance Building	\$975,000						
Apron, Taxiway, Gravel/Ski Runway	\$3,900,000		\$100,000	\$3,800,000			
Intermodal Train Terminal	\$1,125,000				\$100,000		\$900,000
Snow Removal Equipment	\$1,025,000						
Transient Parking	\$760,000						
PARKS & RECREATION							
Bumpus Rec. Complex	\$650,000				\$50,000	\$50,000	
Carter Park Equipment	\$20,000	\$20,000					
Cottonwood Creek Greenbelt & Park	\$450,000						
Iditapark to Completion	\$343,500	\$68,500			\$50,000	\$50,000	
Museum Restoration	\$225,000						
Newcomb Park Renovation	\$20,000						
Nunley Park Renovation	\$20,000				\$20,000		
Parks Hydroseeding	\$120,000	\$30,000			\$30,000		
Pedestrian Tube Additional Parking	\$200,000						
Pedestrian Tube Video Equipment							
Smith Ballfields	\$75,000	\$10,000			\$15,000		
Walter Trench Cabin	\$10,000	\$10,000					
Wasilla to Big Lake Trail	\$9,000,000	\$50,000		\$2,500,000	\$50,000		
PLANNING							
Aerial Photo Updates	\$125,000	\$25,000			\$25,000		
Area Master Plans - Airport & Industrial area & S. Wasilla Heights	\$150,000	\$100,000			\$50,000		
Downtown Study	\$105,000	\$30,000				\$40,000	
Economic Dev. Plan	\$100,000	\$40,000			\$20,000		
Transportation Plan	\$92,000						\$92,000
Enclose Carport	\$250,000		\$125,000	\$125,000			
Mobile Data Network	\$986,643			\$986,643			
Radio Tower Improvements	\$242,500			\$242,500			

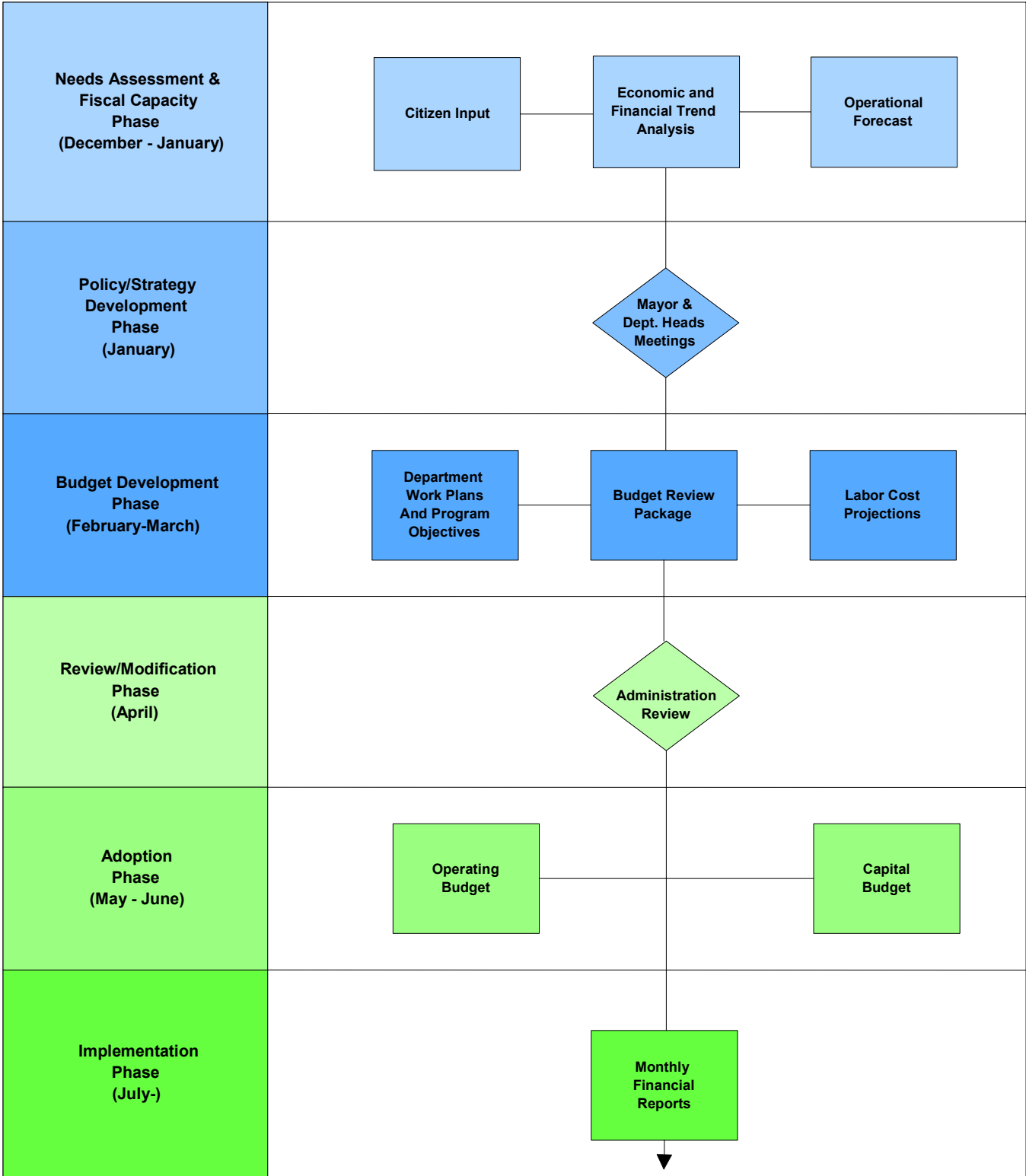
City of Wasilla
Fiscal Years 2006 - 2010
Capital Improvements Program Planning Schedule

PROJECTS	Est. Cost	FY06 Estimates			FY07 Estimates		
		Local	State	Federal	Local	State	Federal
ROADS							
City Road Paving	\$3,715,000	\$715,000		\$1,300,000	\$225,000		\$200,000
Cottonwood Creek Bridge	\$3,000,000						
Crusey & Lucus Improvements	\$5,450,000	\$17,500	\$332,500		\$30,000	\$570,000	
E. Susitna Extension to Palmer-Wasilla Highway	\$1,125,000		\$125,000				\$1,000,000
Easements	\$220,000	\$20,000			\$50,000		
S. Mack Dr./Lucille Street Designs	\$1,250,000					\$250,000	\$1,000,000
S. Mack Road Grade Separation	\$3,000,000					\$500,000	
Swanson Ave. Rehab (Main-Crusey)	\$600,000				\$50,000		
Traffic Signals	\$3,000,000					\$300,000	\$450,000
Upper Road Extension	\$450,000						\$450,000
Wasilla Alternative Corridor Study	\$2,000,000		\$2,000,000				
SPORTS COMPLEX							
Ballfields	\$1,175,000						
Commercial Kitchen	\$600,000		\$600,000				
Emergency Generators	\$260,000		\$260,000				
MUSC Master Plan	\$70,000				\$35,000		
Parking Lot Paving & RV Park	\$575,000				\$75,000	\$250,000	
Portable Floor	\$75,000				\$30,000	\$45,000	
Stadium	\$2,500,000						
Trails	\$75,000					\$25,000	
UTILITIES							
Bumpus Well No. 2	\$150,000				\$75,000		
Core Area Water & Sewer Master Plan	\$250,000			\$250,000			
Garden Terrace Water Main Extension	\$1,974,543	\$30,000	\$1,025,000	\$919,543			
Irrigation Meter Grant Program	\$50,000	\$10,000			\$10,000		
Mission Hills Water Extension	\$800,000		\$500,000		\$100,000		\$200,000
Palmer-Wasilla Hwy Water Improvements Phase 3	\$1,610,000	\$360,000			\$250,000	\$1,000,000	
Pal-Was Hwy Sewer Extension	\$2,000,000						1,000,000
Septic Tank Replacement	\$250,000	\$15,000			\$50,000		
Sewer Plant Expansion	\$4,200,000					\$100,000	
Sewer Plant Storage Building	\$60,000	\$60,000					
Water & Sewer Repairs	\$375,000	\$75,000			\$75,000		
PROJECT TOTAL	\$64,687,186						
TOTAL LOCAL	\$8,983,000	\$1,925,000			\$1,779,000		
TOTAL STATE	\$23,366,500		\$5,067,500			\$3,730,000	
TOTAL FEDERAL	\$32,337,686			\$10,123,686			\$5,292,000

City of Wasilla
Fiscal Years 2006 - 2010
Capital Improvements Program Planning Schedule

FY08 Estimates			FY09 Estimates			FY10 Estimates		
Local	State	Federal	Local	State	Federal	Local	State	Federal
\$225,000		\$200,000	\$225,000		\$200,000	\$225,000		\$200,000
						\$300,000	\$300,000	\$2,400,000
\$225,000	\$4,275,000							
\$50,000			\$50,000			\$50,000		
	\$2,500,000							
	\$200,000	\$350,000						
	\$300,000	\$450,000		\$300,000	\$450,000		\$300,000	\$450,000
\$75,000	\$300,000		\$100,000	\$300,000		\$100,000	\$300,000	
\$35,000								
	\$250,000							
						\$100,000	\$400,000	\$2,000,000
	\$25,000			\$25,000				
\$75,000								
\$10,000			\$10,000			\$10,000		
\$100,000	\$900,000							
\$60,000			\$60,000			\$65,000		
\$100,000		\$200,000	\$400,000	\$1,200,000	\$1,800,000	\$400,000		
\$75,000			\$75,000			\$75,000		
\$1,785,000			\$1,635,000			\$1,859,000		
	\$9,025,000			\$4,225,000			\$1,319,000	
		\$4,600,000			\$6,550,000			\$5,772,000

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. Within an accounting fund, the Council may by resolution transfer part or all of any unencumbered funds among functions, activities and departments. The Mayor has authority through administrative action to transfer part or all of any unencumbered funds within department and may transfer part or all of any unencumbered funds between departments up to ten thousand (\$10,000).

BASIS OF BUDGETING

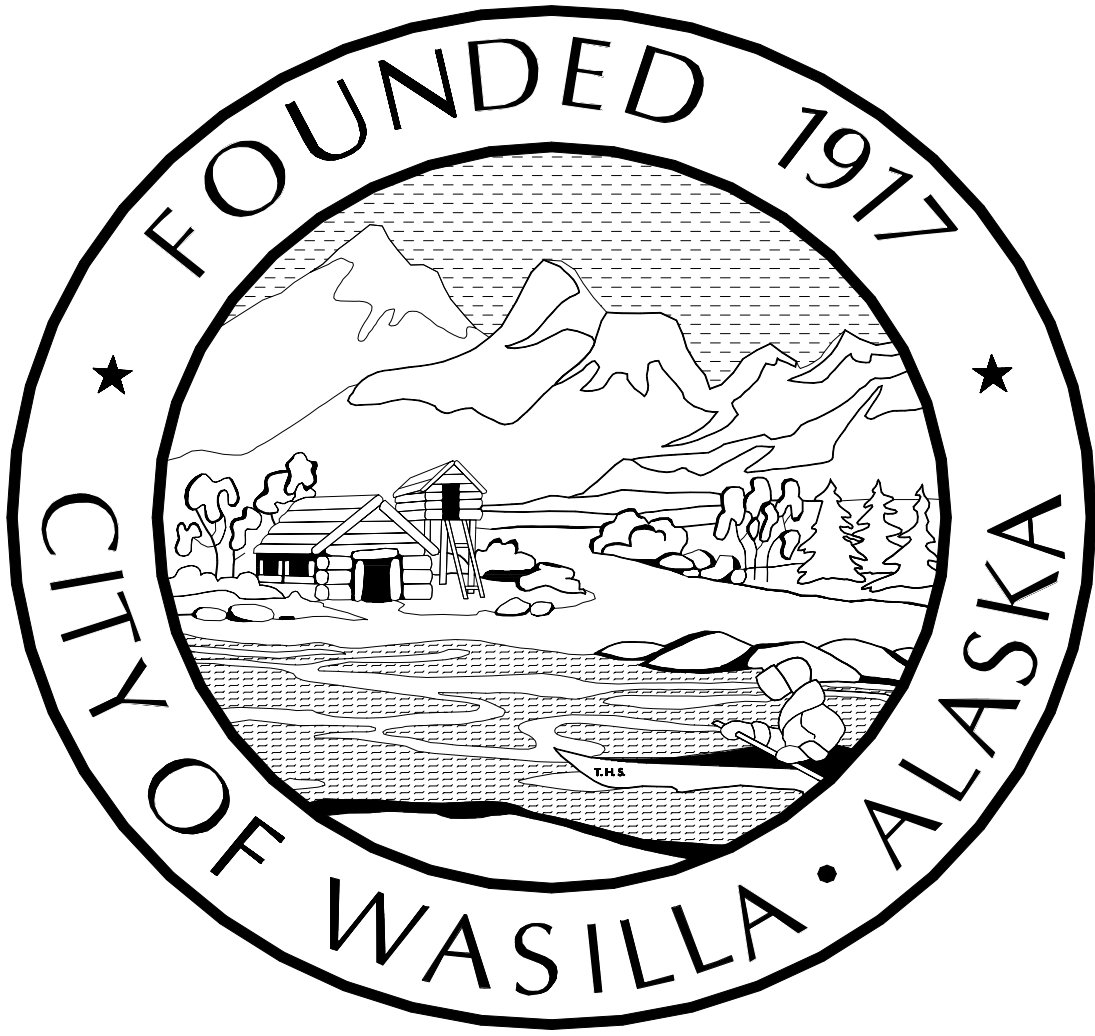
The City of Wasilla uses the same basis for budgeting as it does for its financial record keeping and for financial statement presentation.

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 to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) and expensed 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 expensed on a budget basis.
- Capital outlay within the Enterprise Funds are recorded as assets on a GAAP basis and expensed on a Budget basis.
- Depreciation expense is not recognized as an expense under the budget 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 82 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 eleven years. It is projected that sales tax revenue has grown by over 238 percent since fiscal year 1994. Based on projections from state and local sources, these population and economic trends are predicted 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 need 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 and Library	Utilities (Water & Sewer)

Long-Range Goals and Fiscal Year 2006 Budget Initiatives

The City of Wasilla has selected six long-range goals as its 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 2006 budget initiatives. The long-range goals and Fiscal Year 2006 budget initiatives are:

Keep Local Government Small Efficient and Accountable to the Citizens of Wasilla.

Fiscal Year 2006 Budget Initiatives

1. Achieve level-funding budget for FY06 to maintain and improve existing services while ensuring overall property tax (including assessed value appreciation) does not increase by reducing mill rate to 0.30 mills.
2. Invest at least \$1,000,000 for city infrastructure.
3. Continue to improve and refine the performance measurement system used to evaluate the performance of City departments in providing services to citizens.
4. Continue expansion and enhancement of Intranet system to make communication between employees, departments and elected officials more efficient.
5. Continue to enhance and expand city website to implement Electronic Government (e-government) to allow citizens to obtain city forms, make payments, communicate with City Departments and City Council, and utilize city maps over the internet.
6. Establish citizen focus groups to assist in the development of long-term objectives for special development areas and to assess future growth of the City.
7. Revise procurement process to ensure that the City is receiving best price available when purchasing goods and services.
8. Explore and report on feasibility of implementing a multi-year budget process.

<i>Department(s) Responsible for Supporting Specific Budget Initiative</i>																
	Admin	City Clerk	Finance	Human Resources	MIS	Economic Development	Police	Mat-Comm	Code Compliance	Youth Court	Public Works	Parks, Property & Roads	Planning	Recreation & Cultural Services	Library	Museum
1	X	X	X			X	X				X			X		
2	X										X					
3	X			X									X			
4					X											
5			X		X											
6	X					X							X			
7			X								X					
8	X		X													

Encourage a Strong and Diverse Economic Base in the City of Wasilla.

Fiscal Year 2006 Budget Initiatives

9. Encourage and promote cultural and recreational programs and activities to improve the quality of life of the City's and Borough's youth and adults through the use of City facilities.
10. Investigate and encourage co-location of various state and federal agencies into the City of Wasilla.
11. Encourage development of overnight accommodation projects to support and expand cultural and recreational potential of the City of Wasilla.
12. Continue to encourage new business to locate and invest in the City of Wasilla through expansion of economic development tools.

13. Review and revise essential City plans such as the Emergency Operations Plan, the All Hazard Mitigation Plan and the Comprehensive Plan to ensure that the information is up to date and that these documents support future development.
14. Actively market Wasilla as an attractive business location.

<i>Department(s) Responsible for Supporting Specific Budget Initiative</i>																
	Admin	City Clerk	Finance	Human Resources	MIS	Economic Development	Police	Mat-Comm	Code Compliance	Youth Court	Public Works	Parks, Property & Roads	Planning	Recreation & Cultural Services	Library	Museum
9						X								X	X	X
10						X							X			
11						X							X			
12	X					X							X			
13	X	X	X			X	X				X		X	X		
14	X					X							X			

Refine and improve the Long-Term Capital Project Plan to Preserve and Improve City Infrastructure to Provide for Future Growth.

Fiscal Year 2006 Budget Initiatives

15. Continue to coordinate and integrate City transportation projects with AK DOT, Mat-Su Borough, and the Alaska Railroad.
16. Pave remaining collector roads during FY 06 and FY 07 (estimate 7 miles of paving).
17. Develop strategy to encourage neighborhoods to participate in gravel to asphalt program via LID process.
18. Complete development of Regional Communication Center by implementing Computer Aided Dispatch and Records Management system.
19. Pursue Alaska Land Mobile Radio (ALMR) development and mobile computers in partnership with State, Federal and Borough governments to enhance public safety.
20. Support community transit by providing a maintenance and operations building for MASCOT utilizing grant funds from Federal Transit Authority and Rasmussen Foundation.
21. Seek funding to for design and construction of extension of S. Mack Drive to Knik-Goose Bay Road.

<i>Department(s) Responsible for Supporting Specific Budget Initiative</i>																
	Admin	City Clerk	Finance	Human Resources	MIS	Economic Development	Police	Mat-Comm	Code Compliance	Youth Court	Public Works	Parks, Property & Roads	Planning	Recreation & Cultural Services	Library	Museum
15											X					
16											X					
17											X					
18					X		X	X								
19	X				X		X	X								
20											X					
21	X										X					

Develop Stable and Equitable Sources of Revenue that Will Provide the Needed Funding to Accomplish Mission Statement.

Fiscal Year 2006 Budget Initiatives

- 22. Continue lobbying efforts on Federal and State level to obtain funding for needed infrastructure projects.
- 23. Continue to seek funding from private foundations for funding of infrastructure projects and community activities.
- 24. Review and update five year Financial Forecast.

<i>Department(s) Responsible for Supporting Specific Budget Initiative</i>																
	Admin	City Clerk	Finance	Human Resources	MIS	Economic Development	Police	Mat-Comm	Code Compliance	Youth Court	Public Works	Parks, Property & Roads	Planning	Recreation & Cultural Services	Library	Museum
22	X					X					X		X	X		
23														X	X	X
24			X													

Continue Progress in Making the Enterprise Funds (Water, Sewer, Airport, and Multi-Use Sports Complex) Self-sufficient while Ensuring the Systems Meet Environmental and Development Needs of the Citizens and Businesses in the City of Wasilla.

Fiscal Year 2006 Budget Initiatives

- 25. Encourage new water and sewer connections of Businesses and Residential property owners.
- 26. Develop plans for community sewer and water systems to serve the Wasilla Municipal Airport on an interim basis while continuing expansion of City's utilities west to the airport and east along the Parks Highway.
- 27. Expand Airport tie-down spaces during FY 06 and FY 07.
- 28. Continue to promote use of the Multi-use Sports Complex for large events such as sporting events, trade shows, regional conferences, and conventions.

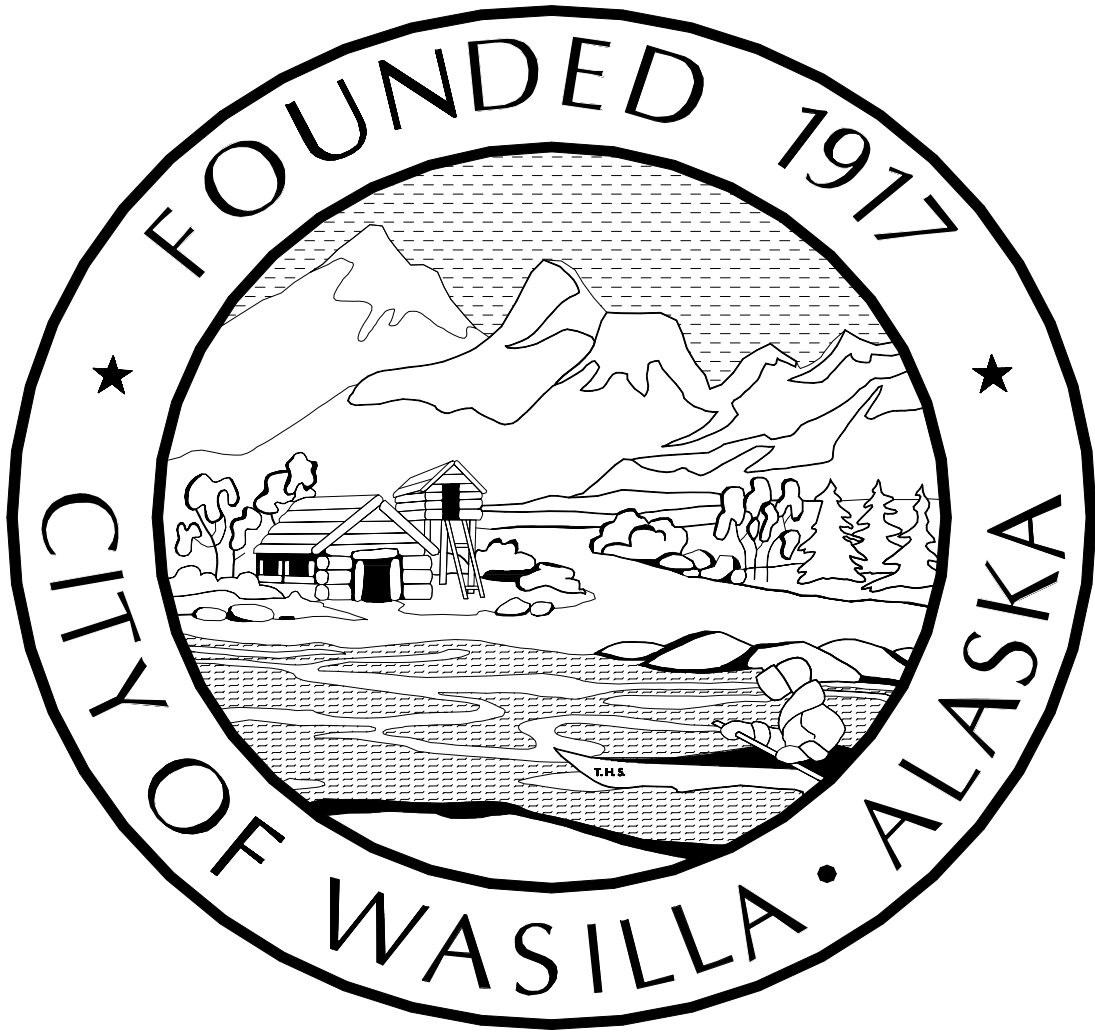
<i>Department(s) Responsible for Supporting Specific Budget Initiative</i>																
	Admin	City Clerk	Finance	Human Resources	MIS	Economic Development	Police	Mat-Comm	Code Compliance	Youth Court	Public Works	Parks, Property & Roads	Planning	Recreation & Cultural Services	Library	Museum
25						X					X					
26											X					
27						X					X					
28						X								X		

Continue to Provide the Citizens with the Highest Quality of Law Enforcement Services Possible in the Most Efficient and Effective Manner Available.

29. Continue to provide funding through grants for increased enforcement of drug/alcohol laws to reduce crimes involving drug and alcohol abuse and violence related to drug and alcohol abuse.
30. Continue program to update law enforcement equipment and related response capabilities.
31. Continue to utilize highly visible neighborhood patrolling to enhance safety of city residents and businesses.
32. Continue to fund law enforcement training to update Police Officer skills where new police techniques and technologies are being developed.
33. Establish a School Resource Officer (SRO) position under the Public Safety Division in partnership with the MSB School District.
34. Provide and enhance law enforcement dispatch services for which we are contractually obligated.
35. Complete a patrol and staffing study for purpose of providing guidance in projecting future staffing needs based on the City's growing population and increased business development and the desires and need as determined by the community and city administration.

<i>Department(s) Responsible for Supporting Specific Budget Initiative</i>																
	Admin	City Clerk	Finance	Human Resources	MIS	Economic Development	Police	Mat-Comm	Code Compliance	Youth Court	Public Works	Parks, Property & Roads	Planning	Recreation & Cultural Services	Library	Museum
29	X						X			X						
30							X									
31							X		X							
32				X			X									
33	X						X									
34							X	X								
35				X			X									

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 2006. 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.

2006 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 3.5% or 235 residents. Total population is estimated to be approximately 6,950.
2. Annexations. No new annexations in FY 06.
3. Inflation for FY 06 is projected to be approximately 2.7 to 3 percent, up slightly from the percentage forecasted in FY 05. The inflation rate is based on the Anchorage Municipality CPI-U.

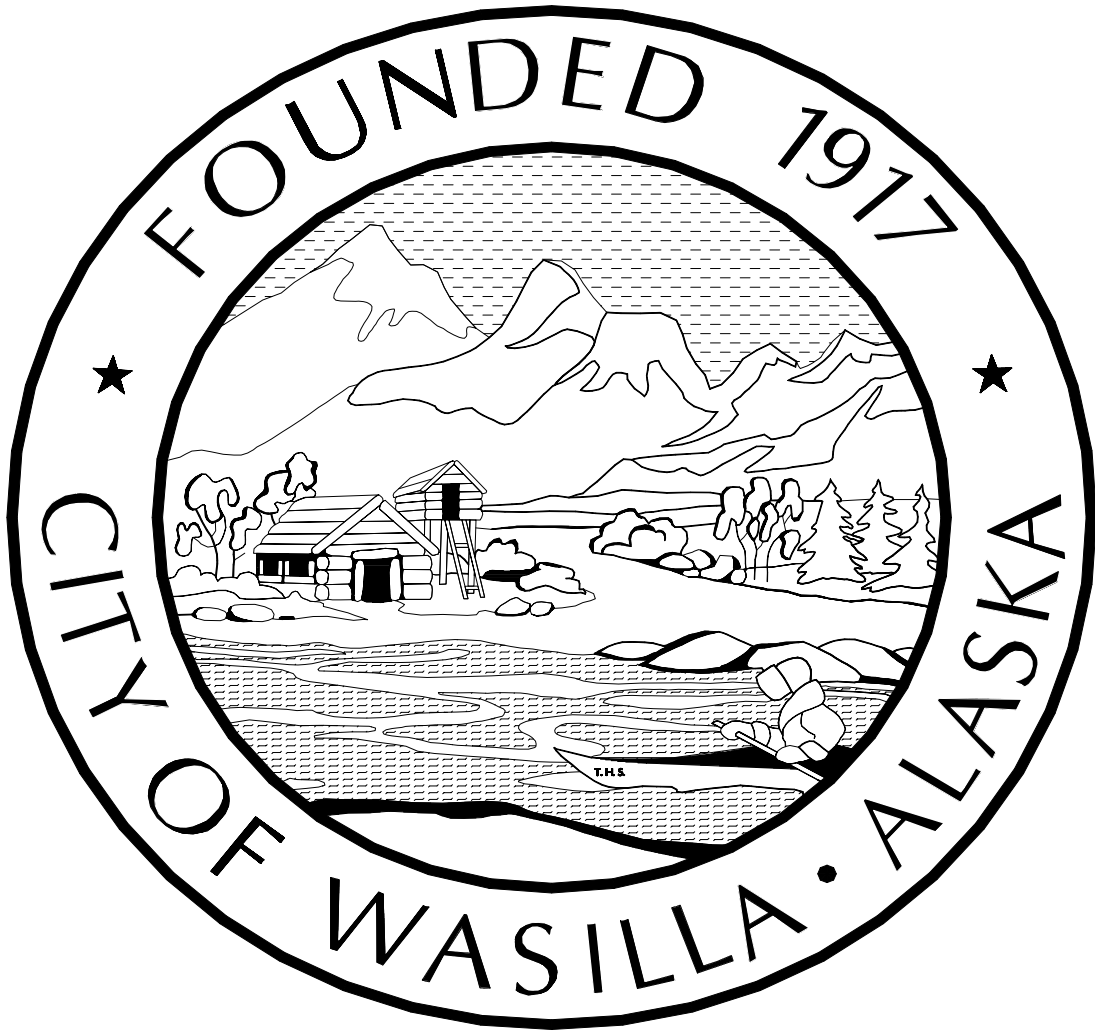
Revenue Assumptions

1. Sales and Use Taxes – Collections for sales taxes are projected to increase 10%. Total sales tax revenue is projected to be \$10,890,000. 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 projected to be approximately 5.6 percent a year, this years estimates include additional sales tax revenue that is projected to be generated from a full year of operations from two large retail establishments that opened late fall of Calendar Year 2004.
2. Property Taxes – The City's mill levy for FY 06 will be .3 mills based on the target the City Council set in their budget initiative. Total property tax projected to be collected will be 192,175. See appendix for historic detail for property tax rates, assessed valuations and property tax collections.
3. Intergovernmental Revenue – Intergovernmental revenue consist of grants from Local, State and Federal governmental sources. It is projected that total intergovernmental revenue funds for general government funds (not including Capital Funds) will be approximately \$1,021,540. Total new intergovernmental revenue is projected to be 17 percent lower that last year. This projection is based on several federal grants not being carried forward in the Public Safety area such as the violence against women grant and technology equipment grants.
4. User Fees and Charges – user fees and charges mainly consist of fees charged for utility-services and fees charged at the Multi-Use Sports Complex. Total user fees and charges are projected to \$2,214,964. User fees and charges are projected to increase by approximately 4%. The main increases in user fee revenue will be in the utility and airport funds. These projected increases are based on the City completing several infrastructure projects that will allow the City to increase the utility customer base by approximately 8 percent. Based on FY 06 projected revenue and future Fiscal Year's projections, 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 \$231,380. The single largest component of local revenue is interest earned on investments (87%). 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.
6. Other Revenue - The two main components of other revenue are the fees from providing dispatch services for agencies (\$1,119,778) and the fee for naming rights to the Multi-Use Sports Complex (\$50,000). The fee for dispatch services is a set fee and will be paid quarterly. The City is working with a firm to design a Request for Proposal (RFP) for the naming rights and should be advertise by early FY 06. 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 15%.
 - c) Workers Compensation will increase by 10%.
 - d) PERS retirement contribution will increased to 16.44% of wages – a 44% 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 06 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. Based on projections from our Insurance Broker, property and general liability rates will remain the same as last fiscal year. The only increases in these line items for these departments will be due to increased property values or increased salaries.



OPERATING BUDGET SUMMARY

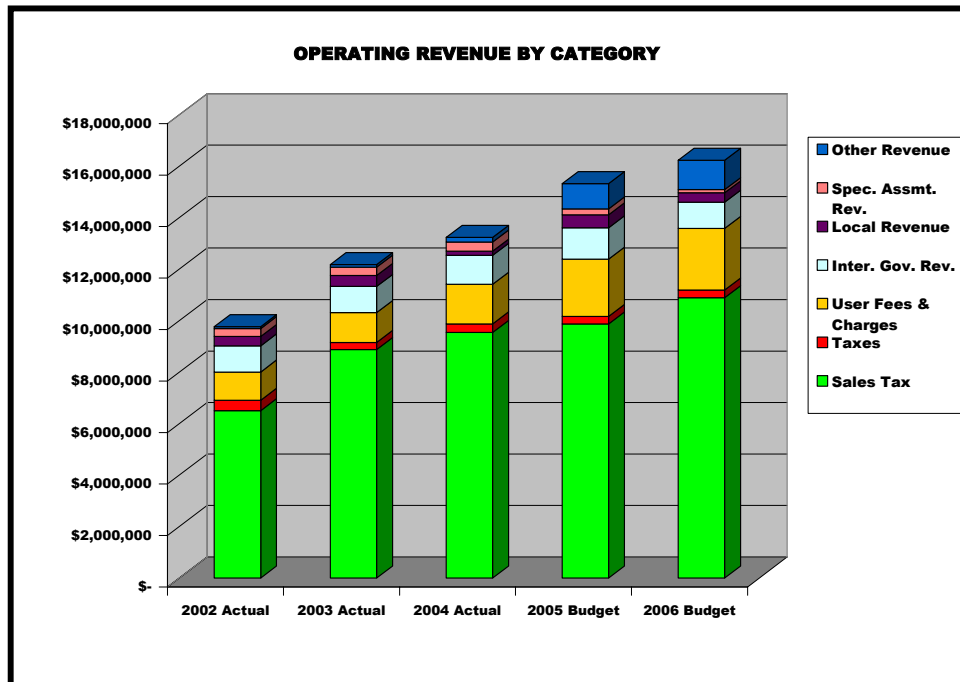
OPERATING REVENUE

Total revenue for financing the Fiscal Year 06 operating budget is \$16,225,680. This is an increase of over \$909,170 over Fiscal Year 05'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 two sources: 1. Sales tax (\$1,021,250 increase); and 2. Other local Revenue (\$162,991 increase).

Sales Tax revenue increases are projected to increase due to the normal growth rate of 5.6% and due to the fact that two large retail stores opened in late fall of calendar year 2004. Fiscal Year 2006 will be the first full year of Sales Tax collections for these stores. The main increase in local revenue is for increases in projected income from the City's contract for dispatch services. The dispatch contract is based on a cost sharing formula with the State of Alaska and the State's share of the increased dispatch expenditures is \$214,750.

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 05 of \$198,784 (16%). The main factors for the reduction in revenue is due to the fact that both the Federal and State governments are reducing grants for operating expenditures. 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 through economic development.

Please see the fund sections for the breakdown by category of revenues for each function. The fund sections will discuss the trends in revenues for each fund.



OPERATING BUDGET SUMMARY

OPERATING REVENUE BY FUND	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2005 Budget	Fiscal Year 2006 Budget
General Fund	7,863,408	8,483,444	8,834,718	10,104,362	11,068,939
Library Fund	349,337	354,407	402,562	426,819	385,944
Youth Court Fund	140,272	124,784	159,312	192,513	146,197
Asset Forfeiture Fund	27,457	8,751	-	100	100
Tech. Replacement Fund	-	130	14	200	400
Capital Reserve Fund	2,298	2,459	224	804	500
General Obligation Fund	-	-	-	-	-
Sewer Spec. Assmt. Fund	30,312	41,617	21,754	20,300	10,250
Water Spec. Assmt. Fund	52,187	60,002	47,986	36,650	15,400
Gas Assessment Fund	1,765	4,086	5,707	200	400
Paving Spec. Assmt. Fund	237,004	220,120	284,508	185,000	105,000
Bond Guarantee Fund	6,125	-	-	900	900
Cemetery Fund	7,942	11,615	16,971	12,000	16,500
Utility Fund	1,011,510	1,089,547	1,429,712	1,421,123	1,521,014
Airport Fund	32,640	36,300	77,401	44,000	58,636
Musc.Fund Revenue	-	1,740,790	1,950,451	2,871,539	2,895,500
Total Operating Revenue (transfers not inc.)	<u>9,762,257</u>	<u>12,178,052</u>	<u>13,231,320</u>	<u>15,316,510</u>	<u>16,225,680</u>

OPERATING REVENUE BY CATEGORY	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2005 Budget	Fiscal Year 2006 Budget
Sales Tax	6,497,069	8,876,901	9,540,089	9,868,750	10,890,000
Prop. & Veh. Tax	404,632	273,619	330,766	293,269	292,900
User Fees, Licenses, Permits & Fines	1,097,301	1,158,650	1,538,271	2,223,633	2,396,799
Intergovernmental Revenue	1,016,519	1,016,567	1,124,174	1,220,324	1,021,540
Local Revenue	362,535	425,381	165,776	496,747	358,663
Special Assessment Rev	310,691	322,078	353,403	236,000	125,000
Other Revenue	73,510	104,856	178,841	977,787	1,140,778
Total Operating Revenue (transfers not inc.)	<u>9,762,257</u>	<u>12,178,052</u>	<u>13,231,320</u>	<u>15,316,510</u>	<u>16,225,680</u>

OPERATING BUDGET SUMMARY

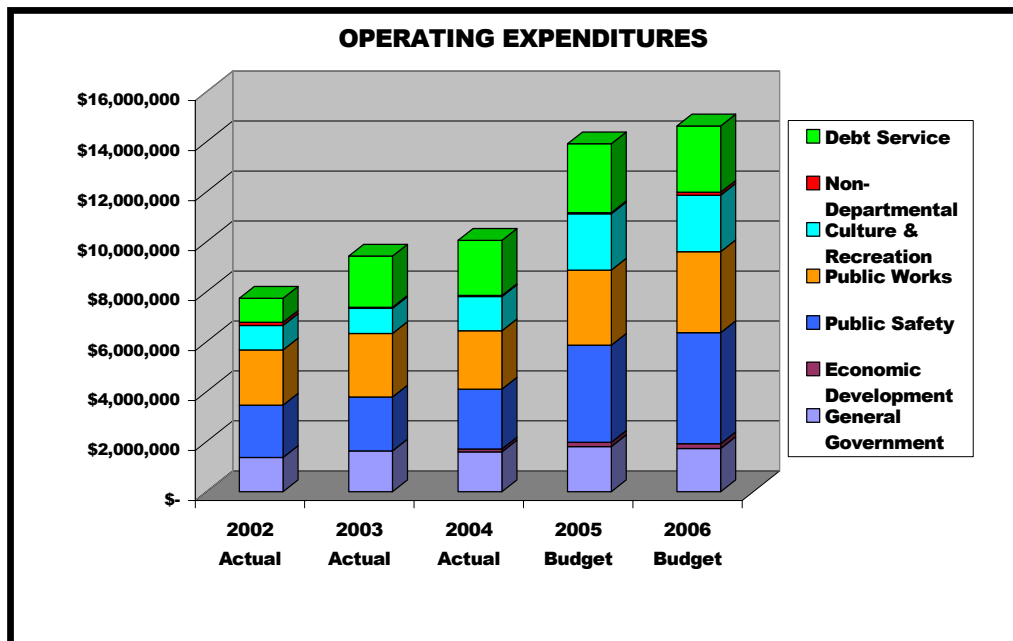
OPERATING EXPENDITURES

The FY 06 operating budget was balanced without the need for increases in any taxes. The total operating expenditures (not including transfers) is \$14,628,739, which is an increase of \$713,489 or 5.1% over the FY 05 Budget.

As seen in the graph below and the expenditure tables on the next page, the main increases in expenditures are in the public safety function and the public works function. The main increases in the public safety function are in the Community Policing division (\$345,421), Investigations division (\$119,824) and Dispatch division (\$343,849). Approximately 90% of the expenditure increases in the public safety function are due to increases in personnel costs. The City added one deputy chief position, two additional full-time police officers, three additional full-time dispatchers and one additional call-taker position. These positions were added to meet the continued growth of the city and our dispatch service area.

The public works function increased by \$229,679. The main increases in the public works function are in the road maintenance division (\$86,789) and in the utility division (\$60,320). In the road division, the City is increasing the contracting services for snow removal and in the utility division the increases are due to adding two full-time laborer positions. The remaining increases in the public works function (\$82,570) are for ongoing funding to meet both inflationary and growth-related expenditures in order in order to ensure that existing levels of service are maintained.

Please see the fund sections for the breakdown by category of expenditures for each function. The fund sections will discuss the trends in expenditures for each fund.



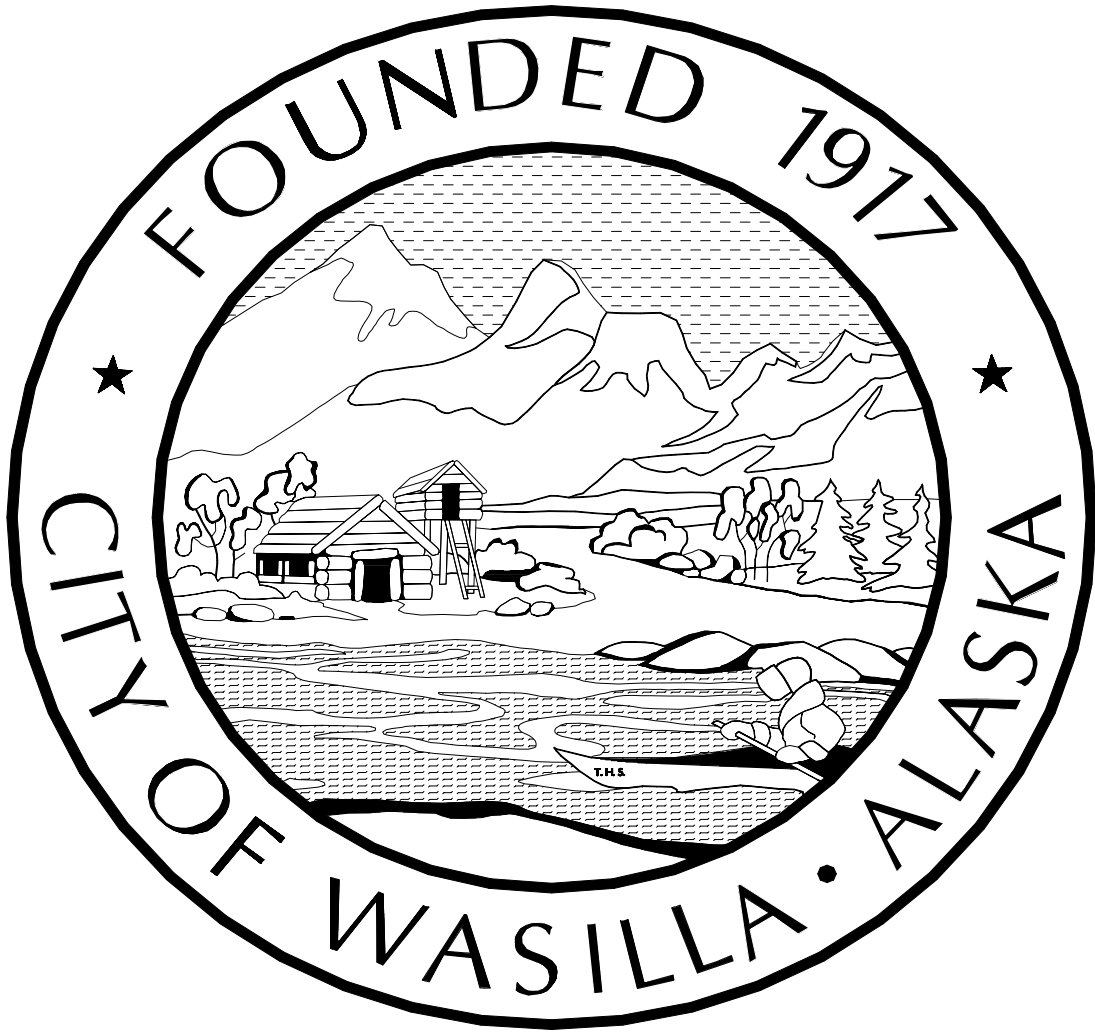
OPERATING BUDGET SUMMARY

Oper. Expenditure by Fund	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2005 Budget	Fiscal Year 2006 Budget
General Fund	5,502,880	5,509,775	5,774,863	8,055,758	8,969,448
Library Fund	584,356	602,949	663,472	753,144	700,521
Youth Court Fund	141,343	145,369	153,312	169,231	139,190
Asset Forfeiture Fund	-	-	-	11,450	-
Tech. Replacement Fund	28,395	83,971	23,723	25,600	38,000
Capital Reserve Fund	-	-	-	-	-
General Obligation Fund	-	439,398	438,026	436,347	434,810
Sewer Spec. Assmt Fund	10,830	10,983	10,738	10,247	10,247
Water Spec. Assmt. Fund	12,290	12,047	82,822	11,563	7,000
Gas Assmt Fund	152,789	-	13,167	-	-
Paving Spec. Assmt. Fund	322,925	195,749	349,836	320,542	121,333
Bond Guarantee Fund	-	-	-	-	-
Cemetery Fund	-	-	-	-	-
Utility Fund	920,906	982,629	1,060,281	1,428,269	1,513,038
Airport Fund	62,716	76,089	82,275	140,273	140,969
Musc. Fund	-	1,366,275	1,402,024	2,552,826	2,554,183
Total Operating Expenditures	<u>7,739,430</u>	<u>9,425,234</u>	<u>10,054,539</u>	<u>13,915,250</u>	<u>14,628,739</u>

Oper. Expenditure by Function	Fiscal Year 2002 Actual	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2005 Budget	Fiscal Year 2006 Budget
General Government	1,366,027	1,626,426	1,587,105	1,801,354	1,725,957
Economic Development	-	-	118,917	168,778	188,887
Public Safety	2,091,526	2,160,777	2,392,147	3,887,996	4,448,397
Public Works	2,210,763	2,542,113	2,340,538	3,008,169	3,237,848
Culture & Recreation	977,563	1,003,384	1,371,005	2,254,869	2,259,602
Non-Departmental	129,455	43,472	40,154	42,613	120,000
Debt Service	964,096	2,049,062	2,204,673	2,751,471	2,648,048
Total Operating Expenditures	<u>7,739,430</u>	<u>9,425,234</u>	<u>10,054,539</u>	<u>13,915,250</u>	<u>14,628,739</u>

**BUDGET SUMMARY
ALL FUNDS**

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Fiduciary Funds	Total
Beginning Unreserved Fund Balance Available 07/01/05	\$ 4,254,450	\$ 441,931	\$ 692,358	\$ 840,027	\$ 3,228,104	\$ 160,705	\$ 9,617,575
Sources							
Property Taxes	\$ 192,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192,175
Sales Taxes	8,712,000	-	-	-	2,178,000	-	10,890,000
Vehicle Taxes	100,725	-	-	-	-	-	100,725
Licenses, Permits & Fines	181,835	-	-	-	-	-	181,835
Intergov. Revenues	539,646	481,894	-	7,736,643	7,454,543	-	16,212,726
User Fees & Charges	-	30,097	-	-	2,169,867	15,000	2,214,964
Local Revenues	201,780	21,150	6,950	-	-	1,500	231,380
Special Assessment Revenue	-	-	125,000	-	-	-	125,000
Other Revenues	1,140,778	-	-	250,000	127,283	-	1,518,061
Transfers In	1,500	430,077	434,810	1,328,888	661,948	-	2,857,223
Total Sources	\$ 11,070,439	\$ 963,218	\$ 566,760	\$ 9,315,531	\$ 12,591,641	\$ 16,500	\$ 34,524,089
Total Available Funds	\$ 15,324,889	\$ 1,405,149	\$ 1,259,118	\$ 10,155,558	\$ 15,819,745	\$ 177,205	\$ 44,141,664
Uses							
Council/Clerk	\$ 390,173	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,173
General Government	1,313,784	22,000	-	-	-	-	1,335,784
Economic Development	188,887	-	-	-	-	-	188,887
Public Safety	4,294,207	154,190	-	-	-	-	4,448,397
Public Works	1,932,543	-	-	-	1,305,305	-	3,237,848
Culture & Recreation	729,854	701,521	-	-	828,227	-	2,259,602
Non-Departmental (inc. Comm. Dev.)	20,000	-	-	-	-	-	20,000
Debt Service	-	-	573,390	-	2,074,658	-	2,648,048
Capital Outlay	-	-	-	9,301,643	8,004,543	-	17,306,186
Contingency	100,000	-	-	-	-	-	100,000
Transfer To Other Funds	2,086,947	273,000	17,776	450,000	28,000	1,500	2,857,223
Total Use of Funds	\$ 11,056,395	\$ 1,150,711	\$ 591,166	\$ 9,751,643	\$ 12,240,733	\$ 1,500	\$ 34,792,148
Ending Unreserved Fund Balance Available 6/30/06	\$ 4,268,494	\$ 254,438	\$ 667,952	\$ 403,915	\$ 3,579,012	\$ 175,705	\$ 9,349,516
Change in Unreserved Fund Balance	\$ 14,044	\$ (187,493)	\$ (24,406)	\$ (436,112)	\$ 350,908	\$ 15,000	\$ (268,059)

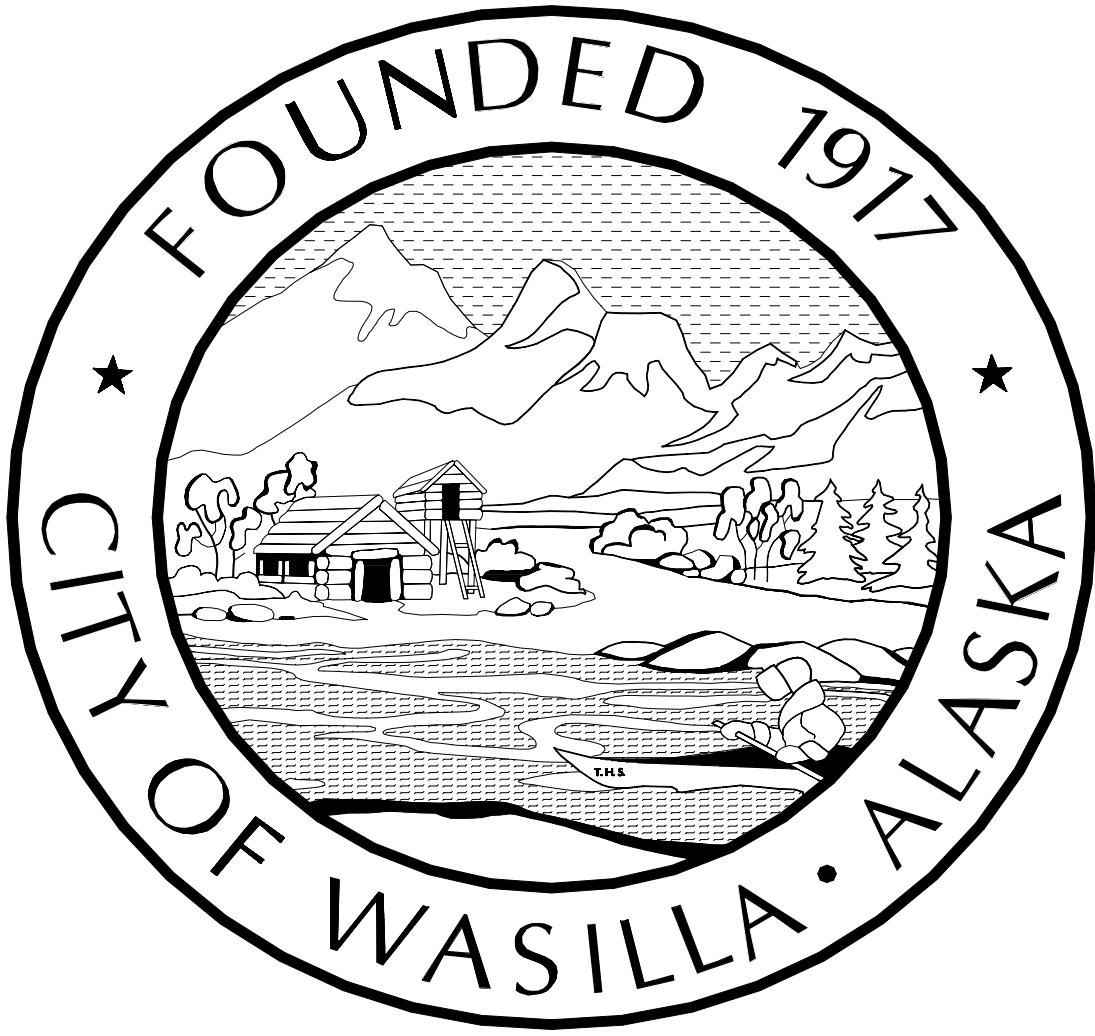


**FUND BALANCE SUMMARY
ALL FUNDS**

	Beginning Unreserved Fund Balance 07/01/05	Revenues	Transfers In	Total Sources
GOVERNMENTAL FUNDS				
GENERAL OPERATING FUND	4,254,450	11,068,939	1,500	11,070,439
SPECIAL REVENUE FUNDS				
Library Fund	21,578	385,944	327,577	713,521
Youth Court	37,276	146,197	-	146,197
Asset Forfeiture	2,377	100	-	100
Technology Replacement	101,082	400	102,500	102,900
Capital Reserve	279,618	500	-	500
TOTAL SPECIAL REVENUE FUNDS	441,931	533,141	430,077	963,218
DEBT SERVICE FUNDS				
General Obligation	-	-	434,810	434,810
Sewer Special Assessment	236,674	10,250	-	10,250
Water Special Assessment	158,061	15,400	-	15,400
Gas Special Assessment	37,124	400	-	400
Paving Special Assessment	213,785	105,000	-	105,000
Bond Guarantee	46,714	900	-	900
TOTAL DEBT SERVICE FUNDS	692,358	131,950	434,810	566,760
CAPITAL FUNDS				
Capital Fund	500,145	3,979,143	631,388	4,610,531
Road Fund	-	4,007,500	482,500	4,490,000
Vehicle	301,551	-	195,000	195,000
Right of Way	38,331	-	20,000	20,000
Honor Garden	-	-	-	-
Regional Dispatch Center	-	-	-	-
TOTAL CAPITAL FUNDS	840,027	7,986,643	1,328,888	9,315,531
TOTAL GOVERNMENTAL FUNDS	6,228,766	19,720,673	2,195,275	21,915,948
FIDUCIARY FUNDS				
Cemetery	160,705	16,500	-	16,500
TOTAL FIDUCIARY FUNDS	160,705	16,500	-	16,500
PROPRIETARY FUNDS				
ENTERPRISE				
Utility	1,859,056	4,215,557	458,888	4,674,445
Airport	150,567	3,958,636	82,333	4,040,969
Multi-Use Sports Complex	1,218,481	3,755,500	120,727	3,876,227
TOTAL PROPRIETARY FUNDS	3,228,104	11,929,693	661,948	12,591,641
TOTAL	9,617,575	31,666,866	2,857,223	34,524,089

**FUND BALANCE SUMMARY
ALL FUNDS**

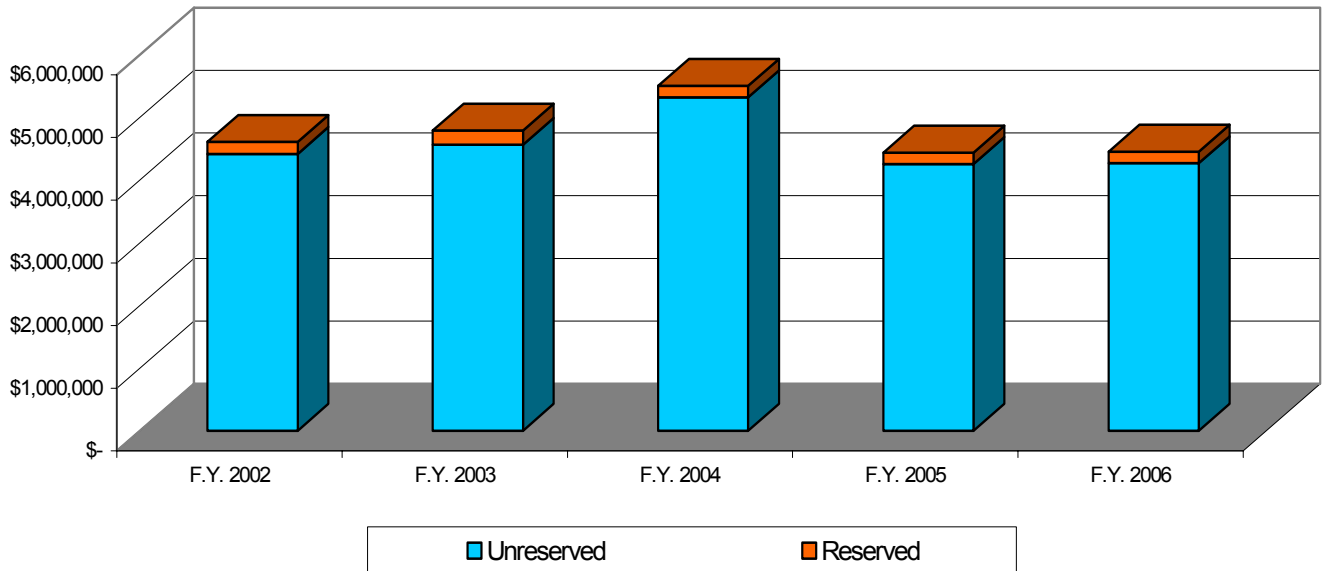
Operating Expenditures	Capital Outlays*	Transfers Out	Debt Service	Total Uses	Ending Unreserved Fund Balance 06/30/06	Change	
						In Fund Balance	% Change
8,969,448	-	2,086,947	-	11,056,395	4,268,494	14,044	0.33%
700,521	-	13,000	-	713,521	21,578	-	0.00%
139,190	-	-	-	139,190	44,283	7,007	18.80%
-	-	-	-	-	2,477	100	4.21%
38,000	-	-	-	38,000	165,982	64,900	64.21%
-	-	260,000	-	260,000	20,118	(259,500)	-92.81%
877,711	-	2,359,947	-	1,150,711	254,438	(187,493)	-42.43%
-	-	-	434,810	434,810	-	-	0.00%
-	-	-	10,247	10,247	236,677	3	0.00%
-	-	17,776	7,000	24,776	148,685	(9,376)	-5.93%
-	-	-	-	-	37,524	400	1.08%
-	-	-	121,333	121,333	197,452	(16,333)	-7.64%
-	-	-	-	-	47,614	900	1.93%
-	-	17,776	573,390	591,166	667,952	(24,406)	-3.53%
-	4,601,643	450,000	-	5,051,643	59,033	(441,112)	0.00%
-	4,490,000	-	-	4,490,000	-	-	0.00%
-	190,000	-	-	190,000	306,551	5,000	0.00%
-	20,000	-	-	20,000	38,331	-	0.00%
-	-	-	-	-	-	-	0.00%
-	-	-	-	-	-	-	0.00%
-	9,301,643	450,000	-	9,751,643	403,915	(436,112)	0.00%
9,847,159	9,301,643	2,827,723	573,390	22,549,915	5,594,799	(633,967)	-10.18%
-	-	1,500	-	1,500	175,705	15,000	9.33%
-	-	1,500	-	1,500	175,705	15,000	9.33%
1,164,336	3,244,543	28,000	348,702	4,785,581	1,747,920	(111,136)	-5.98%
140,969	3,900,000	-	-	4,040,969	150,567	-	0.00%
828,227	860,000	-	1,725,956	3,414,183	1,680,525	462,044	37.92%
2,133,532	8,004,543	28,000	2,074,658	12,240,733	3,579,012	350,908	10.87%
11,980,691	17,306,186	2,857,223	2,648,048	34,792,148	9,349,516	(268,059)	-2.79%

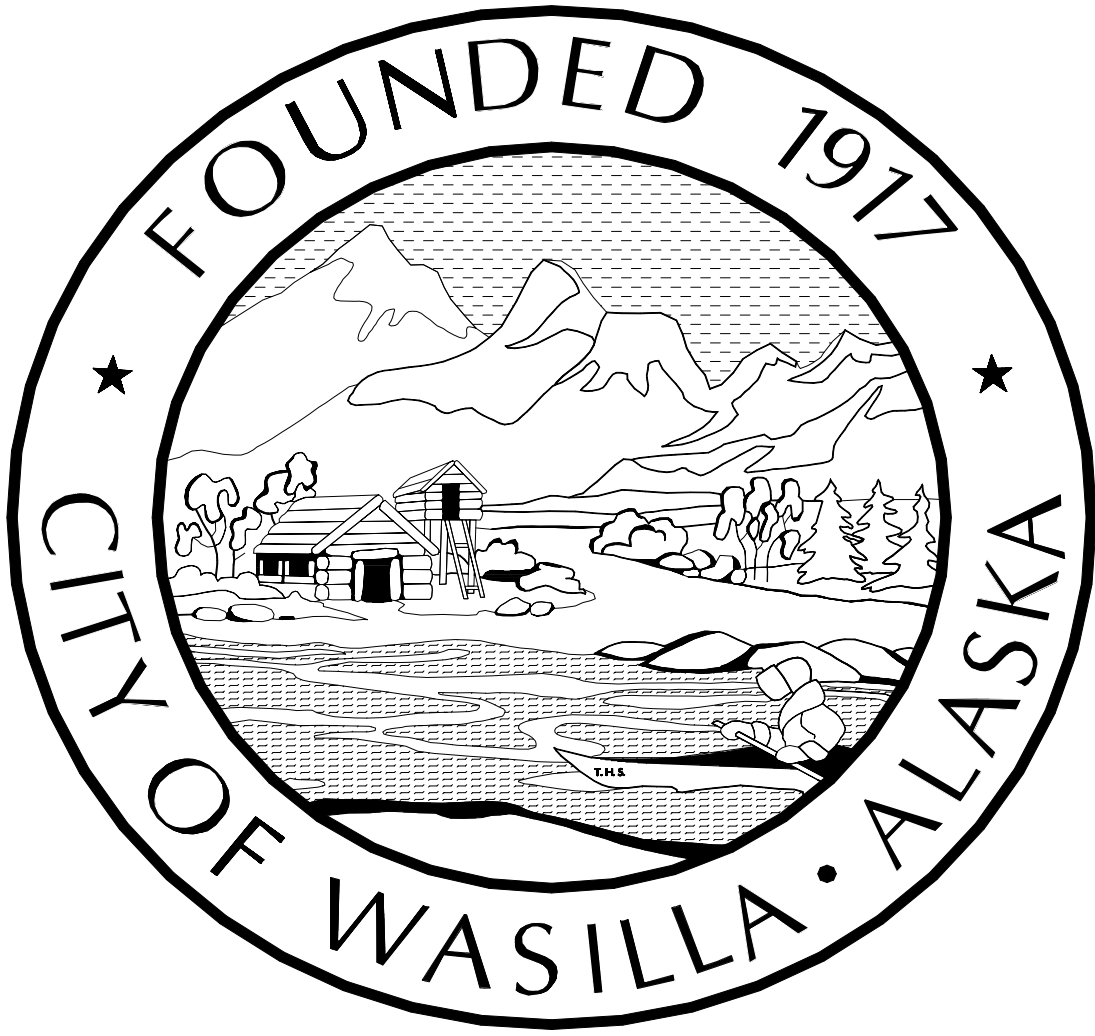


GENERAL FUND BALANCE

Based on the projected budget for FY 06, the total fund balance will be approximately \$4,452,492. 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 5.04.025 will be in the range of between \$3,973,667 and \$4,768,400. The projected General Fund's unreserved fund balance for FY 06 will be \$4,268,494. The City of Wasilla will have approximately \$183,998 in reserve fund balance based on this target. The Unreserved fund balance will increase by approximately \$14,044 from FY 05.

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 2006 (FY 06), it is estimated that the amount of General sales tax collected will be \$8,712,000, which is approximately 10.35% higher than the amount of sales tax that is projected to be collected in FY 05. The projected growth is approximately 4% higher than the normal growth rate due to the fact that the Fiscal Year 06 will be the first full year of sales tax collections from two large retail establishments that were opened in 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 01/31/05 for net taxable property is projected to be \$649,749,673, an 12.97% growth from last year. The tax levy for real property tax is 0.3 mills. The tax levy is 25 percent lower than the mill rate of .4 mills in FY 05. The total estimated property tax revenue based on the estimated assessed valuation would be \$192,175.

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 \$100,725.

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 this category by approximately 52%. The City of Wasilla Finance Department will be making a concerted effort to collect over due fines and is projecting that this effort will result in approximately \$50,000 increased collections.

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 new police officer. Total estimated funding for federal grants is \$154,336. This is approximate 60 percent reduction from the previous year.
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 \$250,000. Total state revenue is projected to increase by approximately 9% over the last previous year.
3. **Local Governmental Sources:** The main source of revenue projected to be received will be funding from the Matanuska-Susitna Borough School District to help fund a School Resource Officer. The School District is projected to fund \$96,780 of the cost of the position. Total local revenue is projected to increase by approximately 549.7% percent (\$82,730).

General Fund Revenues Cont.

Estimated total revenue from intergovernmental is \$539,646, which is an estimated 18.94% decrease from the previous Fiscal Year.

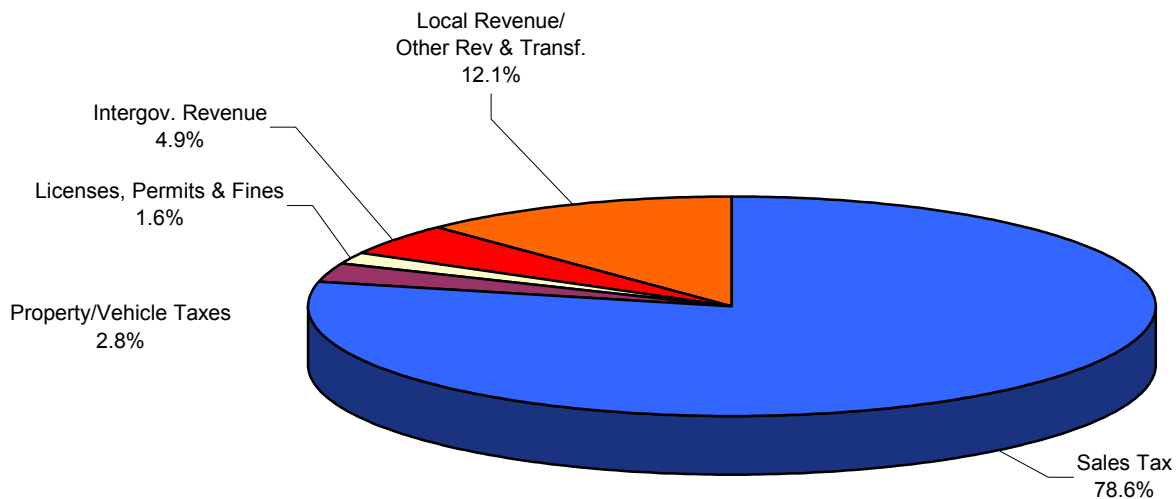
Local Revenue: This category includes revenue from interest earning for investment of City's monies, revenues generated from animal licensing and fines, sales of copies and maps, and other miscellaneous revenues. Total revenue generated from these sources is estimated to be \$201,780. Approximately 74% of local revenue is from investing of available monies, which are invested under the guidelines established by Wasilla Municipal Code Chapter 5.12. Estimated revenue from Interest Earnings will be approximately \$150,000.

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. The estimated revenue from these sources is approximately \$21,500. Another revenue included in this category is the revenue generated from providing dispatch services to the State agencies and other municipalities. These contracts for dispatch services are projected to generate \$1,119,778, an increase of approximately \$214,750 (23.73% increase from the prior year).

General Fund Revenue Summary

	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2005 Budget	Fiscal Year 2006 Budget
Sales Tax	\$ 7,136,111	\$ 7,659,612	\$ 7,895,000	\$ 8,712,000
Property Tax	191,584	235,621	198,269	192,175
Vehicle tax	82,035	95,145	95,000	100,725
Licenses, Permits & Fines	76,162	74,839	119,100	181,835
Intergovernmental Revenue	577,253	606,014	665,717	539,646
Local Revenue	326,629	151,784	178,788	201,780
Other Revenues	94,160	18,874	966,914	1,142,278
Total General Fund Revenue	\$ 8,483,934	\$ 8,841,889	\$ 10,118,788	\$ 11,070,439

General Fund Revenue Breakdown – Fiscal Year 2006

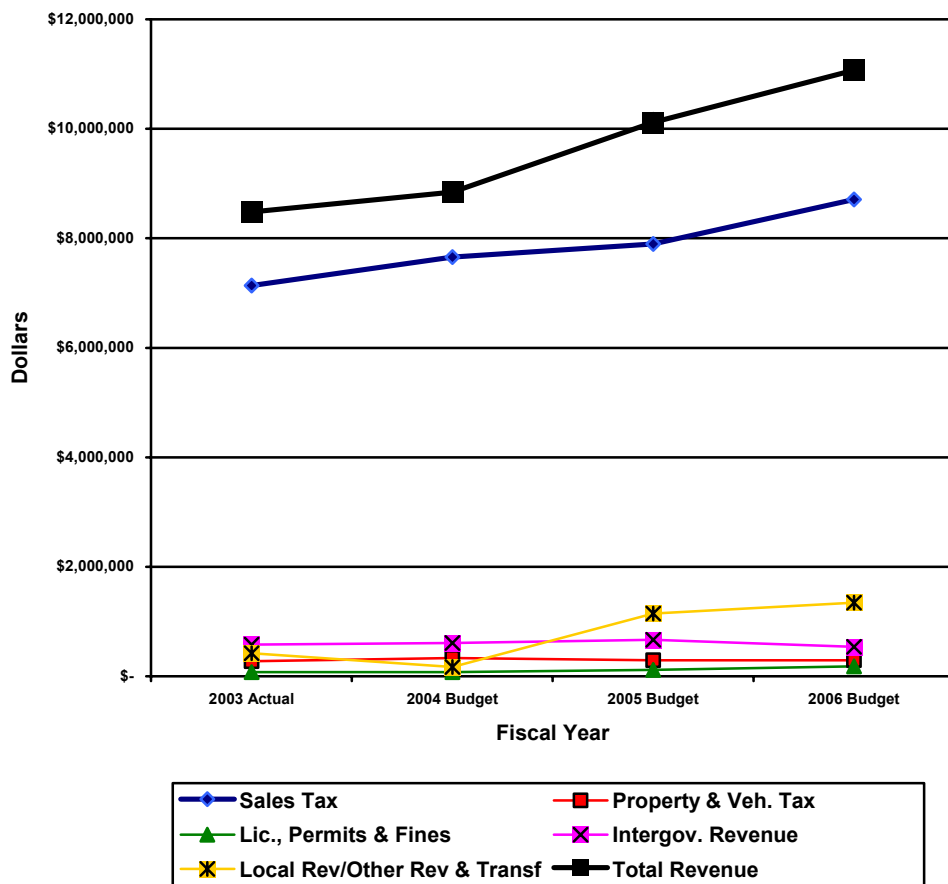


General Fund Revenue Cont.

The largest single source of revenue for the General Fund continues to be Sales Tax Revenue at 78.6% of total revenue. All other local taxes including property taxes are predicted to account for 2.8% of the General Fund Revenue budget and all other locally generated revenue including transfers for other funds will account for 12.1% of the budget. Total revenue generated locally will be approximately 95.1% of the budget while Intergovernmental Revenue generated from Federal, State and Local governmental sources will be approximately 4.9 % of the total General Fund Revenue budget.

In comparing the proposed Fiscal Year 2006 budget with the Fiscal Year 2005 budget, total revenue will increase by approximately 9.4%. The increase in revenue from Fiscal Year 2006 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 a full year of operations of two large retail enterprises in Fiscal Year 2006 (\$817,000 increase) and the increase in user fees charged to the State of Alaska and the City of Houston for providing dispatch services (\$214,750 increase). The City projects that the intergovernmental revenue will be drastically reduce in FY 06 as State and Federal governments continue to cut assistance to local municipal governments (approximately a 32% reduction). Interest earnings on local funds will be \$150,000, which is approximately 11% higher than last year. 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. 2003	F.Y. 2004	F.Y. 2005	F.Y. 2005	Proposed		% Budget
	Actual	Actual	Budget	Actual	F.Y. 2006	Over Last	Over Last
				3/31/2005	Budget	Year's Budget	Year's Budget
TAXES (INC. PENALTIES & INTEREST)							
Property	\$ 191,584	\$ 235,621	\$ 198,269	\$ 174,457	\$ 192,175	\$ (6,094)	-3.07%
Sales	7,136,111	7,659,612	7,895,000	6,125,136	8,712,000	817,000	10.35%
Vehicle	82,035	95,145	95,000	75,544	100,725	5,725	6.03%
TOTAL TAXES	\$ 7,409,730	\$ 7,990,378	\$ 8,188,269	\$ 6,375,137	\$ 9,004,900	\$ 816,631	9.97%
LICENSES & PERMITS							
City License	\$ 17,612	\$ 18,875	\$ 20,000	\$ 17,240	\$ 24,000	\$ 4,000	20.00%
Animal License	273	120	100	110	150	50	50.00%
Taxi Cab Permits	1,650	1,350	2,500	150	-	(2,500)	-100.00%
Land Use Permits	9,700	16,225	10,000	9,000	15,000	5,000	50.00%
Utility Permits	7,561	1,872	8,500	50	2,500	(6,000)	-70.59%
Drive Way Permits	2,000	2,250	1,500	1,200	1,700	200	13.33%
Vendor Permits	200	420	500	100	550	50	10.00%
TOTAL LICENSES & PERMIT FEES	\$ 38,996	\$ 41,112	\$ 43,100	\$ 27,850	\$ 43,900	\$ 800	1.86%
FINES							
Animal Fines	\$ 1,277	\$ 505	\$ 3,500	\$ -	\$ -	\$ (3,500)	-100.00%
Foreclosure Fees	1,537	-	2,500	-	-	(2,500)	-100.00%
Court Fines	34,352	33,222	70,000	65,951	137,935	67,935	97.05%
TOTAL FINES	\$ 37,166	\$ 33,727	\$ 76,000	\$ 65,951	\$ 137,935	\$ 61,935	81.49%
INTERGOVERNMENTAL REVENUE							
Federal Revenue							
Cop Hiring Grants	\$ -	\$ -	\$ 30,000	\$ -	\$ 50,422	\$ 20,422	68.07%
Bullet Proof Vest	425	734	4,252	790	4,000	(252)	-5.93%
Conservation Assessment	-	5,206	2,684	2,684	-	(2,684)	-100.00%
Technology Policing Equipment Grant	-	48,335	4,249	3,816	-	(4,249)	-100.00%
Public Safety Grant (Byrne)	60,234	61,580	66,934	30,949	70,835	3,901	5.83%
Motor Cycle Grant	-	24,514	48,150	15,218	29,109	(19,041)	-39.55%
Public Safety Grant (Byrne)-Viol ag women	64,641	63,617	75,703	37,593	-	(75,703)	-100.00%
Project Safe Neighborhood	-	-	5,410	5,342	-	(5,410)	-100.00%
Homeland Security Grant	-	39,620	139,440	24,650	-	(139,440)	-100.00%
DUI Holiday Enforcement	-	-	147	147	-	(147)	-100.00%
DHVA Hazrd Mit Grant	-	-	10,000	-	-	(10,000)	-100.00%
Other	506	2,681	-	-	-	-	0.00%
Total Federal Revenue	\$ 125,806	\$ 246,287	\$ 386,969	\$ 121,189	\$ 154,366	\$ (232,603)	-60.11%
State Revenue							
Museum Grant-In-Aid	\$ -	\$ 9,077	\$ -	\$ -	\$ -	\$ -	0.00%
Imp. Driving Sust. Ef.	-	1,670	5,381	5,381	5,500	119	2.21%
ABC Grant	-	-	-	-	-	-	0.00%
ERAD Grant	574	1,876	1,500	615	1,500	-	0.00%
Museum Exhibit Dev Ws\orkshop	-	1,183	5,817	5,817	-	(5,817)	-100.00%
Safety-Seatbelt Grant	4,387	2,296	5,000	5,000	2,500	(2,500)	-50.00%
Other Grants	750	5,000	-	-	-	-	0.00%
State Revenue Sharing	37,897	-	-	-	-	-	0.00%
Road Maintenance	22,709	-	-	-	-	-	0.00%
Health Facilities	4,280	-	-	-	-	-	0.00%
Safe Communities	126,800	96,368	-	-	-	-	0.00%
Alcoholic Beverage Taxes	24,200	15,800	24,000	17,500	26,000	2,000	8.33%
Electric & Telephone Co-op Taxes	227,189	219,512	220,000	-	250,000	30,000	13.64%
Avaition Fuel Tax	1,661	1,445	2,000	-	2,000	-	0.00%
Total State Revenue	\$ 450,447	\$ 354,227	\$ 263,698	\$ 34,313	\$ 287,500	\$ 23,802	9.03%
Local Governments							
Solid Waste - Mat-Su Bor.	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.00%
Parks & Recreation	-	-	-	-	-	-	0.00%
MSB Tourism Infr. Grant	-	-	14,050	-	-	(14,050)	-100.00%
Mat-Su School District - SRO Funding	-	-	-	-	96,780	96,780	100.00%
Other	-	4,500	-	-	-	-	0.00%
Total Local Government Revenue	\$ 1,000	\$ 5,500	\$ 15,050	\$ 1,000	\$ 97,780	\$ 82,730	549.70%
TOTAL INTERGOVERNMENTAL REVENUE	\$ 577,253	\$ 606,014	\$ 665,717	\$ 156,502	\$ 539,646	\$ (126,071)	-18.94%

GENERAL FUND REVENUES

Revenue Details

	F.Y. 2003 Actual	F.Y. 2004 Actual	F.Y. 2005 Budget	F.Y. 2005 Actual 3/31/2005	Proposed F.Y. 2006 Budget	Over Last Year's Budget	% Budget Over Last Year's Budget
LOCAL REVENUE							
Investment Revenue							
Interest Earnings	\$ 234,542	\$ 73,174	\$ 135,000	\$ 94,712	\$ 150,000	\$ 15,000	11.11%
Total Investment Revenue	\$ 234,542	\$ 73,174	\$ 135,000	\$ 94,712	\$ 150,000	\$ 15,000	11.11%
Rental Revenue							
City Hall	\$ 8,100	\$ 10,800	\$ 10,800	\$ 9,000	\$ 10,800	\$ -	0.00%
Museum Facilities	-	-	-	-	-	-	0.00%
Outdoor Facilities	314	100	500	100	500	-	0.00%
Valley Performing Arts	100	100	100	100	100	-	0.00%
Total Rental Revenue	\$ 8,514	\$ 11,000	\$ 11,400	\$ 9,200	\$ 11,400	\$ -	0.00%
Other Local Revenue							
Miscellaneous Revenue	\$ 72,566	\$ 51,572	\$ 15,600	\$ 12,035	\$ 16,500	\$ 900	5.77%
Donations	2,570	4,876	4,000	-	2,000	(2,000)	-50.00%
Alpar Youth Liter Patrol	3,500	3,500	5,000	-	5,000	-	0.00%
NSF Fees	250	350	200	132	200	-	0.00%
Copy Machine Fees	129	130	177	117	180	-	1.54%
Maps & Publication Fees	563	380	495	354	500	-	0.92%
Vehicle Inspection Fees	1,235	-	2,015	-	-	-	-100.00%
Sewer Loan Application Fees	278	500	400	350	500	100	25.00%
Museum Admission Fees	2,482	2,538	4,000	4,825	6,500	2,500	62.50%
Recreation Fees	-	2,964	500	1,784	7,500	7,000	1400.00%
Other Local Revenue	-	800	-	1,156	1,500	1,500	100.00%
Total Other Local Revenue	\$ 83,573	\$ 67,610	\$ 32,388	\$ 20,753	\$ 40,380	\$ 7,992	24.68%
TOTAL LOCAL REVENUE	\$ 326,629	\$ 151,784	\$ 178,788	\$ 124,665	\$ 201,780	\$ 22,992	12.86%
OTHER REVENUE							
Special Assessment Revenue							
Aspen Gas - Principal	\$ 180	\$ 209	\$ 500	\$ -	\$ -	\$ (500)	-100.00%
Aspen Gas - Interest	24	13	200	-	-	(200)	-100.00%
Total Special Assessment Revenue	\$ 204	\$ 222	\$ 700	\$ -	\$ -	\$ (700)	-100.00%
Administration Fees							
Dispatch Contracts	\$ -	\$ -	\$ 905,028	\$ 685,739	\$ 1,119,778	214,750	23.73%
Admin. Fees - Capital Fund	42,516	-	-	-	-	-	0.00%
Admin. Fees - Library Maint.	5,400	5,940	5,940	-	-	(5,940)	-100.00%
Admin. Fees - Library General	-	-	-	-	-	-	0.00%
Admin Fees - Special Assessments	450	920	1,000	-	1,000	-	0.00%
Total Administration Fees	\$ 48,366	\$ 6,860	\$ 911,968	\$ 685,739	\$ 1,120,778	\$ 208,810	22.90%
Transfers from Enterprise Funds							
For Expenditures Paid By General Fund							
Capital Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Capital Fund	-	7,000	13,246	-	-	(13,246)	-100.00%
Cemetery Fund	490	171	1,000	1,373	1,500	500	50.00%
Sewer Utility	-	-	-	-	-	-	0.00%
Water Utility	-	-	-	-	-	-	0.00%
Total Transfers From Funds	490	7,171	14,246	1,373	1,500	(12,746)	-89.47%
Other Financing Sources							
Sale Of General Fixed Assets	\$ 45,100	\$ 4,621	\$ 40,000	\$ -	\$ 20,000	\$ (20,000)	-50.00%
Shop Loan Repayment	-	-	-	-	-	-	0.00%
Total Other Financing Sources	\$ 45,100	\$ 4,621	\$ 40,000	\$ -	\$ 20,000	\$ (20,000)	-50.00%
TOTAL OTHER REVENUE	\$ 94,160	\$ 18,874	\$ 966,914	\$ 687,112	\$ 1,142,278	\$ 175,364	18.14%
TOTAL REVENUES, OTHER FINANCING SOURCES	\$ 8,483,934	\$ 8,841,889	\$ 10,118,788	\$ 7,437,217	\$ 11,070,439	\$ 951,651	9.40%

GENERAL FUND EXPENDITURES

General Fund Operating Expenditures By Function

The total General Fund Operating Budget is \$9,125,948 (including transfer to vehicle and technology replacement funds) for Fiscal Year 2006, approximately a 10.36 percent increase over Fiscal Year 2005. The total General Fund Budget including transfers is \$11,056,395, a 1.64% decrease over last Fiscal Year.

As seen in the table, the expenditures for Public Safety are the largest function of expenditures (approximately 48.9%) in the General Fund Operating Budget. It is projected that expenditures for Public Safety will increase by 17.31% over Fiscal 2005. The increases in expenditures in this function are attributed to increases in personnel (3 FTE in police and 4 FTE in Dispatch), increases in employee benefit expenditures and taking over the administration of the animal control contract with the City of Houston. Council/Clerk expenditures will be approximately 4% of the budget. General Government expenditures will account for approximately 15% of the Operating Budget. It is projected that expenditures for the General Government Function will decrease by approximately 3.36% from the previous Fiscal Year. Economic Development budget will be approximately 2% of the operating budget. The Economic Development budget will increase by approximately 11.88%. This function's increase is mainly due to the fact that this Fiscal Year will be the first full year of funding for the Economic Director's position. The Public Works budget is projected to be 22% of the budget, an increase in projected expenditures of 9.24% over last fiscal year. Culture and Recreation Budget, which includes the Museum, Recreation Services, and Recreation Facilities Maintenance departments is projected to be approximately 8% of the Operating Budget. The budgeted expenditures in this function are expected to increase by 21.91%, which is attributed mainly to increases in Museum and Recreation Services departments. Between the two departments, the City will be adding one full-time equivalent position. The other increase to the Culture & Recreation budget is attributed to the increase in the projected other purchases service expenditures in the Recreation Facilities Maintenance budget by \$42,500 for trail preparation for the Iditrod race. These funds will only be expended if the Iditrod race is held in Wasilla. The Non-Departmental budget is projected to be .1% of the budget. The Non-Department budget is projected to be \$50,000 lower due to the police department administering the animal control contract.

	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2005 Budget	Proposed Fiscal Year 2006 Budget	Increase Over FY 05	% Budget Over FY 05 Budget
Council/Clerk	\$ 377,648	\$ 349,581	\$ 418,317	\$ 393,173	\$ (25,144)	-6.01%
General Government	1,187,305	1,276,664	1,387,937	1,341,284	(46,653)	-3.36%
Economic Dev.	-	66,287	169,278	189,387	20,109	11.88%
Culture & Recreation	478,434	509,858	608,918	742,354	133,436	21.91%
Public Safety	2,061,907	2,285,135	3,794,315	4,451,207	656,892	17.31%
Public Works	1,552,652	1,384,383	1,820,380	1,988,543	168,163	9.24%
Non-Departmental*	54,203	66,154	70,000	20,000	(50,000)	-71.43%
Total	\$ 5,712,149	\$ 5,938,062	\$ 8,269,145	\$ 9,125,948	\$ 856,803	10.36%

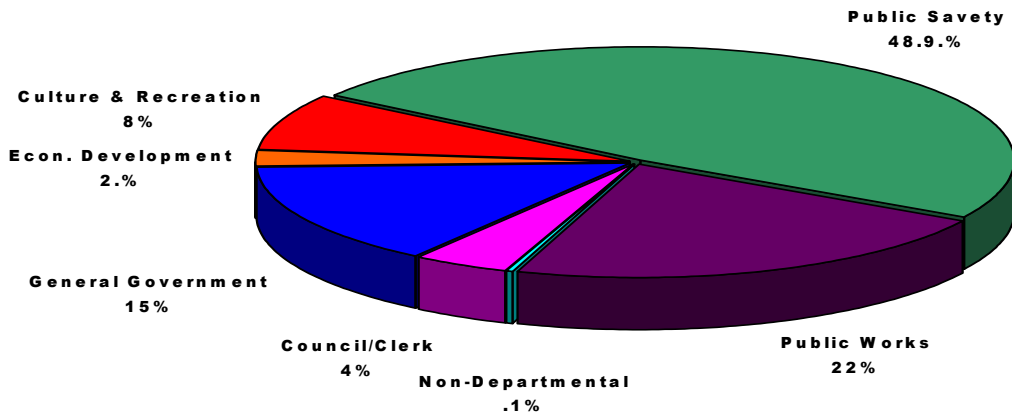
* Totals do not include transfers or budgeted contingencies to other funds except for transfers to Vehicle and Technology Replacement funds.

**FY05 was the first Fiscal Year that the City contracted to provide other agencies dispatch services.

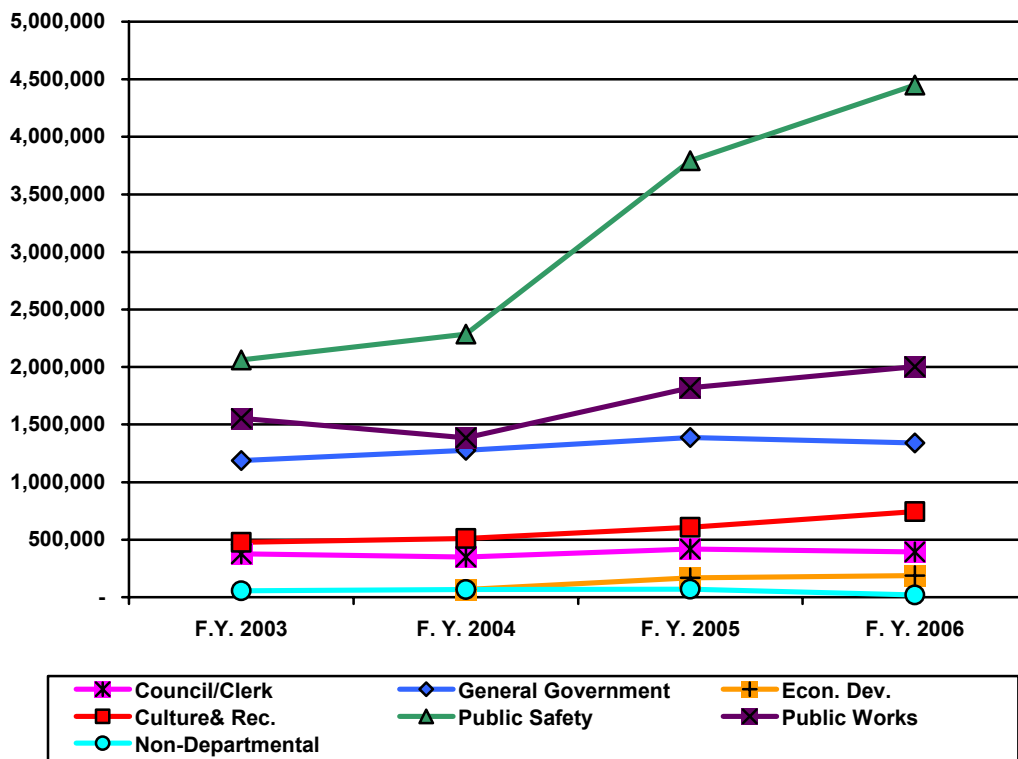
*** In FY 06, the animal control contract was transferred to Public Safety from Non-Departmental (\$50,000).

General Fund Operating Expenditure by Function Cont.

General Fund Operating Expenditures By Function For F.Y. 2006 (Does Not Inc. Transfers or Contingencies)



General Fund Expenditure Trend By Function For F.Y. 2006
(Does Not Inc. Transfers To Other Funds)



- **Note - Fiscal Year 2005 was the first year that City of Wasilla contracted with other agencies to provide dispatch services. These expenditures attributed to providing other agencies dispatch services are included in the Public Safety Department.**

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 55 percent of the total General Fund Budget. The cost in this category includes all wages and fringe benefits. Due to increases in the number of Full-time equivalent staff (9 Full time Equivalent positions), Health Insurance (15% estimated increase), State Retirement contribution Cost (44% increase) and Labor cost (estimated 3% increase), total personnel cost in the General Fund is projected to increase by approximately 22 percent from the previous fiscal year.

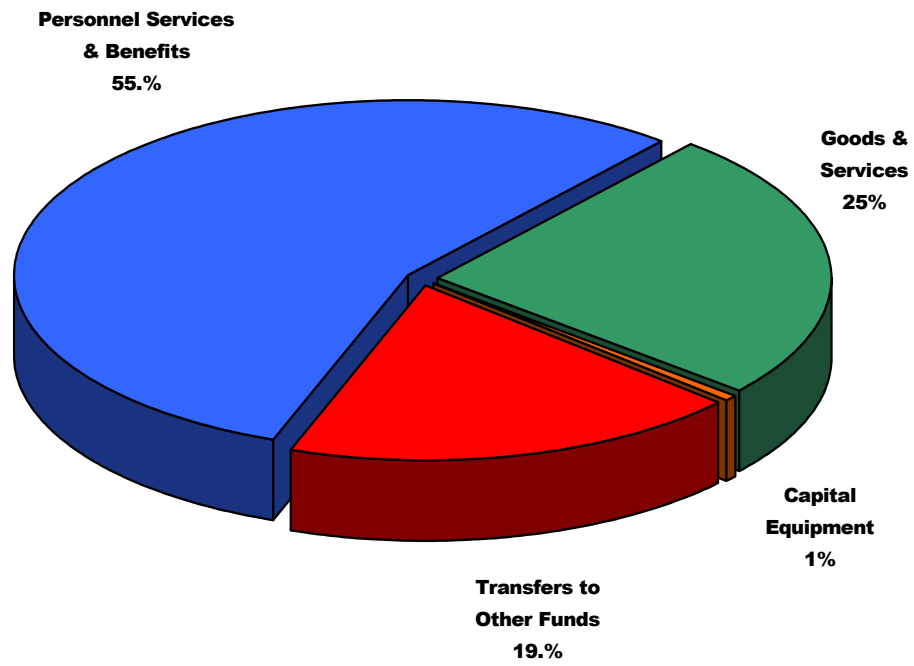
Goods and services expenditures are approximately 25 percent of the General Fund Budget. Expenditures for goods and services are projected to be reduced by approximately 6 percent over Fiscal Year 2005. This decrease in the goods and service category is mainly attributed to the projected savings in the cost of goods purchased due to the fact that the City is hiring a Contract/Purchasing Specialist to ensure that the City gets the best prices possible on goods and services purchased by the City.

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 \$2,171,947 that represents 19% (a 32% decrease from FY 05) of the total General Fund budget. The main difference between FY 06 and FY 05 is that in FY 05 the City transferred \$864,359 from the General Fund to Capital Reserve Fund. The City is not projecting that the General Fund will make a transfer to the Capital Reserve Fund in FY 06.

General Fund Expenditures By Category Cont.

General Fund Expenditures By Category For F.Y. 2006



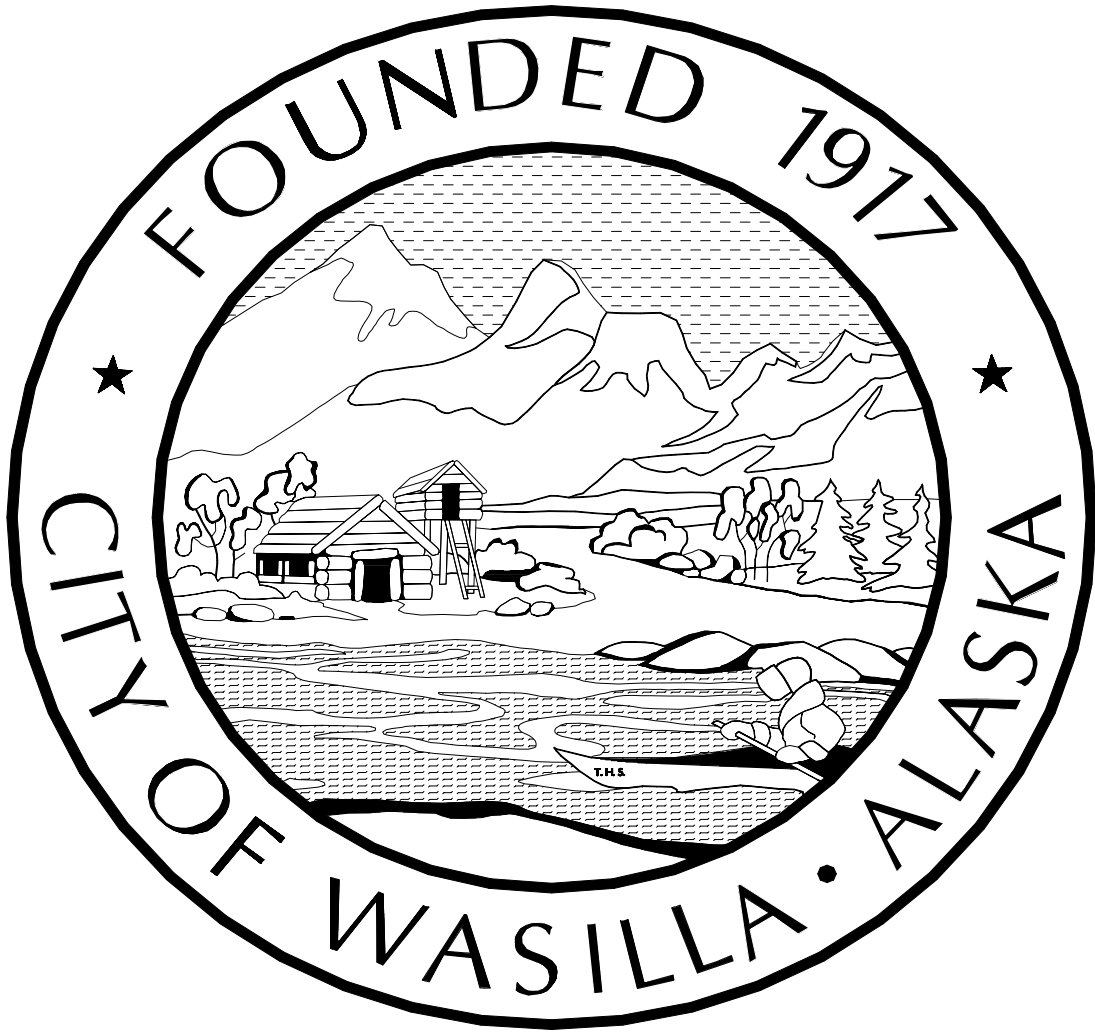
GENERAL FUND EXPENDITURES

Operating Expenditures By Department & Function

DEPARTMENT	F.Y. 2003	F.Y. 2004	F.Y. 2005	F.Y. 2005	F.Y. 2006	Increase	% Budget
	ACTUAL	ACTUAL	BUDGET	ACTUAL 3/31/2005	BUDGET	over FY 05	Over Last Year's Budget
Council	\$ 377,648	\$ 349,581	\$ 418,317	\$ 254,589	\$ 393,173	\$ (25,144)	-6.01%
Mayor	304,787	200,477	214,130	161,922	212,917	(1,213)	-0.57%
General Administration Services	238,930	378,624	373,864	293,231	341,001	(32,863)	-8.79%
Finance	477,514	497,248	596,857	433,725	595,111	(1,746)	-0.29%
Management Information Services	166,074	200,315	203,086	156,255	192,255	(10,831)	-5.33%
General Government	1,187,305	1,276,664	1,387,937	1,045,133	1,341,284	(46,653)	-3.36%
Economic Development	-	66,287	169,278	129,982	189,387	20,109	11.88%
Economic Development	-	66,287	169,278	129,982	189,387	20,109	11.88%
Police	2,061,907	2,285,135	3,794,315	2,647,415	4,451,207	656,892	17.31%
Public Safety	2,061,907	2,285,135	3,794,315	2,647,415	4,451,207	656,892	17.31%
Public Works - Administration	271,105	289,308	409,391	270,409	462,015	52,624	12.85%
Public Works - Road Maint.	697,122	617,981	728,656	571,242	815,945	87,289	11.98%
Public Works - Property Maint.	341,007	296,273	459,148	348,223	473,104	13,956	3.04%
Public Works - Planning	243,418	180,821	223,185	143,218	237,479	14,294	6.40%
Public Works	1,552,652	1,384,383	1,820,380	1,333,092	1,988,543	168,163	9.24%
Museum	67,499	87,166	103,528	66,019	141,451	37,923	36.63%
Recreation Services	-	-	80,025	52,242	79,743	(282)	-0.35%
Recreation Facilities Maintenance	410,935	422,692	425,365	313,327	521,160	95,795	22.52%
Culture and Recreation	478,434	509,858	608,918	431,588	742,354	133,436	21.91%
Non-departmental	54,203	66,154	70,000	61,038	20,000	(50,000)	-71.43%
Transfers-Other Funds/Contingencies	2,583,788	2,399,744	2,971,669	2,762,308	1,930,447	(1,041,222)	-35.04%
Non-Departmental	2,637,991	2,465,898	3,041,669	2,823,346	1,950,447	(1,091,222)	-35.88%
Total Expenditures							
Including Transfers	\$ 8,295,937	\$ 8,337,806	\$ 11,240,814	\$ 8,665,145	\$ 11,056,395	\$ (184,419)	-1.64%

* Note FY 05 was the first year that the City provided dispatch services to other agencies.

*Note: In FY 06, animal control was transferred from Non-departmental to Public Safety.



DEPARTMENT BUDGET SUMMARY

Council/Clerk

Mission

The Office of the City Clerk's mission is 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 and directs policy to Administration, 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 Office of the City Clerk 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. The City Attorney offers legal advice to the City Council and Administration.

Department Statistics

City Clerk	Actual FY 2004	Estimated FY 2005	Proposed FY 2006
Number of Ordinances presented to Council	116	98	100
Number of resolutions presented to Council	50	52	50
Number of Planning and Sales Tax appeals	1	2	2
Number of Cemetery Plots Sold	84	67 as of 4/05	70

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual FY 2004	Estimated FY 2005	Proposed FY 2006
	Goal: Enhance and expand the City Clerk's Website.			
	Objective:			
1.	Post agenda and related materials. % of completion	0%	5%	40%
	Objective:			
2.	Provide for more user friendly format. % of completion	10%	15%	60%
	Objective:			
3.	Provide forms for commissions, animal control and other services. % of completion	0%	0%	50%
	Goal: Provide efficiency and accuracy in the records management program.			
	Objective:			
1.	Continued training for records coordinators. % of training	5%	30%	80%
2.	Objective: Implementation of a City-Wide Vital Records Protection Plan Measure: % of Vital Records Identified and Stored Off-Site	2%	10%	60%

Council/Clerk Continued

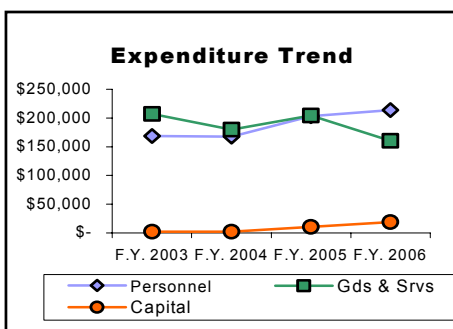
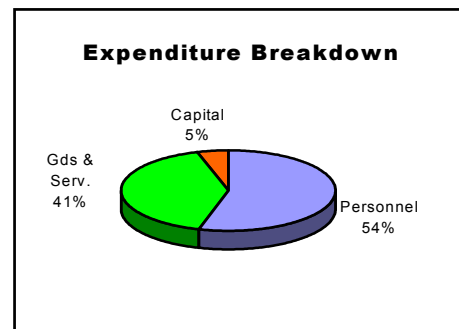
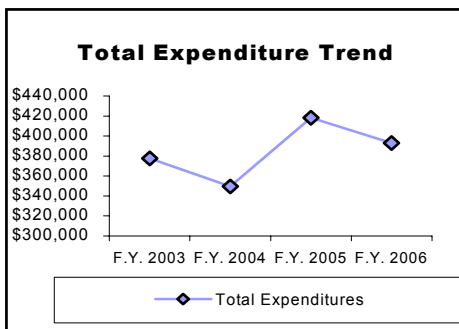
#	Performance Goals, Objectives & Measures	Actual FY 2004	Estimated FY 2005	Proposed FY 2006
3.	Objective: Creation and implementation of off-site storage plan % Creation of off-site storage	0%	0%	20%
Goal: Ensure accuracy of legislation submitted to Council.				
1.	Objective: Create system that secures draft and final documents in the custody of the City Clerk. Creation and Implementation of system %	0%	0%	40%
2.	Objective: Save server and hard space on city network % of Departments using the system	0%	0%	90%

Significant Budget changes

Legal Services has a significant amount of decrease since administration will be charged for their portion for services from their own budgets. Accounting and Auditing has also decreased due to the audit contract. Other Professional fees has increased due to the need to place records management services in our operating budget rather than the capital budget as it has been previously.

Previous Year's Accomplishments

- Completed one full cycle following our records management plan using the retention schedule, annual purge process, and audit procedures.
- Continued to provide for the city's Vital Records Protection Plan to aide the city incase of a fire or other disaster at city hall.
- Streamlined office procedures to aide public in understanding procedures for animal control, appeals, commissions and other subjects.
- Actively maintained Council and Clerk's Office web page and assisted other departments with this process through formatting and training.



Council/Clerk Continued

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Records Management	\$ -	\$ -	\$ -	\$ -	\$ 115,010	-
Elections	-	-	-	-	65,093	-
Council Support	-	-	-	-	213,070	-
Total	\$ 377,648	\$ 349,581	\$ 418,317	\$ 254,589	\$ 393,173	-6.01%

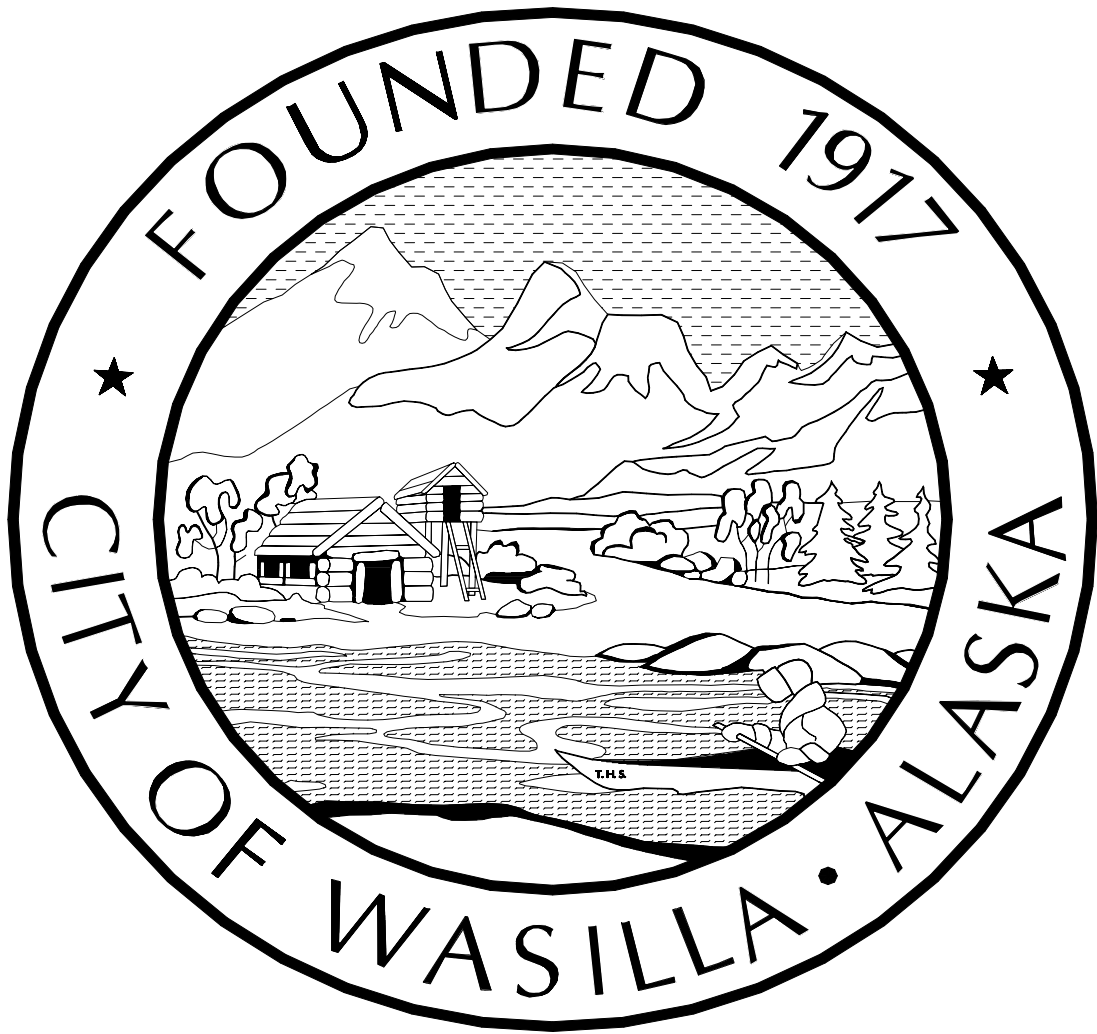
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 129,940	\$ 132,560	\$ 148,998	\$ 101,329	\$ 148,351	-0.43%
Fringe Benefits	38,765	34,957	54,259	32,804	65,577	20.86%
Support Goods & Services	206,943	180,064	204,271	109,687	160,370	-21.49%
Capital Outlay	-	-	8,289	8,269	15,875	0.00%
Transfers to Other Funds	2,000	2,000	2,500	2,500	3,000	0.00%
Total	\$ 377,648	\$ 349,581	\$ 418,317	\$ 254,589	\$ 393,173	-6.01%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	\$ 377,648	\$ 349,581	\$ 418,317	\$ 254,589	\$ 393,173	-6.01%
Total	\$ 377,648	\$ 349,581	\$ 418,317	\$ 254,589	\$ 393,173	-6.01%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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	0.00	0.00	0.00	0.00	0.00%
Total	8.50	8.00	8.00	8.00	8.00	0.00%



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.
- 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;
- continuing our success with securing grants for our major infrastructure projects, versus relying on sales tax revenues to meet all needs;
- continuing to foster and encourage responsible development to attract new businesses and assist current businesses with their business needs;
- continuing to encourage responsible construction of homes and multi-family development projects within the city limits;
- advertising the multi-use sports complex to the public as well as increasing advertising sales to offset operating costs;
- ensuring that the City of Wasilla staff are trained to address emergency management issues that from time to time may arise,
- identifying and training an incident management team to work with the cities of Houston and Palmer as well as the Matanuska-Susitna Borough when needed; and
- establishing 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.

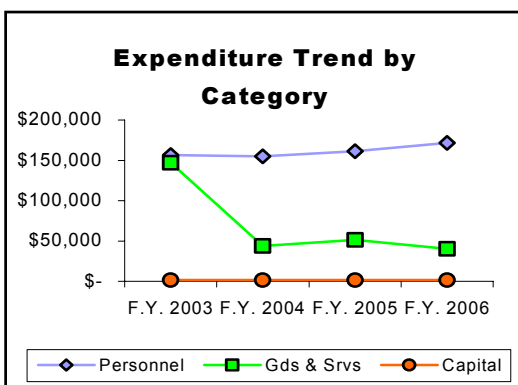
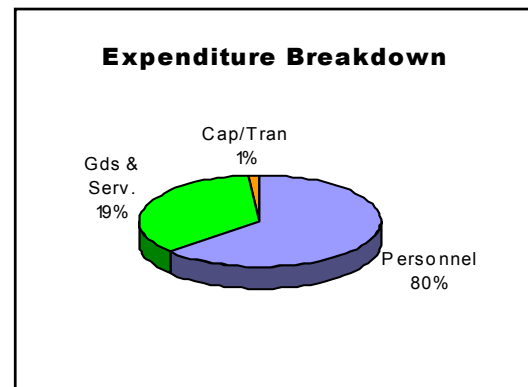
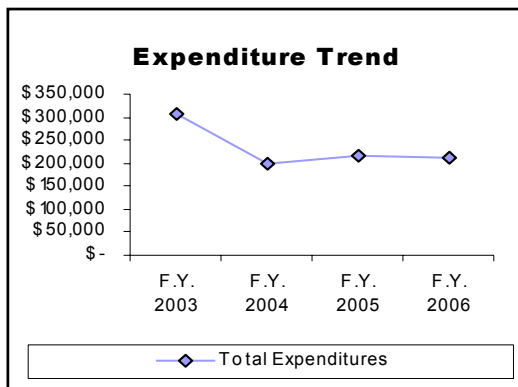
Administration Cont.

Significant Budget Changes

Submitted an operation budget that reflects the Mayor's directive to all general government departments to again hold the line, and even reduce operation costs while considering personnel and inflationary costs. All general government departments will submit a budget that is less than last Fiscal Year's budget.

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 allowed property taxes to be lowered by 25% (.1mill reduction) and encouraged progress, which leads to a higher quality of life with more private-sector services and jobs available in our community.
- Wasilla voters mandate a non-intrusive, yet energetic and pro-active local government that allows positive private-sector progress. We continued to meet this mandate.
- Organized and coordinated meetings between the Cities in the Borough to discuss and work on joint concerns and problems that affect all the Cities of the Borough in order to provide better services to all of our citizens.
- Secured \$1,000,000 of federal funding to pave the rest of collector roads inside the City (estimated 7 miles of roads paved).
- Secured \$1,000,000 dollars of grant funding for implementing mobile computers for our officers and a \$242,000 grant for other communication improvements which will improve radio coverage for police service area.
- All accomplishments are attributed to the outstanding staff at Wasilla City Hall, and to the support and vision provided by Wasilla's residents and City Council.



Administration Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Administration	\$ 304,787	\$ 200,477	\$ 214,130	\$ 161,922	\$ 212,917	-
Total	\$ 304,787	\$ 200,477	\$ 214,130	\$ 161,922	\$ 212,917	-0.57%

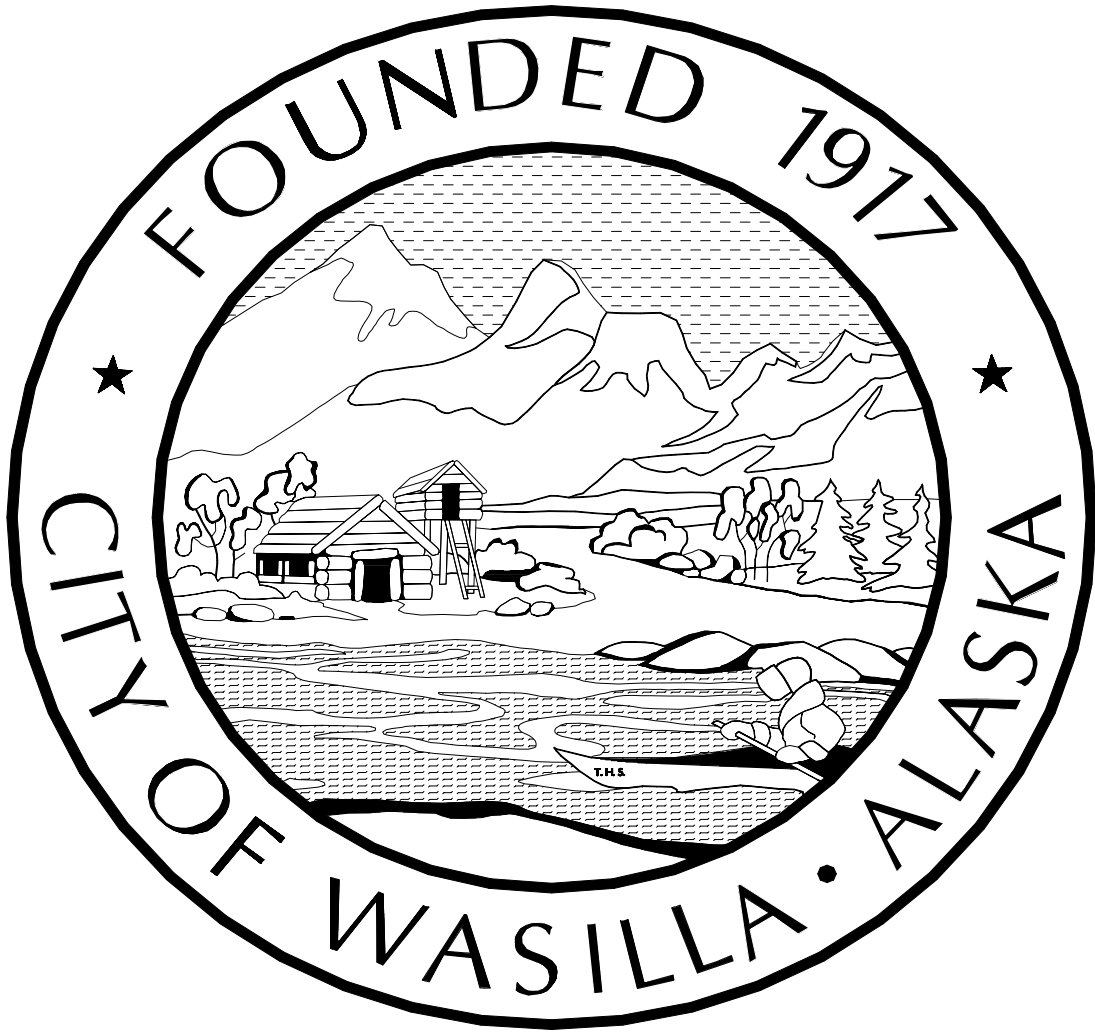
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 113,979	\$ 115,924	\$ 116,257	\$ 88,983	\$ 117,244	0.85%
Fringe Benefits	42,414	39,050	45,175	34,855	54,123	19.81%
Support Goods & Services	146,894	44,003	51,198	36,584	40,050	-21.77%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	1,500	1,500	1,500	1,500	1,500	0.00%
Total	\$ 304,787	\$ 200,477	\$ 214,130	\$ 161,922	\$ 212,917	-0.57%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	\$ 304,787	\$ 200,477	\$ 214,130	\$ 161,922	\$ 212,917	-0.57%
Total	\$ 304,787	\$ 200,477	\$ 214,130	\$ 161,922	\$ 212,917	-0.57%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Mayor	1.00	1.00	1.00	1.00	1.00	0.00%
Deputy Administrator	1.00	0.00	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	2.00	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, and 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	Actual F. Y. 2004	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.	Yes	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%	36%	64%
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

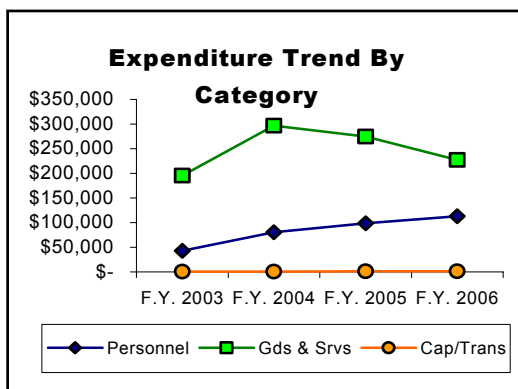
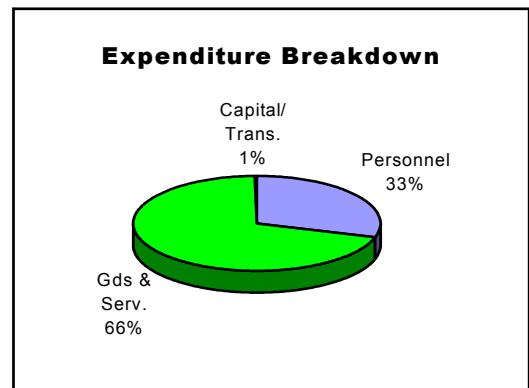
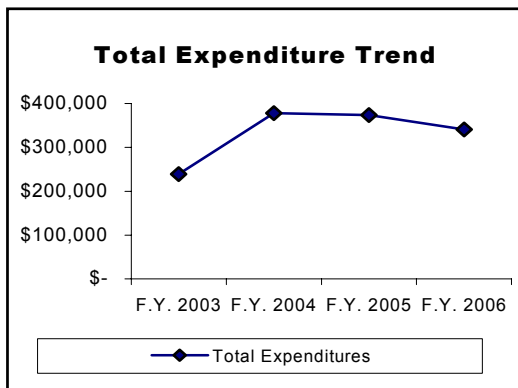
General Administration Services Cont.

Significant Budget Changes

The goal for the department was to maintain level funding in comparison with Fiscal Year 2005 while at the same time absorbing all salary and benefit increases for FY 06. The City staff has recommended changes that will reduce our level of utilization of outside consultants. The implementation of these changes in conjunction with completing several major HR projects will allow the City cut the General Administration Services budget by 8.9% while absorbing a 27.84% increase in employee benefit costs.

Previous Year's Accomplishments

- Completed revision of personnel policies.
- Initiated a review of position descriptions and placement of positions on salary structure of over 65% of city positions in order to ensure that these positions are paid equitable compared to the government and private sector.
- Continued 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. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Human Resources	\$ -		\$ -	\$ -	\$ 128,094	0.00%
General Support	-		-	-	212,907	0.00%
Total	\$ 238,930	\$ 378,264	\$ 373,864	\$ 293,731	\$ 341,001	-8.79%

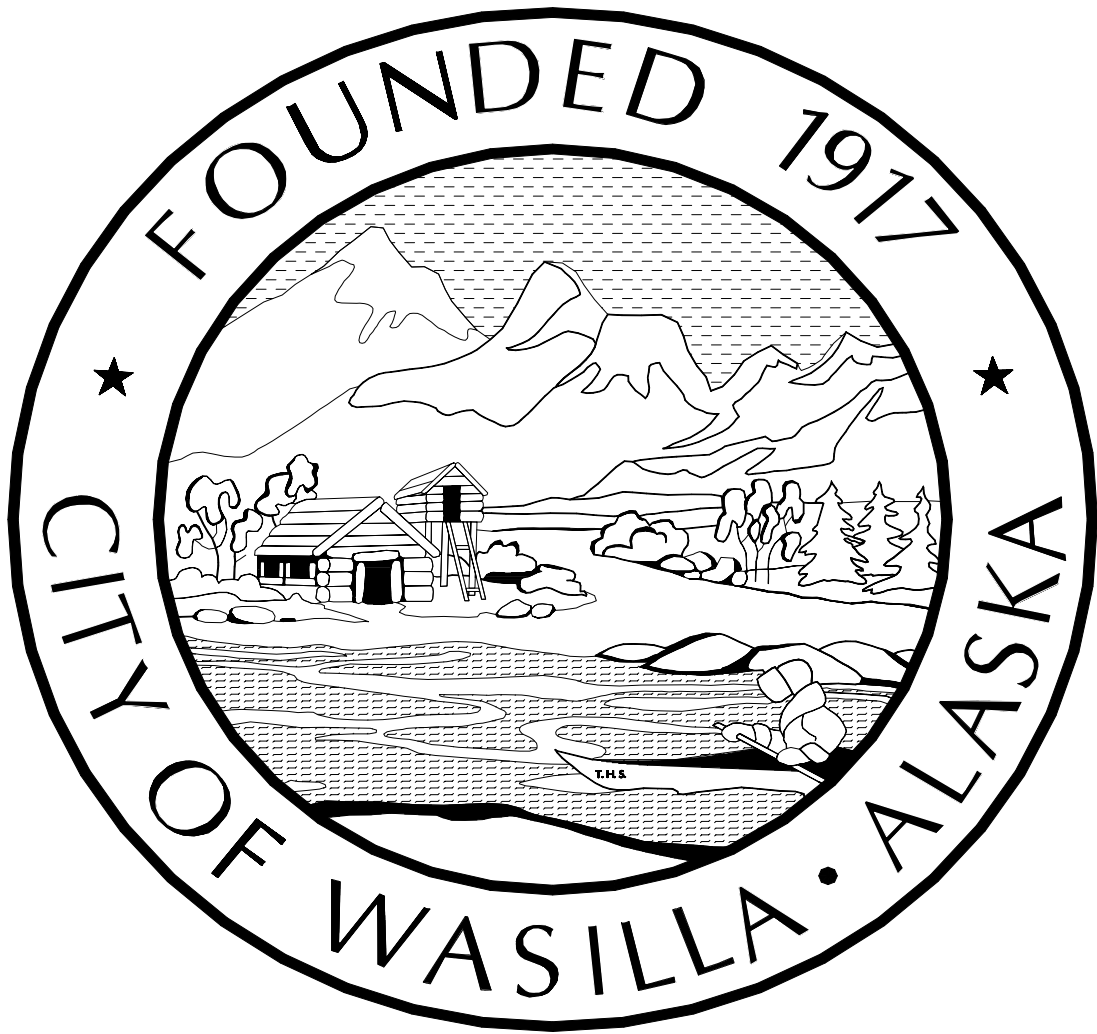
BY CATEGORY	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 32,642	\$ 62,023	\$ 71,691	\$ 55,220	\$ 78,892	10.04%
Fringe Benefits	10,396	18,678	26,691	19,101	34,122	27.84%
Support Goods & Services	195,392	297,063	274,482	218,410	226,987	-17.30%
Capital Outlay		-	-	-	-	0.00%
Transfers to Other Funds	500	500	1,000	1,000	1,000	0.00%
Total	\$ 238,930	\$ 378,264	\$ 373,864	\$ 293,731	\$ 341,001	-8.79%

Summary Of Resources

BY RESOURCE	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	\$ 238,930	\$ 378,264	\$ 373,864	\$ 293,731	\$ 341,001	-8.79%
Total	\$ 238,930	\$ 378,264	\$ 373,864	\$ 293,731	\$ 341,001	-8.79%

Personnel

BY POSITON	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Finance Director	-	0.25	0.25	0.25	0.25	0.00%
HR Generalist	0.65	1.00	1.00	1.00	1.00	0.00%
Total	0.65	1.25	1.25	1.25	1.25	0.00%



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, collection of receivables, accounts payable, issuance and refinancing of debt instruments (bond sales), assessment billings and collections, administration of grants and sales tax.



Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	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%	90%	95%
	Objective:			
2.	Post 100% of financial transactions within established accuracy rates. Measure: % Accuracy of financial transactions with established accuracy rates.	80%	95%	100%
	Objective:			
3.	Complete month end close out by the 15 th of the proceeding month. Measure: % Of month end closes outs completed by deadline..	92%	95%	98%
	Goal: To provide the City's citizens and 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:	Yes	Yes	Yes
	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.	6	8	6
	Objective:			
2.	Limit receivables over 90 days to 15%. Measure: # Of receivables over 90 days old.	N/A	15%	10%

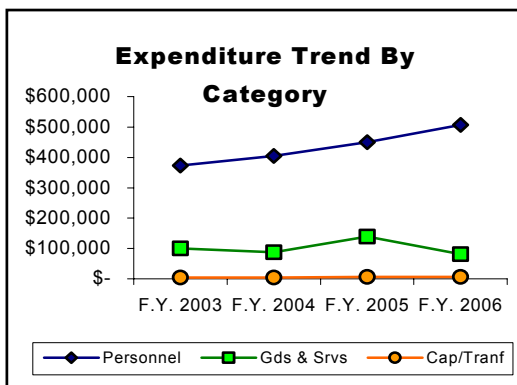
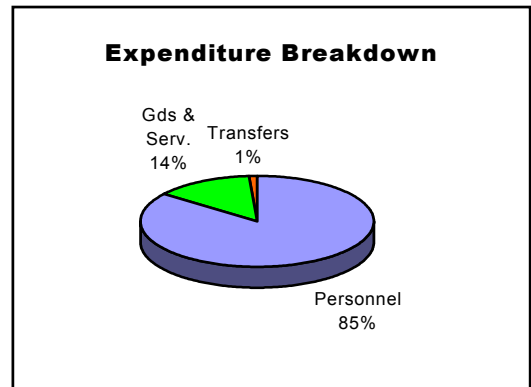
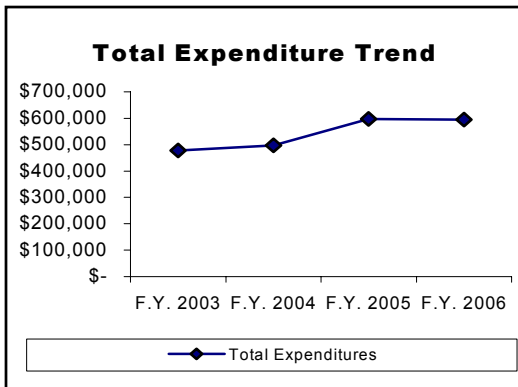
Finance Cont.

Significant Budget changes

The City has just completed a major upgrade to the City's financial system. The purpose of the upgrade is to take advantage of the more powerful financial software package and also provide the departments with better financial tools to utilize in providing services to the citizens of Wasilla. The Finance Department will continue training on the use of the new software. In order to keep costs down, the Finance Department is planning to utilize web training instead of bringing consultants on-site for training. The Finance Department estimates that the savings will be approximately \$12,000. The Finance Department is funding 25% of the Contract/Purchasing Specialist position. This Fiscal Year will be the first year that legal expenses will be directly charged to the Finance Department. The Finance Department uses legal services for ensuring compliance of the sales tax code and in collection of sales tax owed. Even with absorbing these new costs and absorbing the large cost increases in employee benefits, the Finance Department was able to keep the budget for FY06 substantially the same as FY 05.

Previous Year's Accomplishments

- Received GFOA's Certificate of Achievement award for Fiscal Year 2003 Comprehensive Annual Report (also received in FY96 through FY02). We are confident that we will receive the award for Fiscal Year 2004.
- Received GFOA's Distinguished Budget Presentation Award for Fiscal Year 2002 through Fiscal Year 2005
- 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. 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Finance Administration	\$ -	\$ -	\$ -	\$ -	\$ 113,675	-
Accounting Services	-	-	-	-	205,297	-
Revenue/Receivables	-	-	-	-	276,139	-
Total	\$ 477,514	\$ 497,248	\$ 596,857	\$ 433,725	\$ 595,111	-0.29%

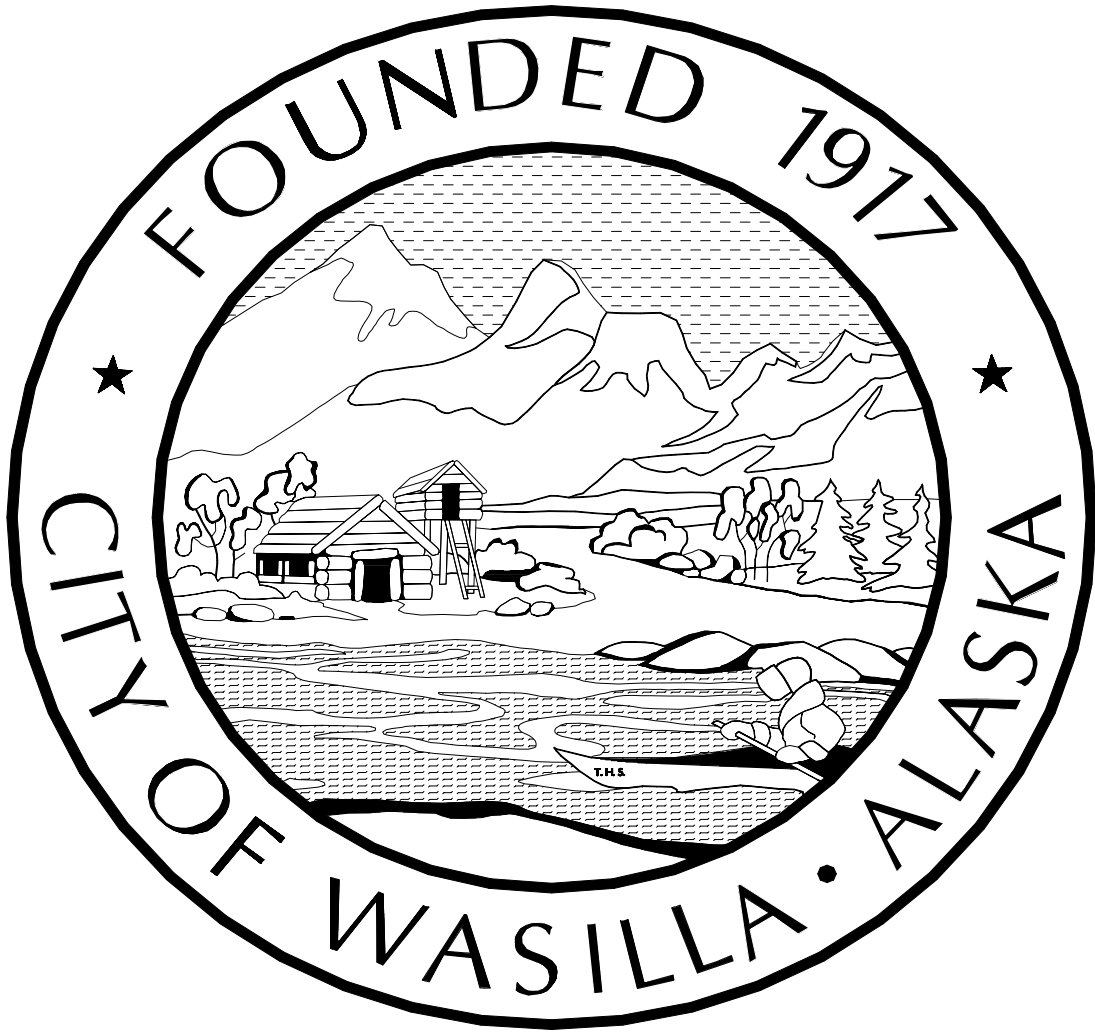
BY CATEGORY	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 277,921	\$ 300,389	\$ 314,221	\$ 241,717	\$ 340,328	8.31%
Fringe Benefits	95,170	104,912	136,461	97,244	167,283	22.59%
Support Goods & Services	99,923	87,447	139,675	88,264	81,500	-41.65%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	4,500	4,500	6,500	6,500	6,000	0.00%
Total	\$ 477,514	\$ 497,248	\$ 596,857	\$ 427,225	\$ 595,111	-0.29%

Summary Of Resources

BY RESOURCE	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	\$ 477,514	\$ 497,248	\$ 596,857	\$ 388,647	\$ 595,111	-0.29%
Total	\$ 477,514	\$ 497,248	\$ 596,857	\$ 388,647	\$ 595,111	-0.29%

Personnel

BY POSITON	F.Y. 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Dir. Of Finance & Admin.	0.75	0.50	0.50	0.50	0.50	0.00%
Dep. Dir. Of Finance	1.00	1.00	1.00	1.00	1.00	0.00%
Contract/Purchasing Spec.	0.00	0.00	0.00	0.00	0.25	100.00%
Finance Clerk	4.00	4.00	4.75	4.75	4.75	0.00%
Cashier	1.00	1.00	1.00	1.00	1.00	100.00%
Human Resource Assist.	0.35	0.25	0.00	0.00	0.00	0.00%
Total	7.10	6.75	7.25	7.25	7.50	3.45%



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.

Department Statistics

Management Information Systems (MIS)	F. Y 2004	Estimate F. Y 2005	Proposed F. Y. 2006
Number of workstations	90	127	137
Number of network servers	11	18	20

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	Goal: Ensure the availability of functional computer systems.			
	Objective:			
1.	Maintain workstations at an aggregate total of 98% operational.			
	Measure:			
	% operational workstations.	98%	98%	99%
2.	Maintain local Area Networks at 99.5% operational.			
	Measure:			
	% Up time for network servers.	99.30%	99.20%	99.50%
3.	Maintain 3 As400 servers at 99.5% operational.			
	Measure:			
	% uptime for As400 servers.	99.90%	99.80%	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	75%	100%

Management Information Systems Cont.

#	Performance Goals, Objectives & Measures	F. Y 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	Goal: Enhance and expand city website to implement electronic government to allow citizens to obtain forms, make payments and better communicate with 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%
	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's opinion section on the City website. Measure: The City of Wasilla's website has a Citizen opinion page.	No	No	Yes

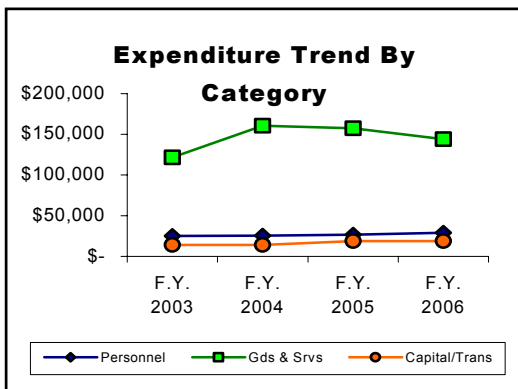
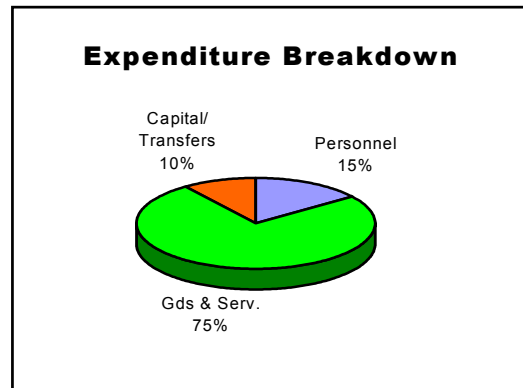
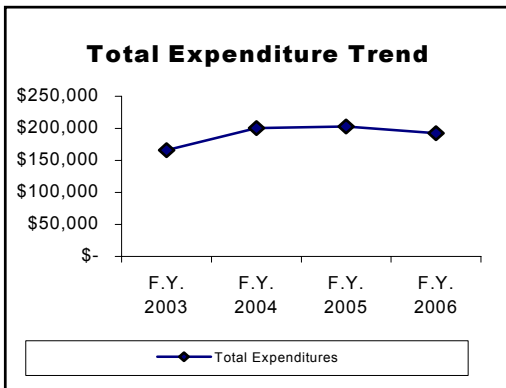
Significant Budget Changes

The main significant budget change in the MIS budget for Fiscal Year 2006 will also be for implementing a new Human Resource application and also expanding the City's website. The MIS Department will be facing the same substantial increases in employee benefits that the other departments are facing. Based on changing to web training and being able to have consultants make changes and corrections to our system through the internet instead of having to come on-site, the department will be able to absorb the increased salary and benefit costs, and still reduce the overall budget by 5.33%.

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.
- Designed and implemented a wireless connection between the Library Network system, Museum and the City Hall Network System.
- Trained Finance Personnel on system operations of the As400.
- Organized an IT committee made up of users to ensure that MIS services meet the needs of the city departments.
- Installed servers for Dispatch Center.
- Designed and built server room at Police Department to house all of the City's servers.
- Installed Fiber connection between City Hall and Police Department to ensure reliability of the connection between City Hall's servers and the Police Department's servers.

Management Information Systems Cont.



Management Information Systems Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/05	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Finance Network Services	\$ -	\$ -		\$ -	\$ 75,475	-
Area Wide Network Services	-	-		-	116,780	-
Total	\$ 166,074	\$ 200,315	\$ 203,086	\$ 156,255	\$ 192,255	-5.33%

BY CATEGORY	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/05	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 19,246	\$ 19,900	\$ 19,592	\$ 14,795	\$ 20,317	3.70%
Fringe Benefits	5,776	5,748	6,999	5,356	8,743	24.92%
Support Goods & Services	121,523	160,667	157,495	117,104	144,195	-8.44%
Capital Outlay	5,529	-	-	-	-	-100.00%
Transfers to Other Funds	14,000	14,000	19,000	19,000	19,000	0.00%
Total	\$ 166,074	\$ 200,315	\$ 203,086	\$ 156,255	\$ 192,255	-5.33%

Summary Of Resources

BY RESOURCE	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/05	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	\$ 166,074	\$ 200,315	\$ 203,086	\$ 156,255	\$ 192,255	-5.33%
Total	\$ 166,074	\$ 200,315	\$ 203,086	\$ 156,255	\$ 192,255	-5.33%

Personnel

BY POSITON	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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.



Department Details

Economic Development	Actual F. Y. 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
Increase Office Space (Gross Floor Area)	35,200 s.f.	25,000 s.f.	5% increase
Increase Warehouse Space (Gross Floor Area)	25,744 s.f.	15,000 s.f.	3% increase.

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
	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	10
	Goal: To improve community image and readiness for growth.			
	Objective:			
1.	To identify long-range economic growth targets.			
	Measure:			
	Complete strategic economic development 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 for business.	N/A	N/A	Yes
	Measure:			
	Create section on City of Wasilla's website providing community information and tools for businesses and residential developers who are interested in locating in the City of Wasilla.	N/A	N/A	Yes

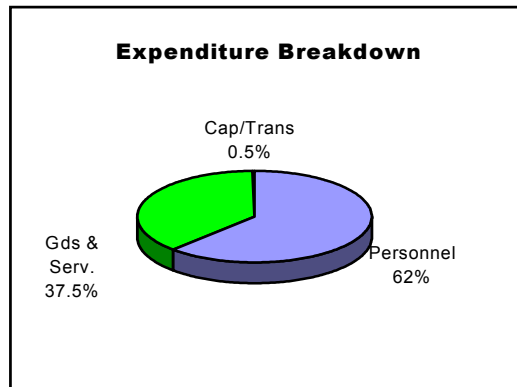
Economic Development Cont.

Significant Budget Changes

Fiscal Year 2006 will be the first full year of funding the position of Economic Development Director.

Previous Year's Accomplishments

- Two large retailers have built stores in Wasilla, which has created over 300 jobs and will provide an estimated \$600,000 in sales tax revenue per year.
- Creation of Welcome to Wasilla Guide for new residents and businesses.
- Article published in Petroleum News pertaining to Wasilla as great place to do business.
- Began discussions with SBA regarding business incubator for the area.
- City of Wasilla was represented at the New York City Trade and Travel Show.



Economic Development Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Economic Development	-	66,287	169,278	129,982	189,387	11.88%
Total	\$ -	\$ 66,287	\$ 169,278	\$ 129,982	\$ 189,387	11.88%

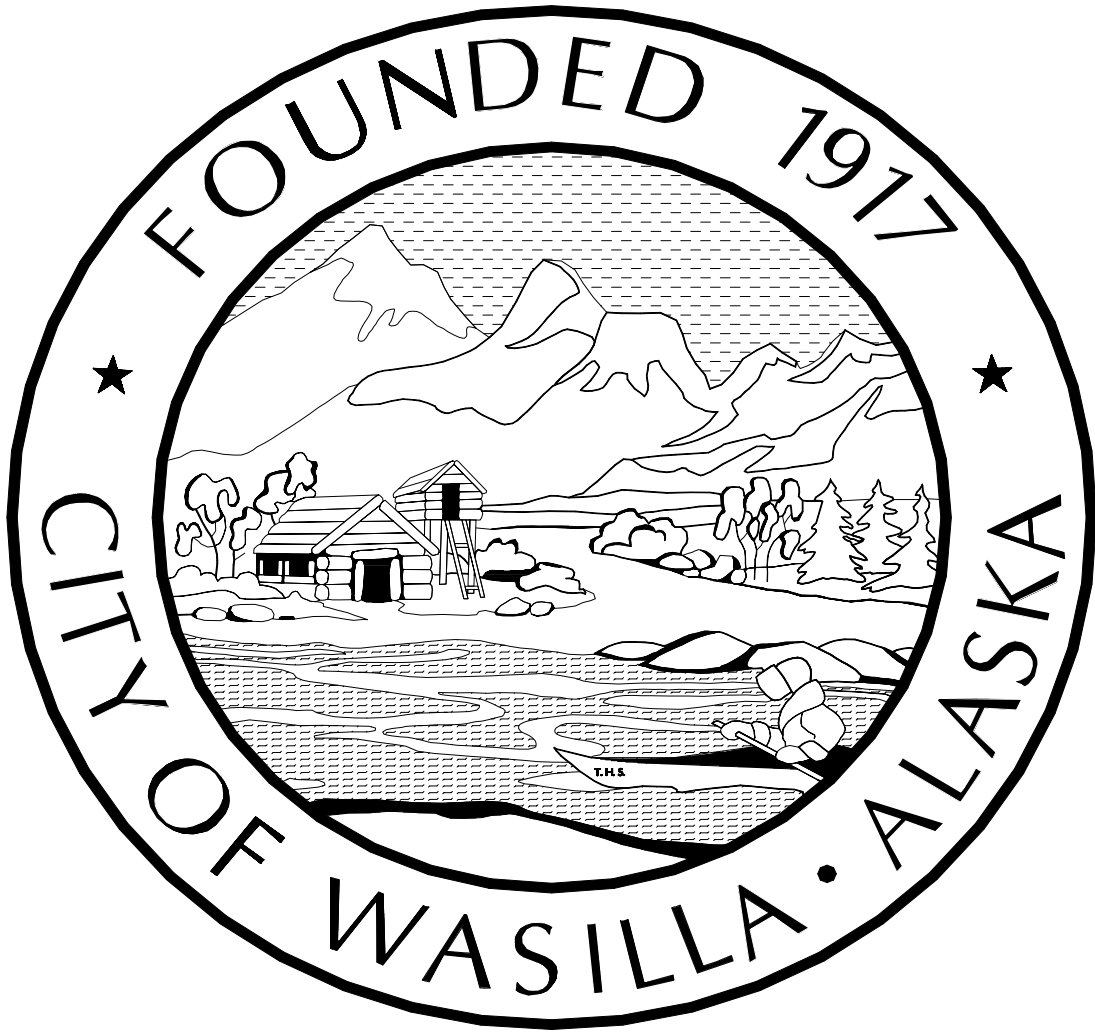
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ -	\$ -	\$ 71,462	\$ 52,520	\$ 82,250	15.10%
Fringe Benefits	-	656	22,988	16,010	35,787	55.68%
Support Goods & Services	-	65,131	74,328	60,952	70,850	-4.68%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	500	500	500	500	0.00%
Total	\$ -	\$ 66,287	\$ 169,278	\$ 129,982	\$ 189,387	11.88%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	\$ -	\$ 66,287	\$ 169,278	\$ 129,982	\$ 189,387	11.88%
Total	\$ -	\$ 66,287	\$ 169,278	\$ 129,982	\$ 189,387	11.88%

Personnel

BY POSITON	F.Y. 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Econ. Dev. Director	0.00	1.00	1.00	1.00	1.00	0.00%
Total	0.00	1.00	1.00	1.00	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.

Department Statistics

Police	Actual F. Y. 2003	Actual F. Y. 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
# of annual in-service training hours to maintain reasonable and/or required basic standard of performance	64	64	64	40
# of officers receiving advanced police training.	4	4	4	4
# of Commissioned Officers (inc. Police Chief)	18	19	20	23
# of Dispatchers/Call Takers	N/A	6	16	20

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
	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%

Police Cont.

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
	Goal: To increase preventative patrol and visibility in residential neighborhoods			
	Objective:			
1.	Create and fund (1) new commissioned position, which will allow for assignments of more personnel time to neighborhood patrol duties.			
	Measure:			
	# of new positions hired.	N/A	1.00	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%	90%
	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 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
2.	Measures:			
	To complete professional services study of patrol/staffing needs for the Wasilla Police Department over the next 5 years.	N/A	N/A	Yes
	Goal: Review and revamp records-keeping procedures and requirement City of Wasilla and other general law enforcement records management Procedures			
	Objective:			
1.	Continue to train staff in the city of Wasilla records management procedures, best practices of general filing procedures, and evidence procedures			
	Measure:			
	% of administrative files revamped according to established procedures and best practices.	N/A	50%	100%
	Goal: To obtain funding to create and implement a School Resource Officer position in collaboration with the School District.			
	Objective:			
1.	Fund, create and train School Resource Officer.			
	Measure:			
	# FTE School Resource Officer positions.	N/A	N/A	1.00

Significant Budget Changes

General:

Significant budget considerations include requests for equipment not previously owned by the Department for improved critical response capabilities and replacement of all vests that have been determined to be substandard that were manufactured with a fiber called "zylon". All divisions are also facing significant increases in employee benefits due to increases in Health Insurance cost (15 percent increase) and PERS retirement contribution increases (44% increase). For FY 06, the animal control contract will be administered by the Police Department instead of the Clerk's office. This contract will shift \$50,000 from Non-Departmental to the Police Department's budget.

Police Cont.

Administration:

The significant change for FY 06 in the Administration division is the addition of a "Deputy Chief" position. This position is intended to be an executive/managerial position and exempt from overtime eligibility. The department has grown to a (proposed) level of (approximately) 48.5 positions in six (6) divisions (Patrol, Dispatch, Administration, Investigations, Code Compliance and Youth Court). The current "deputy" assignment is an overtime-eligible position at the rank of "Lieutenant". Additionally, the creation of a true deputy chief position will increase the likelihood and improved ability to establish a line of succession within the department and to transition smoothly from one Police Chief to the next. Opportunities to grow within a department tend to create more cohesiveness and less stress when leadership changes. The likelihood of radical changes and upheaval within the department are reduced when there is an improved likelihood leadership will transition within a more predictable environment. Additionally, city administration can invest in the development of the qualities, traits and community values of their next department head with fairly reasonable assurance of directly benefiting from that investment. It will also allow the current lieutenant position to concentrate on field supervision and enforcement, which will provide another position for patrol of our streets and neighborhoods.

Investigation:

The most significant change for FY 06 is the loss of grant funding for the Child Abuse Investigation Unit position. Due to the loss in funding, the administration is recommending to move this position into a full-time general investigation position within the department. The "upside" to the unfortunate discontinuation of this valuable community-wide position is the City of Wasilla secures the full-time services of a highly experienced investigator for 75% of the cost of the previous position that actually performed little work within the city. Also, the administration is proposing adding another full-time equivalent position in the division. A Police Officer II in an acting assignment would fill this position. The police department is at the point of needing dedicated investigation positions to lead major crimes and perhaps to help with complicated commercial crimes or other involved, intensive or sensitive issues police departments are called upon to oversee. Also by adding another position to the Division, it would take investigative specific pressure off the patrol division. The new position will supplement the Drug unit when needed.

Patrol:

One of the significance personnel additions in FY 06 is the developing partnership between the local schools and police department that will result in the creation of a School Resource Officer (SRO). This position is proposed to be funded 75% by the school district and to be assigned to the local high school and middle school in a role based on the national model of the successful SRO programs. This program is intended to be a test program for the Mat-Su School District and must be monitored closely to insure the intended goals of the program are accomplished. During the summer, the SRO will augment the patrol division.

The FY 06 budget reflects the implementation of an incentive program to encourage fitness, post secondary education, and advanced professional certification. The incentive program's goal is to increase employee motivation and retention and to recognize employee accomplishments that mutually benefit the department, the community, and the individual officer. The Human Resource Department projects that promoting a fitness standard will lower the department's worker compensation claims which in turn will lower the department's worker compensation rates in the future. It is projected that the reduction in future rates will more than compensate for the cost of the program.

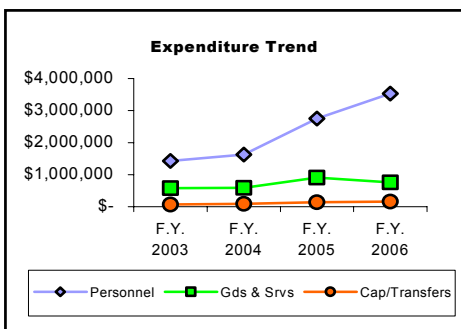
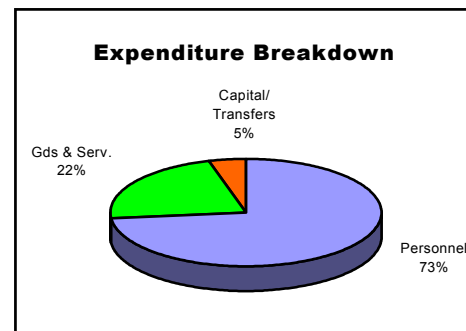
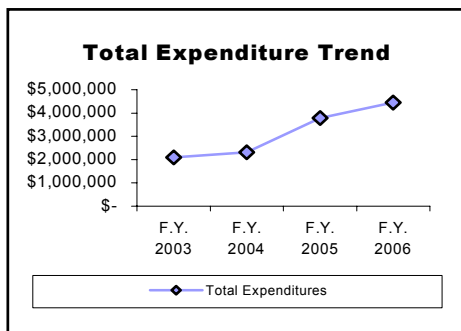
Police Cont.

Dispatch:

The City of Wasilla proposes adding four (4) new dispatch positions - 1 call taker and 3 new dispatchers. Two of the new dispatcher positions are proposed to be a fully funded Wasilla PD position to minimize the incidence of “patching” radio channels to the Wasilla/Houston console when staffing reaches extreme shortages while performing training or unplanned absences occurs. The addition of these four positions moves the dispatch center comfortably into compliance with established staffing formulas by staffing a minimum of 3 persons per shift with a factor of 1.7 persons per FTE (full-time equivalent). Per national standards, in order to staff three dispatchers on each shift, the city should have 15.3 FTE of Dispatchers. The City will actually have 17 FTE of dispatchers under our proposed staffing. By slightly exceeding the established formula it allows a “buffer” for turnover and training of personnel. For FY 06, by adding the seventeenth dispatch position, the Finance department projects that we will save approximately \$30,000 in overtime.

Previous Year’s Accomplishments

- Continued development of a Regional Communications Center project.
- Obtained approximately \$1,000,000 in federal funding for third phase of the Communication Center project, which will allow the city to start the process to purchase and install mobile computing for police units.
- Completed advanced and in-service training as follows: sent one officer to a 40 hr. death investigation training, sent one officer to a radar instructor class which allows WPD to accomplish our own radar training, completed various short-term in-service training seminars and attended advanced communication/dispatch training programs for dispatchers.
- Obtained a continuation of the Alaska Highway Safety grant for funding a seasonal position for a Motorcycle enforcement program. This will allow the department to maintain more officers in neighborhoods and on our streets during the busy construction and travel season and to improve highway safety within Wasilla.
- Obtained \$242,000 of federal funding for communication improvements which will provide improved radio coverage for our service area.



Police Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Community Policing	\$ -	\$ 1,548,531	\$ 1,791,295	\$ 1,200,240	\$ 2,056,216	14.79%
Investigations	-	168,769	191,175	138,676	309,999	62.15%
Code Compliance	-	-	116,944	70,680	95,001	-18.76%
Dispatch	-	343,289	1,222,576	851,326	1,538,425	25.83%
Animal Control	-	-	-	-	50,000	100.00%
Police Administration	-	224,546	472,325	386,493	401,566	-14.98%
Total	\$ 2,087,907	\$ 2,285,135	\$ 3,794,315	\$ 2,647,415	\$ 4,451,207	17.31%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 1,073,593	\$ 1,225,238	\$ 1,943,582	\$ 1,431,125	\$ 2,374,627	22.18%
Fringe Benefits	357,367	403,214	804,513	569,487	1,155,576	43.64%
Support Goods & Services	558,447	564,952	905,025	504,237	764,004	-15.58%
Capital Outlay	-	19,231	4,195	5,566	-	-100.00%
Transfers to Other Funds	72,500	72,500	137,000	137,000	157,000	14.60%
Total	\$ 2,061,907	\$ 2,285,135	\$ 3,794,315	\$ 2,647,415	\$ 4,451,207	17.31%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Federal Grants	\$ 130,200	\$ 241,081	\$ 374,285	\$ 108,505	\$ 154,336	-58.77%
State Grants & Safe Comm. Revenue	126,800	10,842	10,881	10,996	9,500	-12.69%
Contracts For Dispatch Service	-	-	905,028	687,739	1,119,778	23.73%
School District -SRO	-	-	-	-	96,780	100.00%
Fines, Penalties & Other Rev.	34,352	33,222	70,000	65,951	137,935	97.05%
General Fund	1,770,555	1,999,990	2,434,121	1,774,224	2,932,878	20.49%
Total	\$ 2,061,907	\$ 2,285,135	\$ 3,794,315	\$ 2,647,415	\$ 4,451,207	17.31%

Police Cont.

Personnel

BY POSITON & Division	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Administration:						
Police Chief	1.00	1.00	1.00	1.00	1.00	0.00%
Deputy Chief	-	-	-	-	1.00	100.00%
Admin. Assitant	1.00	1.00	2.00	2.00	2.00	0.00%
Total Administration	2.00	2.00	3.00	3.00	4.00	33.33%
Investigation:						
Investigator*	1.00	1.00	1.00	1.00	1.00	0.00%
Police Officer II - Act. Invest.**	1.00	1.00	1.00	1.00	2.00	100.00%
Total Investigation	2.00	2.00	2.00	2.00	3.00	50.00%
Patrol:						
Lieutenant	1.00	1.00	1.00	1.00	1.00	0.00%
Sargeant	2.00	2.00	2.00	2.00	2.00	0.00%
Police Officer II	12.00	12.00	13.00	13.00	14.00	7.69%
Police Officer I	-	1.00	1.00	1.00	-	-100.00%
SRO Officer - Police II	-	-	-	-	1.00	100.00%
Total Patrol	15.00	16.00	17.00	17.00	18.00	5.88%
Code Compliance:						
Code Compliance Officer	-	-	1.00	1.00	1.00	0.00%
Total Code Compliance	-	-	1.00	1.00	1.00	0.00%
Total Police Department	19.00	20.00	23.00	23.00	26.00	13.04%
Dispatch:						
Dispatch Manager	-	-	1.00	1.00	1.00	0.00%
Lead Dispatcher	-	-	3.00	3.00	3.00	0.00%
Dispatcher	-	6.00	11.00	11.00	14.00	27.27%
Call Takers	-	-	2.00	2.00	3.00	50.00%
Total Dispatcher Division	-	6.00	17.00	17.00	21.00	23.53%
Total Public Safety	19.00	26.00	40.00	40.00	47.00	17.50%

*Prior to FY 06, the investigator was funded by a grant and over 95% of case load was for cases outside of the City. In FY 06, the funding was cut for the position. The City is funding the position and the case load assigned to the investigator will be for city cases.

**Number of FTE's of Police Officer II's that are assigned as acting Investigators.

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 over sight 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. 2004	Estimated F.Y. 2005	Proposed F.Y. 2006
	Goal: To improve customer service.			
1.	Objective: Provide on-line forms for park use permits, vendor permits, driveway permits, and utility applications. Measure: 100% of forms available to the public on-line.	0%	20%	100%
1.	Objective: To process permits and applications within established standards 100% of the time. Measure: % of applications and permits processed within established standards.	N/A	N/A	100%
2.	Goal: To implement interactive on-line utility applications: Objective: Provide training on HTE to 100% of customer service employees to allow direct computer input for new utility customers.. Measure: Number of New Utility Customers signed up with no paper applications.	N/A	10%	80%

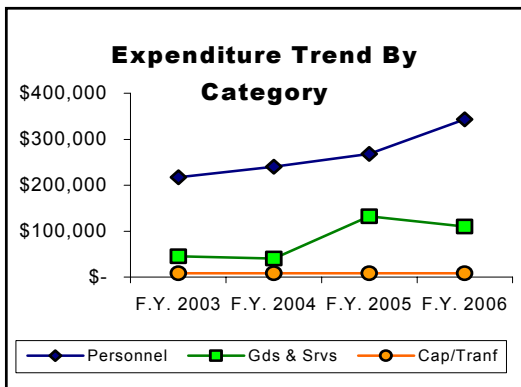
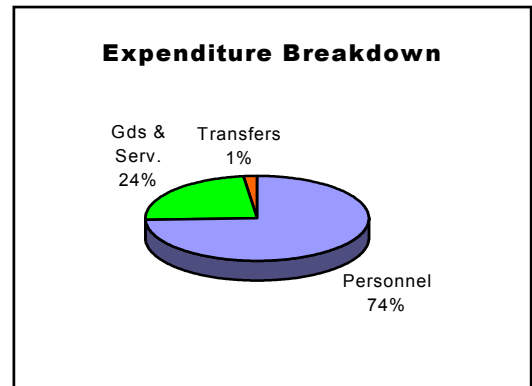
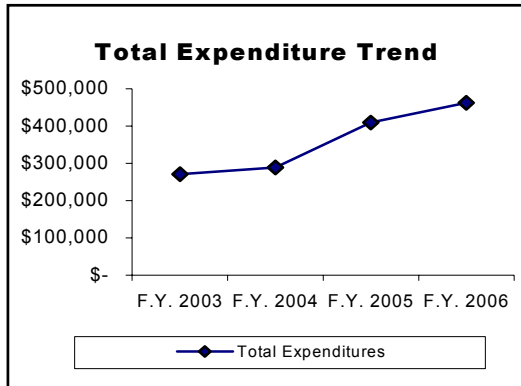
Significant Budget Changes

Public Works has increased staff by .5 FTE of a purchasing agent. 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.
- Oversight of new Garden Terrace Subdivision water main extension.
- Oversight of MASCOT bus building.
- Oversight of Phase 1C of airport tie down expansion.
- Oversight of E. Susitna tank and well project.

Public Works – Administration Cont.



Public Works – Administration Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Public Works Administration	\$ 271,105	\$ 289,308	\$ 409,391	\$ 270,409	\$ 462,015	12.85%
Total	\$ 271,105	\$ 289,308	\$ 409,391	\$ 270,409	\$ 462,015	12.85%

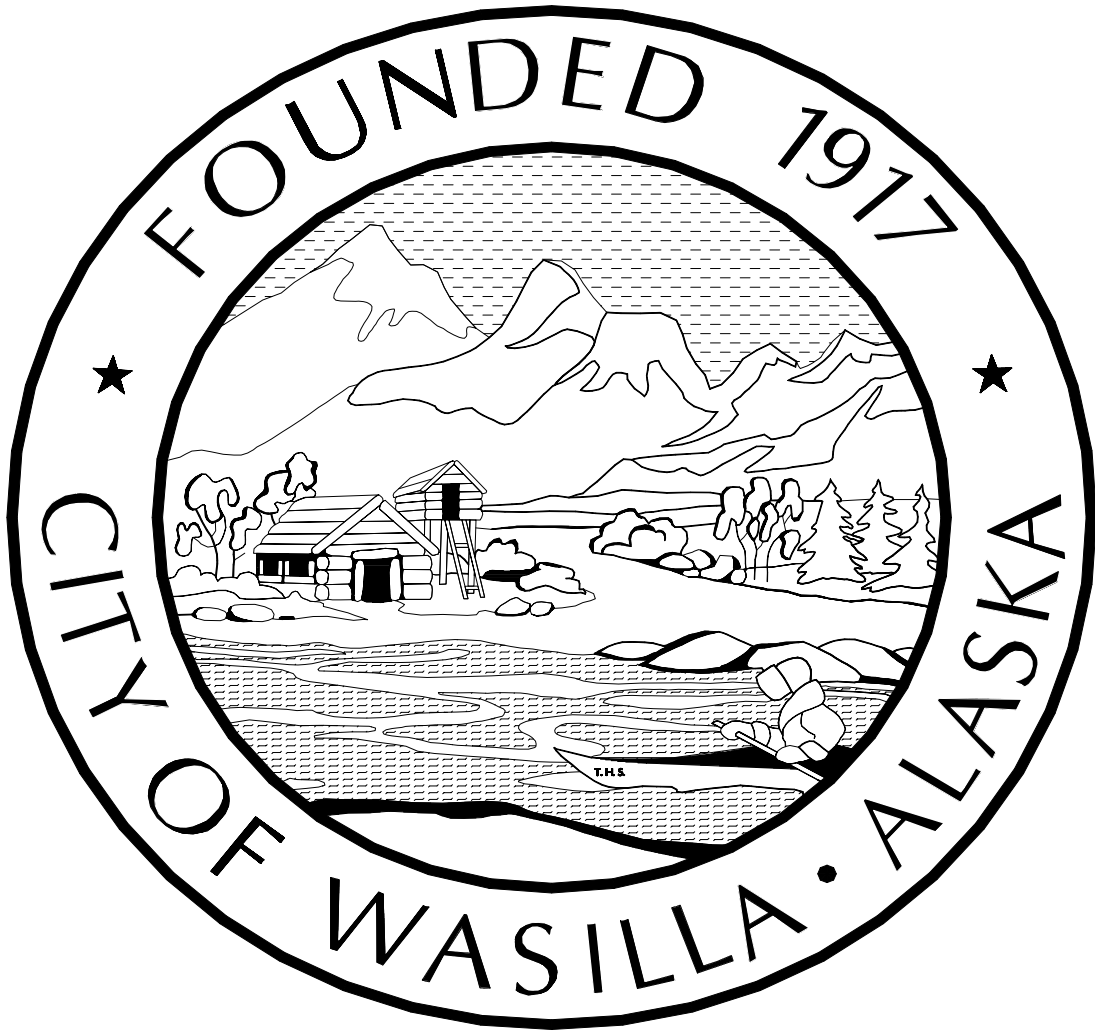
BY CATEGORY	F.Y 2003 BUDGET	PROPOSED F.Y 2004 BUDGET	PROPOSED F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 170,591	\$ 184,206	\$ 186,949	\$ 127,686	\$ 228,973	22.48%
Fringe Benefits	46,806	56,433	81,229	54,175	114,509	40.97%
Support Goods & Services	45,208	40,169	132,713	80,048	110,033	-17.09%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	8,500	8,500	8,500	8,500	8,500	0.00%
Total	\$ 271,105	\$ 289,308	\$ 409,391	\$ 270,409	\$ 462,015	12.85%

Summary Of Resources

BY RESOURCE	F.Y. 2003 BUDGET	F.Y 2004 BUDGET	PROPOSED F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	271,105	289,308	409,391	270,409	462,015	12.85%
Total	\$ 271,105	\$ 289,308	\$ 409,391	\$ 270,409	\$ 462,015	12.85%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	PROPOSED F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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	-	-	-	0.00%
Contract/Purch. Specialist	-	-	-	-	0.50	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	1.00	0.00%
Total	5.25	5.50	4.50	4.50	5.00	11.11%



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 division provides a broad range of services to city agencies and the general public.

Department Statistics

City Roads	FY 2004	FY 2005	Proposed FY 2006
Number of miles maintained	61	61	61
Miles of paved roads	29	29	32
Miles of non-paved roads	32	32	29
Maintenance cost per mile	\$11,681	\$12,109	13,622

Performance Goals, Objectives, and Measures

#	Roads Performance Goals, Objectives & Measures	F. Y 2004	Estimated F. Y. 2005	Proposed F. Y. 2006
	Goal: Ensure preservation of road system infrastructure.			
	Objective:			
1.	Provide effective and efficient attention to road maintenance.			
	Measures:			
	% of road miles swept.	100%	100%	100%
	Measures:			
	Feet of road miles paved.	15,840	2,000	18,480
	Measures:			
	% of non-paved road miles graded.	100%	100%	100%
	Measures:			
	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: Pave remaining collector roads (estimated at 7 miles).			
1.	Objective:			
	Improve road network.			
	Measures:			
	% of road miles constructed.	N/A	N/A	50% (3.5 mi)
	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	1240	1270
	% of signs replaced.	5%	5%	5%
	Goal: Implement software 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%

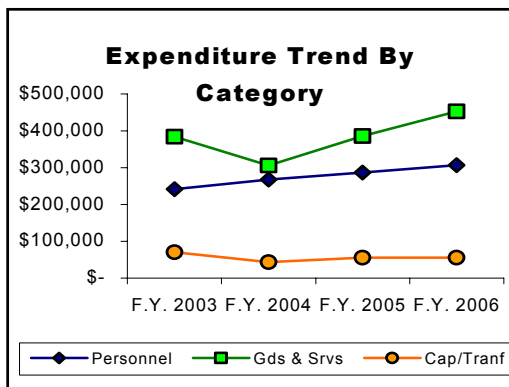
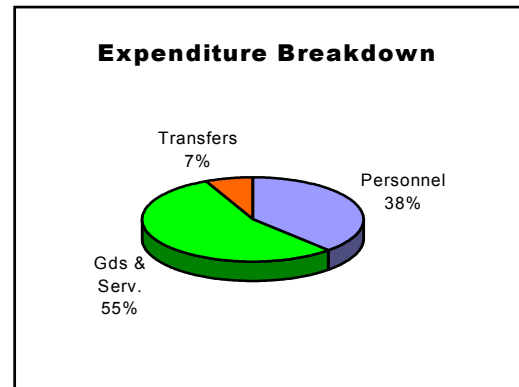
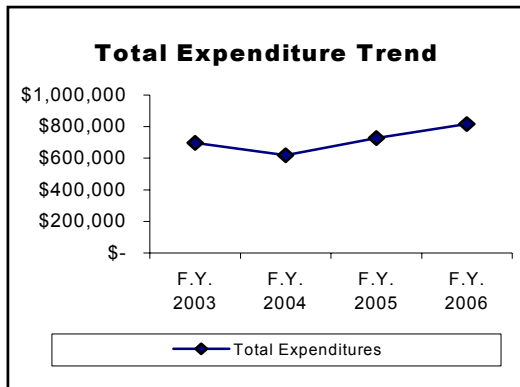
Public Works – Road Maintenance Cont.

Significant Budget changes

The roads budget shows a increase of approximately 12.49 % increase due to increase in contractual services in order to better remove snow in downtown area for sidewalk access.

Previous Year’s Accomplishments

- Rehabilitated 2,000 feet of road by paving
- Completed Tommy Moe storm drain with new paving on Swanson and Knik.
- Crack sealed 30 % of paved streets



Public Works – Road Maintenance Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Summer Road Maint.	\$ -		\$ -	\$ -	\$ 337,262	
Winter Road Maint.	-		-	-	315,956	
Gravel To Asphalt	-		-	-	162,727	
Total	\$ 697,122	\$ 617,981	\$ 728,656	\$ 571,242	\$ 815,945	11.98%

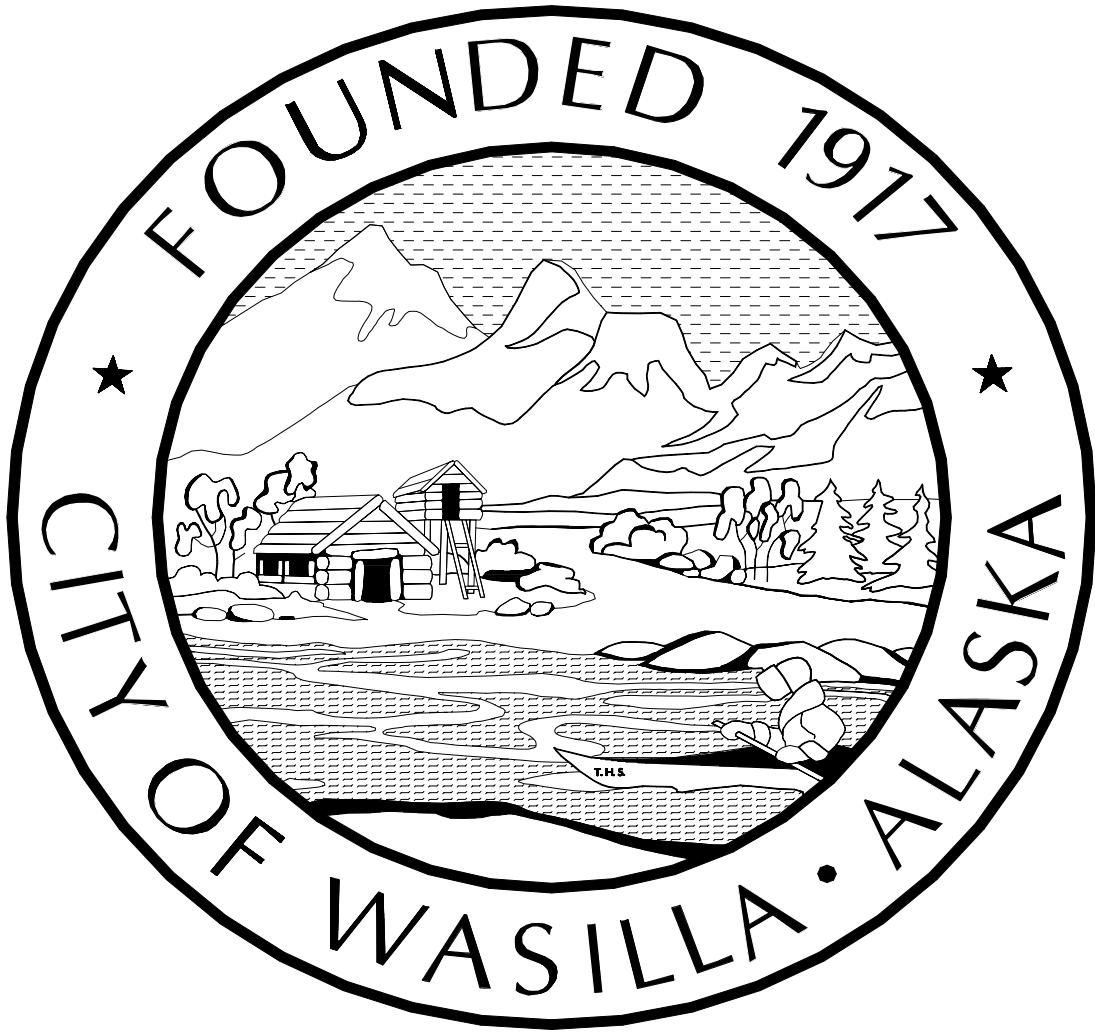
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 175,526	\$ 192,961	\$ 196,960	\$ 146,007	\$ 208,544	5.88%
Fringe Benefits	66,192	74,979	89,698	72,057	98,563	9.88%
Support Goods & Services	384,690	306,439	386,498	297,678	452,838	17.16%
Capital Outlay	30,214	3,102	15,000	-	-	-100.00%
Transfers to Other Funds	40,500	40,500	40,500	55,500	56,000	38.27%
Total	\$ 697,122	\$ 617,981	\$ 728,656	\$ 571,242	\$ 815,945	11.98%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
State Revenue Sharing	64,236	63,236	-	-	-	0.00%
General Fund	632,886	554,745	728,656	571,242	815,945	11.98%
Total	\$ 697,122	\$ 617,981	\$ 728,656	\$ 571,242	\$ 815,945	11.98%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	F.Y 2006 BUDGET	% Over Last Year
Road Technician III	0.65	0.65	0.65	0.65	0.65	0.00%
Road Technician II	1.00	2.00	2.00	2.00	2.00	0.00%
Road Technician I	1.00	1.00	1.00	1.00	1.00	0.00%
Total	2.65	3.65	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.



Department Statistics

Facilities	F. Y 2004	Estimated F. Y 2005	Proposed F. Y. 2006
Total square footage in facilities	135,000	135,000	135,000
Cost per square foot for operation and maintenance	\$2.19	\$3.36	\$3.50

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2004	Estimated F. Y 2005	Proposed F. Y. 2006
	Goal: Ensure preservations of City of Wasilla facilities.			
1.	Objective: Provide efficient and effective maintenance on city buildings.			
	Measure: Percent of routine/non-emergency repairs completed within one week of receipt of work order.	N/a	N/a	55%
	Measure: Percent of preventative maintenance task completed on schedule.	N/a	N/a	80%

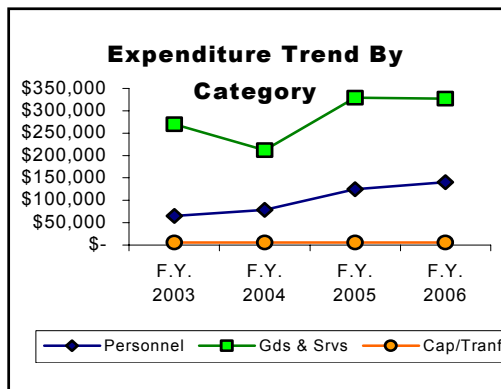
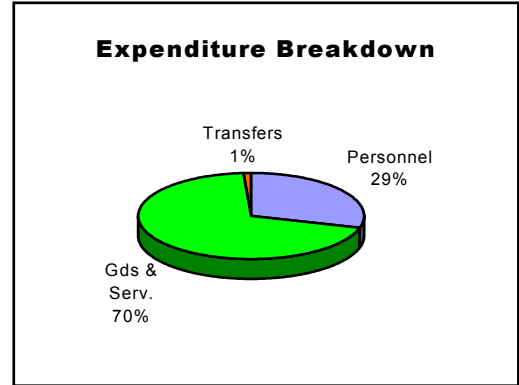
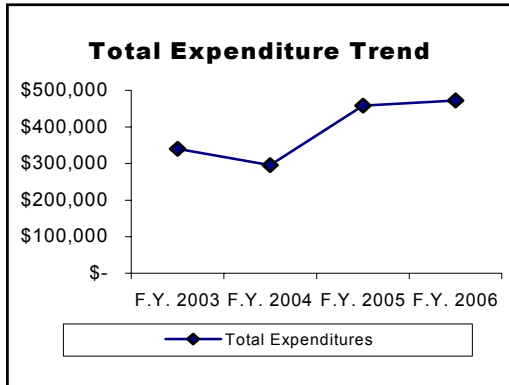
Significant Budget changes

Increases due to unexpected costs associated with maintenance and operations of city property, increase in utility costs and the increase of hours for a temporary position.

Previous Year's Accomplishments

- Installed carpet and paint training room police department
- Library exterior painted
- Paint exterior city hall, council chambers .
- Install HVAC system at museum
- Relocate communication tower for Public Works.
- Install new carpet in council chambers and work rooms.

Public Works – Property Maintenance Cont.



Public Works – Property Maintenance Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Police Facilities	\$ -	\$ -	\$ -	\$ -	\$ 98,713	-
City Hall Facilities	-	-	-	-	197,431	-
Other Facilities	-	-	-	-	176,960	-
Total	\$ 341,007	\$ 296,273	\$ 459,148	\$ 348,223	\$ 473,104	3.04%

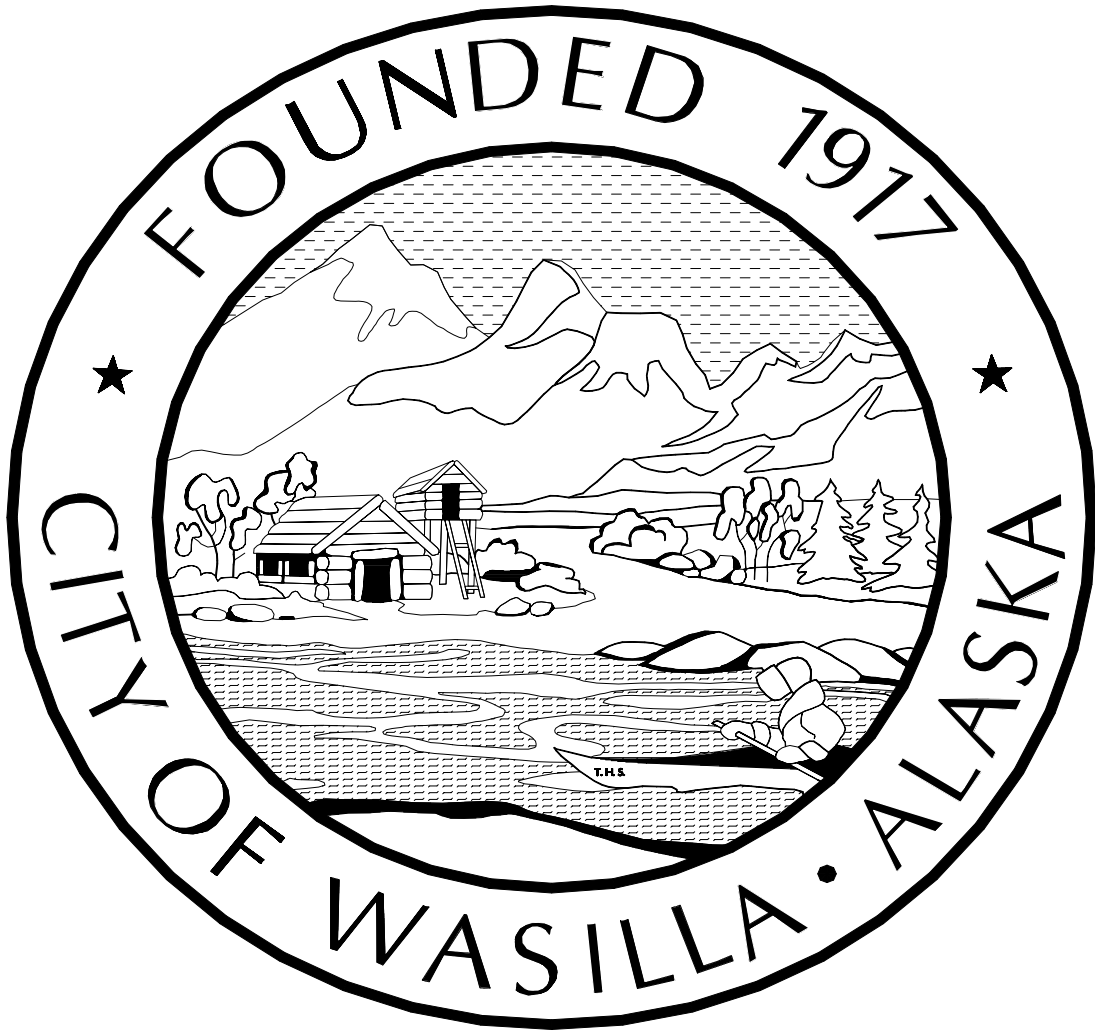
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 47,240	\$ 56,946	\$ 88,396	\$ 53,872	\$ 100,159	13.31%
Fringe Benefits	18,156	21,637	36,238	21,992	40,302	11.21%
Support Goods & Services	270,111	212,190	329,014	266,859	327,143	-0.57%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	5,500	5,500	5,500	5,500	5,500	0.00%
Total	\$ 341,007	\$ 296,273	\$ 459,148	\$ 348,223	\$ 473,104	3.04%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	341,007	296,273	459,148	348,223	473,104	3.04%
Total	\$ 341,007	\$ 296,273	\$ 459,148	\$ 348,223	\$ 473,104	3.04%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Property Technician III	0.35	0.35	0.35	0.35	0.35	0.00%
Property Technician II	0.30	0.30	0.30	0.30	0.30	0.00%
Property Technician I	0.20	1.20	1.20	1.20	1.20	0.00%
Total	0.85	1.85	1.85	1.85	1.85	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 developing community plans, 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.

Department Statistics

Permits	FY 2004	FY 2005	Projected FY 2006
Administratively Approval permits processed	114	110	115
Use Permits processed	15	12	15
Conditional Use Permits processed	6	10	12
Amnesty Permits processed	3	2	2
Variance Permits processed	8	0	0
Rezone Permits processed	4	3	4

Performance Goals, Objectives, and Measures

#	Planning Performance Goals, Objectives & Measures	Actual FY 2004	Estimated FY 2005	Proposed FY 2006
	<p>Goal: Provide quality customer service to applicants and ensure appropriate standards are met during the application review process.</p> <p>Objective: To continue to review and process all permits efficiently and effectively based on WMC criteria</p> <p>Measure: Permits and applications processed based on criteria in Title 16 100% of the time.</p>	85%	95%	100%
	<p>Goal: Establish focus groups to assist in the development of special development areas and assess future growth of the City.</p> <p>Objective: Encourage responsible development by providing timely development guides that reflect community vision.</p> <p>Measure: Continue to meet with property owners in South Wasilla Heights area on developing a master plan.</p>	N/A	N/A	100%

Planning Cont.

#	Planning Performance Goals, Objectives & Measures	Actual FY 2004	Estimated FY 2005	Proposed FY 2006
	Measure: Establish focus group to initiate development plan for airport industrial area including Transportation Museum.	N/A	N/A	100%
	Goal: Review and revise essential City plans such as the Emergency Operations Plan, All Hazard Mitigation Plan and Comprehensive Plan as required by WMC. Objective: Ensure public safety and welfare by keeping emergency information up to date and by meeting WMC requirements that plans reflect current conditions. Measure: Emergency Operation Plan, All Hazard Mitigation Plan and Comprehensive Plan are reviewed and amended as required.	N/A	N/A	Yes
	Goal: To assist in the growth of the City through annexation of property outside the City limits. 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%

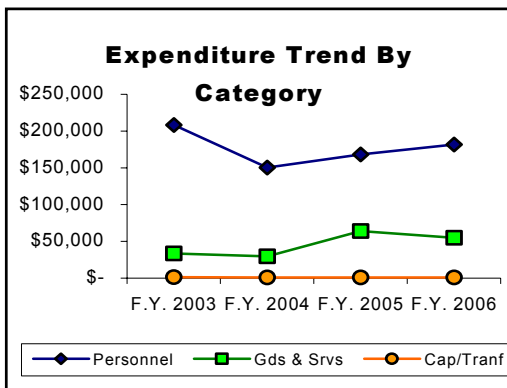
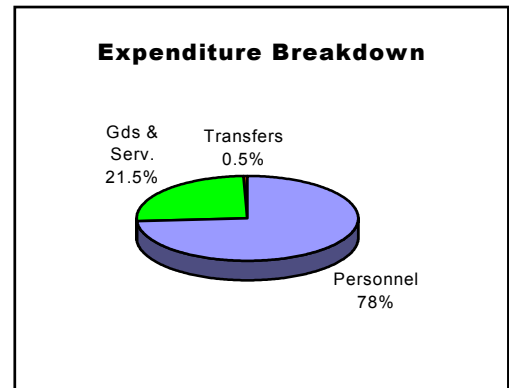
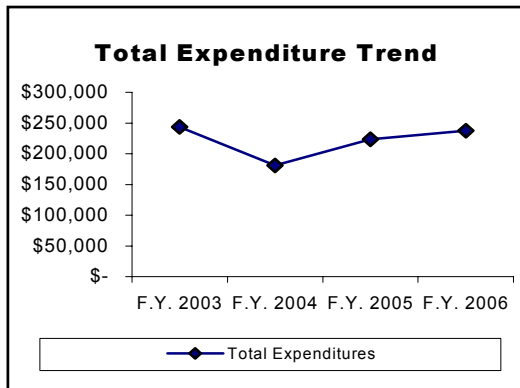
Significant Budget Changes

The most significant budget change is the increasing cost of employee benefits. Also, this is the first year the legal services fee has been allocated to the division.

Previous Year's Accomplishments

- Updated the City development code to include site plan requirements.
- Drafted changes to Borough Platting Regulations to simplify airport lot lease requirement.
- Prepared federally mandated All Hazard Mitigation Plan – Phase I Natural Hazards.
- Reviewed Transportation Chapter of the 1996 Comprehensive Plan and developed Wasilla Traffic Control Signalization Plan 2005 to 2025 as part of annual update.

Planning Cont.



Planning Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Planning	\$ 243,418	\$ 180,821	\$ 223,185	\$ 143,218	\$ 237,479	6.40%
Total	\$ 243,418	\$ 180,821	\$ 223,185	\$ 143,218	\$ 237,479	6.40%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 162,450	\$ 109,864	\$ 118,658	\$ 89,240	\$ 128,455	8.26%
Fringe Benefits	45,838	35,969	46,219	32,280	53,115	14.92%
Support Goods & Services	33,630	34,359	57,308	20,698	54,909	-4.19%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	1,500	1,000	1,000	1,000	1,000	0.00%
Total	\$ 243,418	\$ 181,192	\$ 223,185	\$ 143,218	\$ 237,479	6.40%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Intergovernmental Rev.	\$ -	\$ -	\$ 8,000	\$ -	\$ 8,000	0.00%
General Fund	243,418	181,192	215,185	143,218	229,479	6.64%
Total	\$ 243,418	\$ 181,192	\$ 223,185	\$ 143,218	\$ 237,479	6.40%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
City Planner	1.00	1.00	1.00	1.00	1.00	0.00%
Econ. Dev. Planner	1.00	0.00	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	2.00	2.00	2.00	2.00	0.00%

DEPARTMENT BUDGET SUMMARY

Museum

Mission

To preserve the heritage and culture of the Wasilla and 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. Its main function is to operate the Dorothy G. Page Museum & Visitor Center. Other functions include exhibit development, 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	Actual FY 04	Estimated FY 05	Projected FY06
	Goal: Provide quality educational programming and a diverse exhibit schedule for the public.			
	Objective:			
1.	Research and locate funds through the appropriate granting agencies.			
	Measure:			
	% increase in amount of grant funding from previous year.	100%	46%	25%
	Goal: Develop, for administration approval, a Collections Management 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:			
	Complete Collections Management Policy and continue to update policy as needed.	N/A	Yes	Yes
	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%	50%
	Goal: Promote cultural programs and activities to improve quality of life of City and Borough youth and adults through the use of City facilities.			
	Objective:			
1.	Develop Winter programming and exhibits by scheduling 3-4 winter temporary exhibits.			
	Measure:			
	Successfully installed and promoted exhibits.	N/A	4	4

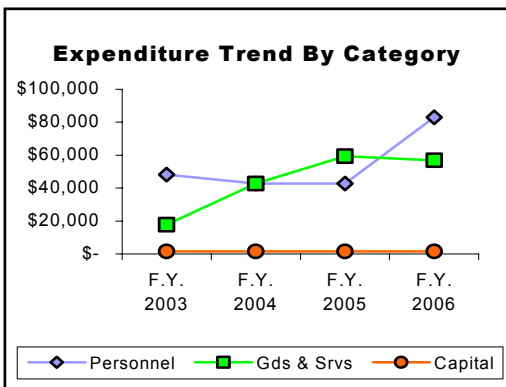
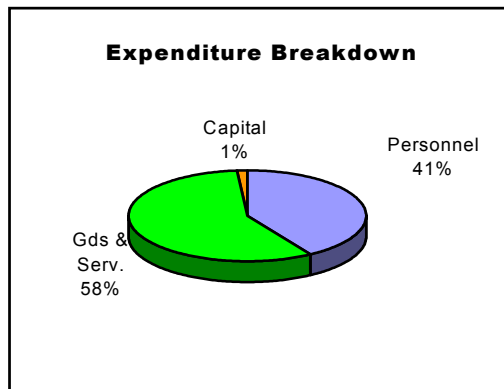
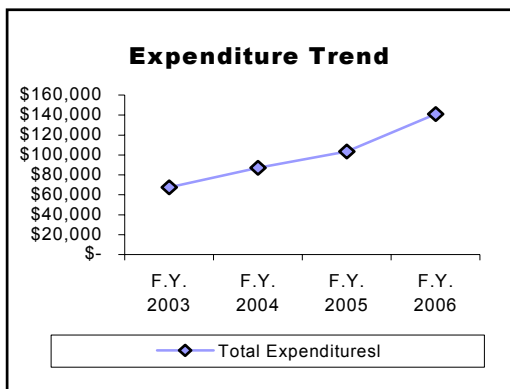
Museum Cont.

Significant Budget changes

The significant budget change for the new year is that the City is going to allocate more resources to the museum in order to have a full-time registrar to continue work on cataloging of important historical assets and also to allow for limited opening winter hours. A full-time registrar will allow the city to continue to improve the cultural events and class program that the city implemented in FY 05.

Previous Year's Accomplishments

- Free lecture series & music in the town site for Museum.
- \$22,551 in grant funding obtained for Museum.
- Created new gallery space for temporary exhibits, 2 new exhibits were developed, 2 exhibits were revitalized.
- Increase of staff development.
- Replaced 90% of storage shelving and increased number of flat files for archive storage.
- Re-housed 75% of newspaper collection.
- Continued to promote and expand the Farmer's Market.



Museum Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Museum	\$ 67,499	\$ 87,166	\$ 103,528	\$ 66,019	\$ 141,451	36.63%
Total	\$ 67,499	\$ 87,166	\$ 103,528	\$ 66,019	\$ 141,451	36.63%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 37,478	\$ 33,346	\$ 31,833	\$ 20,951	\$ 60,010	88.52%
Fringe Benefits	10,689	9,479	10,822	6,477	23,026	112.77%
Support Goods & Services	17,832	42,841	59,373	37,091	56,915	-4.14%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	1,500	1,500	1,500	1,500	1,500	0.00%
Total	\$ 67,499	\$ 87,166	\$ 103,528	\$ 66,019	\$ 141,451	36.63%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Intergovernmental	\$ -	\$ 15,466	\$ 22,551	\$ 8,501	\$ 6,500	0.00%
Museum Revenue	2,482	2,538	4,000	4,825	-	-100.00%
General Fund	65,017	69,162	76,977	52,693	134,951	75.31%
Total	\$ 67,499	\$ 87,166	\$ 103,528	\$ 66,019	\$ 141,451	36.63%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Museum Registrar	0.50	0.50	0.50	0.50	1.00	100.00%
Museum Aide	0.50	0.50	0.50	0.50	0.50	0.00%
Total	1.00	1.00	1.00	1.00	1.50	50.00%

DEPARTMENT BUDGET SUMMARY

Recreation Services

Mission

Recreation and Cultural Services' 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 center.



Performance Goals, Objectives, and Measures

#	Parks & Recreation Performance Goals, Objectives & Measures	Actual F.Y. 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	Goal: Promote recreational programs and activities to improve the quality of life of City and Borough youth and adults through the use of City facilities.			
1.	Objective: Schedule and host the Wasilla Summer Games and Music in the Park programs Measure: Number of programs and/or events hosted or sponsored by the City.	N/A	N/A	6
	Goal: To maintain customer satisfaction levels for park facilities.			
1.	Objective: To achieve an 80% customers response with and overall rating of satisfactory or above. Measure: Percent of residents surveyed who state that they are satisfied with park facilities.	N/A	N/A	80%
1.	Objective: Educate the public on the history of the park. Objective: Develop and construct signage at city parks depicting the history of each park. Measure: Number of parks completed	N/A	N/A	4

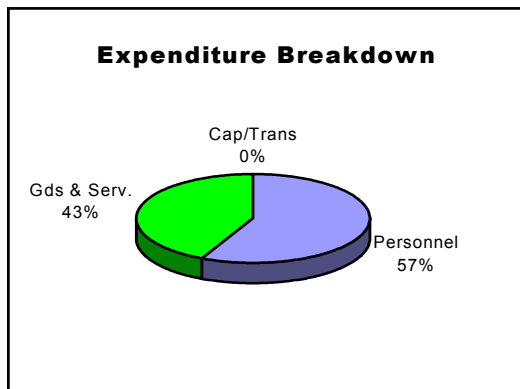
Significant Budget Changes

This is the second year that Parks Maintenance function and the Recreation Services functions have been separated. The museum registrar/recreation coordinator position has been split into 2 full-time positions. The full-time recreation services coordinator position will be funded 50% out of the Recreations Services budget and 50% out the Multi-Sports Complex budget. By having a full-time position concentrating on recreation programs, the city believes that it can provide more and higher quality programs to the citizens of Wasilla.

Recreation Services Cont.

Previous Year's Accomplishments:

- Added recycling and additional programming to Wasilla Clean Up Days, Arbor Day with the improvement of a poster contest (\$1500 donated by Sunrise Rotary) and WWII Memorial Veterans Day.
- Sponsored the Dollar Dip swim program at the Wasilla Pool.
- Sponsored the July 4th Community Picnic.



Recreation Services Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Recreation Programs	-	-	80,025	52,242	79,743	-0.35%
Total	\$ -	\$ -	\$ 80,025	\$ 52,242	\$ 79,743	-0.35%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ -	\$ -	\$ 36,307	\$ 32,737	\$ 35,760	-1.51%
Fringe Benefits	-	-	8,218	8,979	9,778	18.98%
Support Goods & Services	-	-	35,500	10,526	34,205	-3.65%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	-	-	-	0.00%
Total	\$ -	\$ -	\$ 80,025	\$ 52,242	\$ 79,743	-0.35%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Recreation Program Rev.	\$ -	\$ -	\$ -	\$ -	\$ 7,500	100.00%
General Fund	-	-	80,025	52,242	72,243	-9.72%
Total	\$ -	\$ -	\$ 80,025	\$ 52,242	\$ 79,743	-0.35%

Personnel

BY POSITON	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Recreation Srv. Coordinator	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 colorful city gateways while keeping annual maintenance costs down.



Department Statistics

Parks and Facilities	FY 2004	FY 2005	Proposed FY 2006
Number of facilities maintained	42	42	45
Acres maintained	49.9	49.9	49.9
Cost per acre maintained	\$8,470	\$8,508	\$9,492

Performance Goals, Objectives, and Measures

#	Parks & Recreation Performance Goals, Objectives & Measures	F. Y 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	Goal: To maintain customer satisfaction levels for park facilities. Objective: To achieve an 80% customers response with and overall rating of satisfactory or above. Measure: Percent of residents surveyed who state that they are satisfied with park facilities.	N/A	N/A	75%
1.	Goal: Ensure infrastructure of recreational areas are maintained and improved. Objective: Provide a cost effective and efficient level of maintenance for all city recreational areas. Measures: Number of acres maintained within established guidelines for level of care.			100%
1.	Goal: Ensure the City of Wasilla meets the requirements of the Tree City Program on a yearly basis. Objective: Provide tree plantings as required by the program Measure: Increase by 20% inventory of trees in the program compared to previous year		30	50/33%

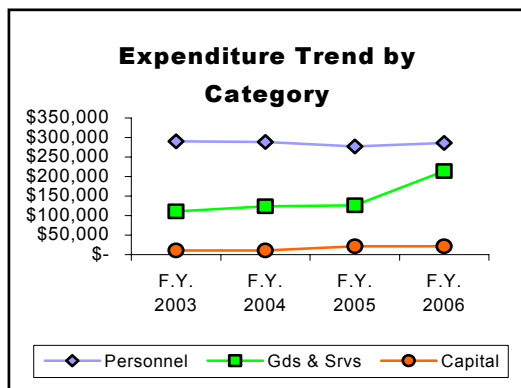
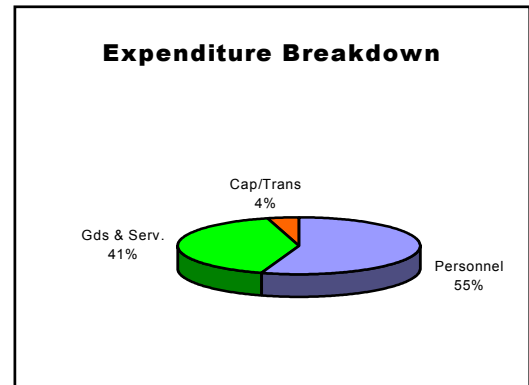
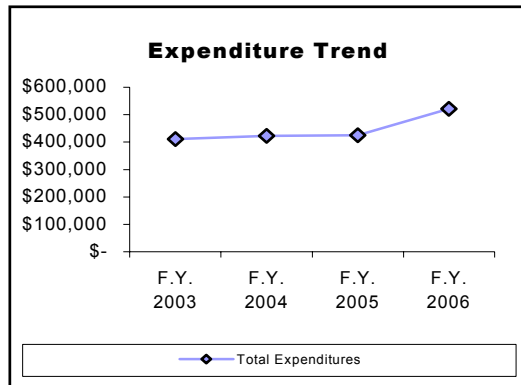
Recreation Facilities Maint. Cont.

Significant Budget Changes

There two significant budget increases in the Parks and Recreation budget: 1. the significant increase in employee benefits that all departments are facing and 2. the dedication of \$42,500 for trail preparation and parking for the Iditarod trail race if the race is held in the City of Wasilla. If the race does not start in the City of Wasilla, the funds would be returned to the General Fund's Fund Balance.

Previous Year's Accomplishments

- Finished Honor Garden Construction.
- Completed Garden of Reflection.
- Reseal Wonderland playground equipment and install irrigation system.
- Completed Iditapark restroom.
- Completed amphitheater at Iditapark with electricity.
- Extended Bumpus Equestrian/Multi-Use Trail.
- Maintained Wasilla Lake Outdoor Ice Rink.
- Installed "Newcomb Park Wasilla Lake" sign.



Recreational Facilities Maint. Cont.

Summary Of Expenditures

BY PROGRAM	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y. 2005 BUDGET	ACTUAL F.Y. 2005 3/31/2005	PROPOSED F.Y. 2006 BUDGET	% Over Last Year
Turf/Trail Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 233,029	-
Facilities/Beautification	-	-	-	-	241,453	-
Cemetary Maintenance	-	-	-	-	46,678	-
Total	\$ 410,935	\$ 422,692	\$ 425,365	\$ 313,327	\$ 521,160	22.52%

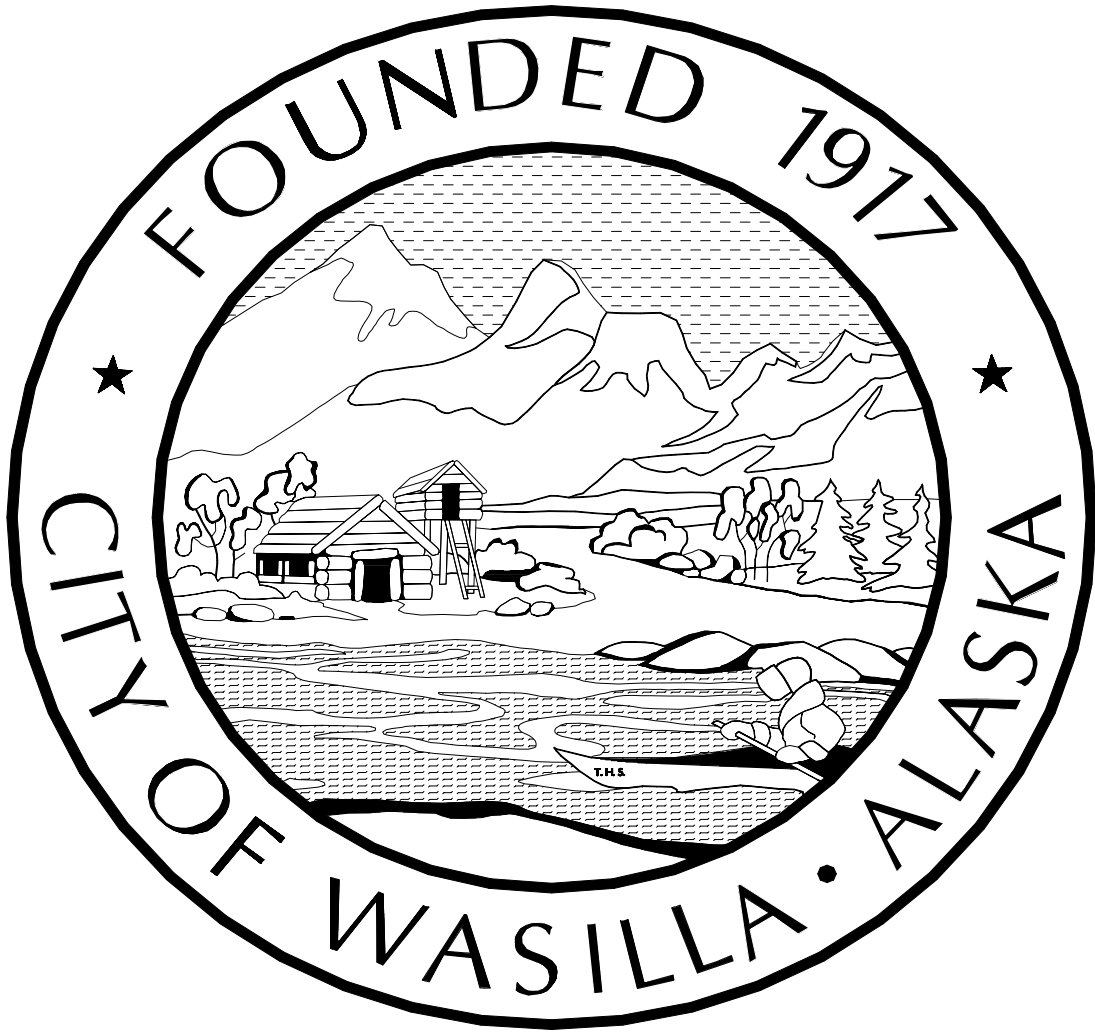
BY CATEGORY	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y. 2005 BUDGET	ACTUAL F.Y. 2005 3/31/2005	PROPOSED F.Y. 2006 BUDGET	% Over Last Year
Personnel Services	\$ 227,826	\$ 231,565	\$ 211,780	\$ 144,846	\$ 214,680	1.37%
Fringe Benefits	62,095	56,993	65,358	47,899	71,540	9.46%
Support Goods & Services	110,514	123,634	127,227	104,182	213,940	68.16%
Capital Outlay	-	-	10,000	5,400	10,000	0.00%
Transfers to Other Funds	10,500	10,500	11,000	11,000	11,000	0.00%
Total	\$ 410,935	\$ 422,692	\$ 425,365	\$ 313,327	\$ 521,160	22.52%

Summary Of Resources

BY RESOURCE	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y. 2005 BUDGET	ACTUAL F.Y. 2005 3/31/2005	PROPOSED F.Y. 2006 BUDGET	% Over Last Year
General Fund	\$ 410,935	\$ 422,692	\$ 425,365	\$ 313,327	\$ 521,160	22.52%
Total	\$ 410,935	\$ 422,692	\$ 425,365	\$ 313,327	\$ 521,160	22.52%

Personnel

BY POSITON	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y. 2005 BUDGET	ACTUAL F.Y. 2005 3/31/2005	PROPOSED F.Y. 2006 BUDGET	% Over Last Year
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	0.70	0.70	0.70	0.70	0.70	0.00%
Total	2.25	2.25	2.25	2.25	2.25	0.00%



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 in FY 05 the city made a transfer out of the General Fund of \$864,359 to the Capital Reserve fund that is not projected to be made in FY 06. Also, the City has set aside \$100,000 in a contingency account for the job position/grade structure study. This study could result in movement of positions on the salary structure. If a position is moved based on the study, Wasilla Municipal Code states that the employee must get at least a 5% salary increase. This contingency is to cover the salary and benefit increases that could result from that study.

Previous Year's Accomplishments

N/A

Non-departmental Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Non-departmental	\$ 2,637,991	\$ 2,465,898	\$ 3,041,669	\$ 2,823,346	\$ 1,950,447	-35.88%
Total	\$ 2,637,991	\$ 2,465,898	\$ 3,041,669	\$ 2,823,346	\$ 1,950,447	-35.88%

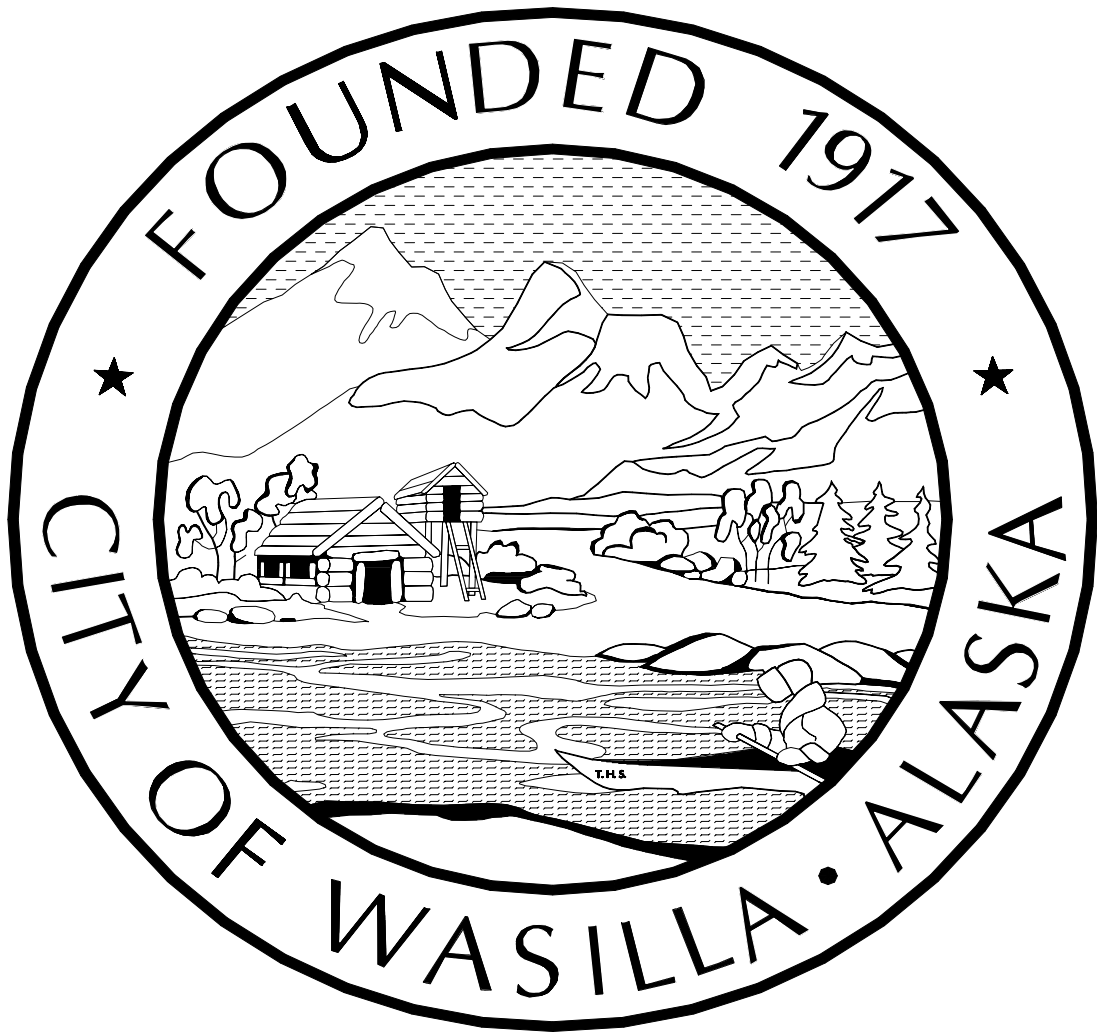
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Support Goods & Services	\$ 27,877	\$ 23,303	\$ 70,000	\$ 61,038	\$ 20,000	-71.43%
Funding For Non Profit Ag.	26,326	42,851	-	-	-	0.00%
Debt Service	-	-	-	-	-	-100.00%
Tran. To Other Funds/Cont.	2,144,390	1,961,718	2,535,322	2,325,961	1,495,637	-41.01%
Transf. to Debt Serv Funds	439,398	438,026	436,347	436,347	434,810	100.00%
Total	\$ 2,637,991	\$ 2,465,898	\$ 3,041,669	\$ 2,823,346	\$ 1,950,447	-35.88%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Fund	2,637,991	2,465,898	3,041,669	2,823,346	1,950,447	-35.88%
Total	\$ 2,637,991	\$ 2,465,898	\$ 3,041,669	\$ 2,823,346	\$ 1,950,447	-35.88%

Personnel (Full-time Equivalents)

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.

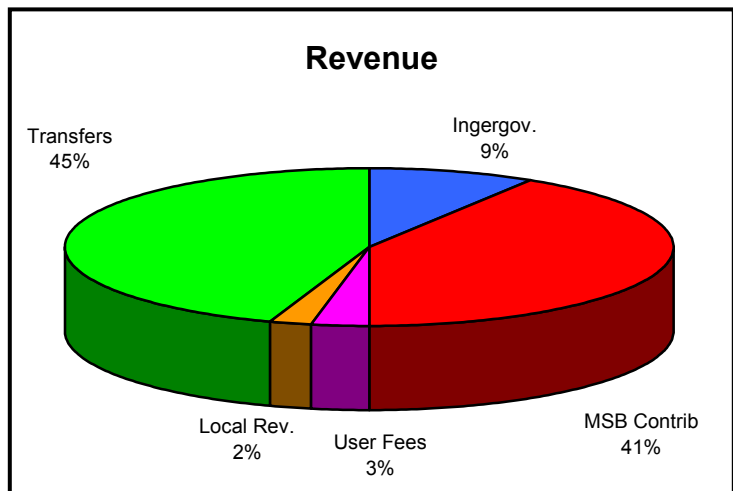
TECHNOLOGY REPLACEMENT

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 5% 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 \$360,594 for library operations and \$35,000 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



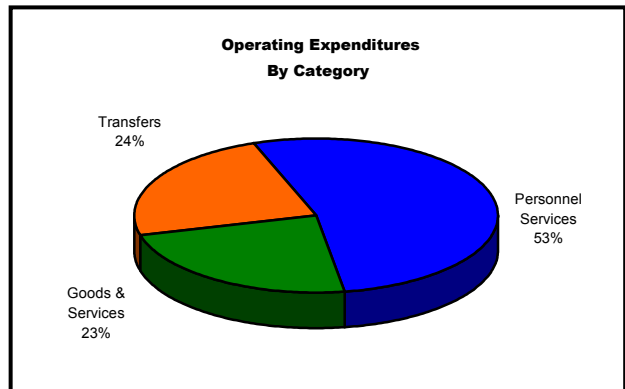
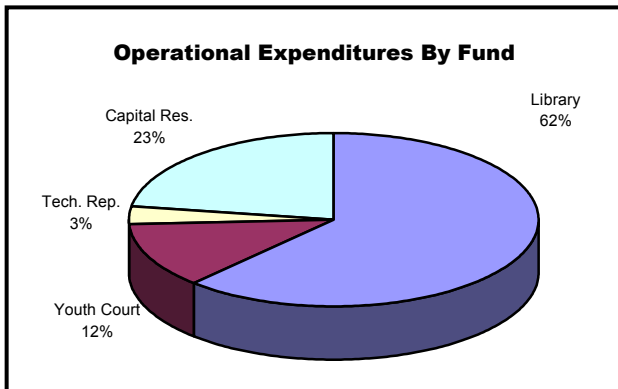
SPECIAL REVENUE FUNDS

Youth Court program and the Asset Forfeiture fund program. Intergovernmental revenues account for approximately 9 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. The total amount projected to be transferred to these funds is \$429,577. Operating transfers account for approximately 45 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 \$877,711 for Fiscal Year 2006 (not including transfers to other funds). Total budgeted expenditures including transfer for the Special Revenue funds is \$1,150,711. Personnel cost including fringe benefits comprise the largest classification of expenditures. Personnel cost are approximately 53% of the budget (\$609,165) for the Special Revenue Funds. Goods and services needed for the operation of the programs in the Special Revenue Funds are projected to be 23% of the operating budget (\$268,546). Transfers to other funds will be 24% of the operating budget (\$273,000). The increase in operating cost for Fiscal Year 2006 can be attributed to two factors: 1. normal yearly salary increases including increases in employee benefit cost in health insurance benefits (15% inc.) and mandatory increases in retirement contribution for employees by the state PERS system (43% inc.).



Operating Transfers to other funds will be transfers made to other funds from the Capital Reserve Fund to the Capital Project fund for infrastructure projects in the amount of \$260,000 and from the Library Fund to the Technology Replacement Fund in the amount of \$13,000.

Fund Balance for the Special Revenue Funds will be reduced by \$187,493. The main reason for the decrease is that the Capital Reserve fund is transferring \$260,000 to fund construction projects. This reduction is offset by a \$64,900 increase in fund balance in the Technology Replacement Fund due to revenues being higher than expenditures.

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUND RECAP

	LIBRARY	YOUTH COURT	ASSET FORFEITURE	Tech. Replacement	CAPITAL RESERVE	TOTAL
ESTIMATED BEGINNING BALANCES	\$ 21,578	\$ 37,276	\$ 2,377	\$ 101,082	\$ 279,618	\$ 441,931
REVENUES						
Intergovernmental	\$ 366,894	\$ 115,000	\$ -	\$ -	\$ -	481,894
User Fees & Charges	19,050	11,047	-	-	-	30,097
Local Revenue	-	20,150	100	400	500	21,150
Transfer In	327,577	-	-	102,500	-	430,077
Total Revenue	<u>713,521</u>	<u>146,197</u>	<u>100</u>	<u>102,900</u>	<u>500</u>	<u>\$ 963,218</u>
TOTAL AVAILABLE FUNDS	<u>\$ 735,099</u>	<u>\$ 183,473</u>	<u>\$ 2,477</u>	<u>\$ 203,982</u>	<u>\$ 280,118</u>	<u>\$ 1,405,149</u>
EXPENDITURES						
General Government	\$ -	\$ -	\$ -	\$ 22,000	\$ -	\$ 22,000
Culture & Recreation	700,521	-	-	1,000	-	701,521
Public Safety	-	139,190	-	15,000	-	154,190
Transfers Out	13,000	-	-	-	260,000	273,000
TOTAL USE OF FUNDS	<u>\$ 713,521</u>	<u>\$ 139,190</u>	<u>\$ -</u>	<u>\$ 38,000</u>	<u>\$ 260,000</u>	<u>\$ 1,150,711</u>
ESTIMATED FUNDS AVAILABLE 6/30/03	<u>\$ 21,578</u>	<u>\$ 44,283</u>	<u>\$ 2,477</u>	<u>\$ 165,982</u>	<u>\$ 20,118</u>	<u>\$ 254,438</u>

DEPARTMENT BUDGET SUMMARY

Library

Mission

The library contributes to building a sense of community and provides opportunities for improving quality of life by providing access to a broad range of resources designed to meet the educational, professional, intellectual, cultural and recreational needs of the area's diverse, rapidly growing population.



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, the Palmer Library and the Mat-Su School District.

Department Statistics

Library	F. Y 2004	Estimated F. Y 2005	Projected F. Y. 2006
Total number of volumes available for patron use	48,546	50,441	52,459
Total number of patron visits to the library	61,824	72,516	84,844
Total use of electronic resources	6,686	7,356	10,000
Total attendance at programs	4,641	4,550	4,673
Total circulation	129,923 (Dynix)	18,748 (Dynix) 95,644 (SIRSI)	109,406 (SIRSI)

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	Goal: Improve access for library patrons and staff to library collections and policies			
1.	Objective: Expand information on library web page. Measure: Add library policies to web page.	N/A	N/A	Yes 75%
2.	Objective: Train staff on SIRSI™ library automation system Measure: Continue training staff on SIRSI™ library automation system as needed; review and revise training materials as needed	N/A	Yes	Yes

Library Cont.

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimate F. Y 2005	Proposed F. Y. 2006
Goal: Improve library reference and reader's advisory services for library patrons				
1.	Objective: Set up an email reference/reader's advisory services for library patrons Measures: Add an "Ask the Librarian" web form to the library web page	N/A	N/A	Yes
2.	Objective: Train staff on basic reader's advisory resources, including electronic resources such as NoveList Measure: Number of staff trained	N/A	Yes	75%
3.	Objective: Train staff on basic reference resources, especially those available through state databases Measure: Number of staff trained	N/A	N/A	75%
4.	Objective: Promote the library's reference and reader's advisory services Measure: Have staff brainstorm ways to inform the public about reference and reader's advisory services; assign a staff member to explore what type of publicity material is already available through the state library, etc.	N/A	N/A	Yes
Goal: Improve electronic infrastructure, both hardware and software				
1.	Objective: Update the library's computers Measure: Annually re-evaluate technology needs and acquire funding to update outdated computers	Yes	Yes	Yes
2.	Objective: Purchase software needed so that all staff computers have the same or similar operating systems and versions of Microsoft Office products Measure: Annually evaluate software needs and work with the MIS Department to learn what licenses are available for what products and install as needed	Yes	Yes	Yes
Goal: To recover items long overdue as well as fees/fines owed to the library for overdue fines, processing fees lost item and damages				
1.	Objective: Send billing notices to patrons with a deadline pay date. Measure: Revenue and/or return of lost items collected	Yes	N/A	25%

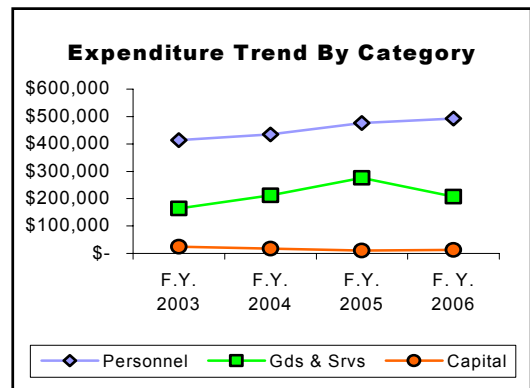
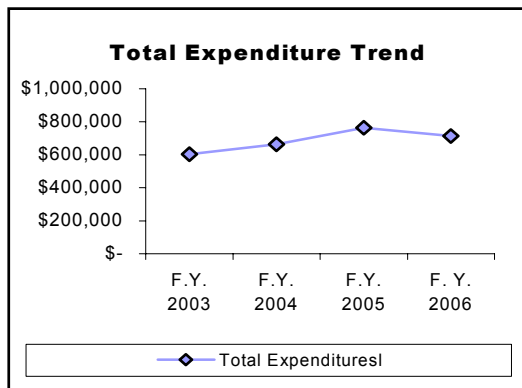
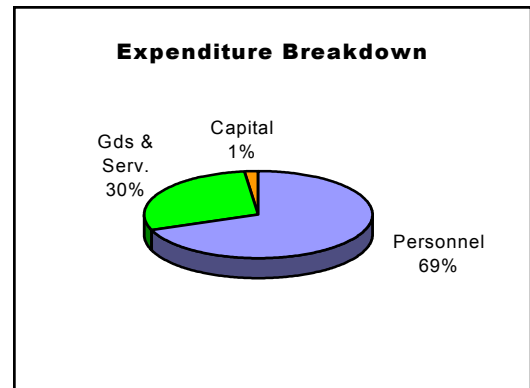
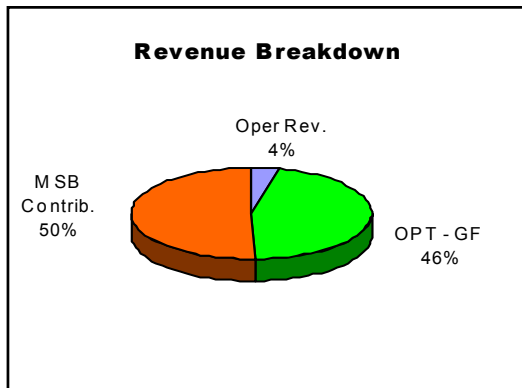
Library Cont.

Previous Year's Accomplishments

- Upgraded existing patron Internet computers and added 3 new ones, for a total of 6.
- Implemented a new library automation system.
- Trained staff on new library automation system.
- Continued to make improvements to the youth services area of the library.
- Continued to expand youth programs.
- Completed tattle-tagging the collection.

Significant Budget Changes

The Library budget will be reduced by a approximately of 6.50% in the upcoming fiscal year. The majority of the reductions will be in janitorial services, other professional services and insurance. The savings in these areas are due to consolidation of services by the city departments. The cuts in the budget are projected to have no negative influence on the level of service provided to library patrons. The Cities of Palmer and Wasilla and the Matanuska Susitna Borough have completed a revised funding formula that will provide stability in funding for the City of Wasilla's library for next fiscal year and in the future. The Borough's contribution will be reduced by approximately \$18,925 from the previous year based on the new formula. The City will offset \$8,950 of this lost revenue through an increase in the operating transfer made each year and the savings mentioned above will offset the balance of the lost revenue.



Library Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Library Administration	\$ -			\$ -	\$ 376,428	
Circulation & Reference	-			-	326,397	
Special Programs	-			-	10,696	
Total	\$ 602,949	\$ 663,472	\$ 763,144	\$ 488,323	\$ 713,521	-6.50%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 319,702	\$ 340,541	\$ 355,379	\$ 251,373	\$ 351,158	-1.19%
Fringe Benefits	94,009	94,022	121,159	81,764	142,178	17.35%
Support Goods & Services	164,425	211,563	276,606	138,936	207,185	-25.10%
Capital Outlay	24,813	17,346	-	6,250	-	100.00%
Transfers to Other Funds	-	-	10,000	10,000	13,000	0.00%
Total	\$ 602,949	\$ 663,472	\$ 763,144	\$ 488,323	\$ 713,521	-6.50%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Fines & Fees	\$ 17,939	\$ 16,736	\$ 20,400	\$ 12,901	\$ 19,050	-6.62%
Intergovernmental Revenue	14,407	6,300	6,300	6,250	6,300	0.00%
MSB Contribution	322,000	379,519	399,519	284,639	360,594	-9.74%
Miscellaneous Revenue	61	7	600	500	-	-100.00%
OPT - General Fund	257,429	272,388	318,627	183,426	327,577	2.81%
Total	\$ 611,836	\$ 674,950	\$ 745,446	\$ 487,716	\$ 713,521	-4.28%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% 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	Actual F. Y. 2004	Estimate F. Y 2005	Proposed F. Y. 2006
	Goal: To stay within the scope of our budget for FY06.			
1.	Objective: 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.			
1.	Objective: 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%	11%	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.			
1.	Objective: 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.	48	37	40

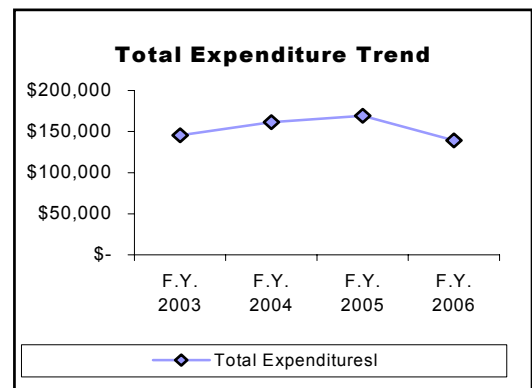
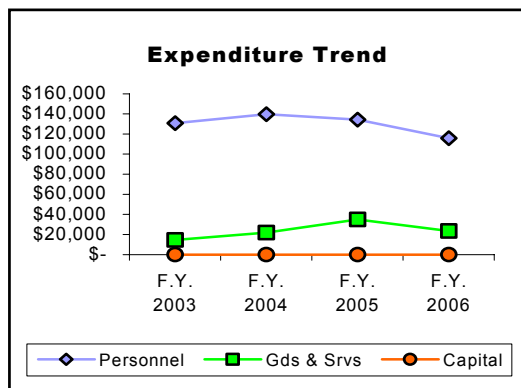
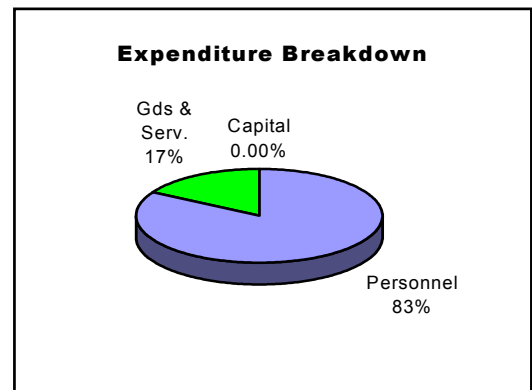
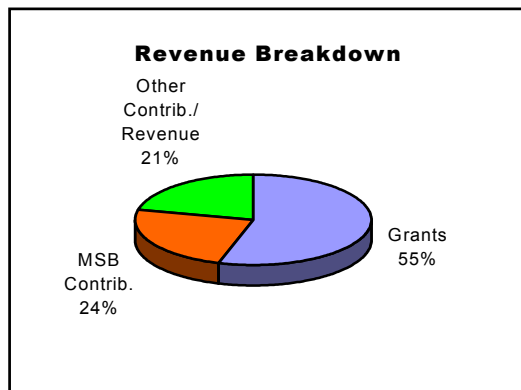
Youth Court Cont.

Significant Budget Changes

The only significant budget change for the program is the substantial increase cost in employee benefits. To offset these cost increases the position of secretary has not been replaced. The program is using temporary hours to supplement the program.

Previous Year's Accomplishments

- The number of cases completed through MSYC last year was 99.
- 48 students completed the criminal law training.
- The Parent Committee organized and assisted with seven fundraisers.
- The MSYC success rate for the calendar year 2004 was 89%.



Youth Court Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Youth Court	145,369	161,527	169,231	108,793	139,190	-17.75%
Total	\$ 145,369	\$ 161,527	\$ 169,231	\$ 108,793	\$ 139,190	-17.75%

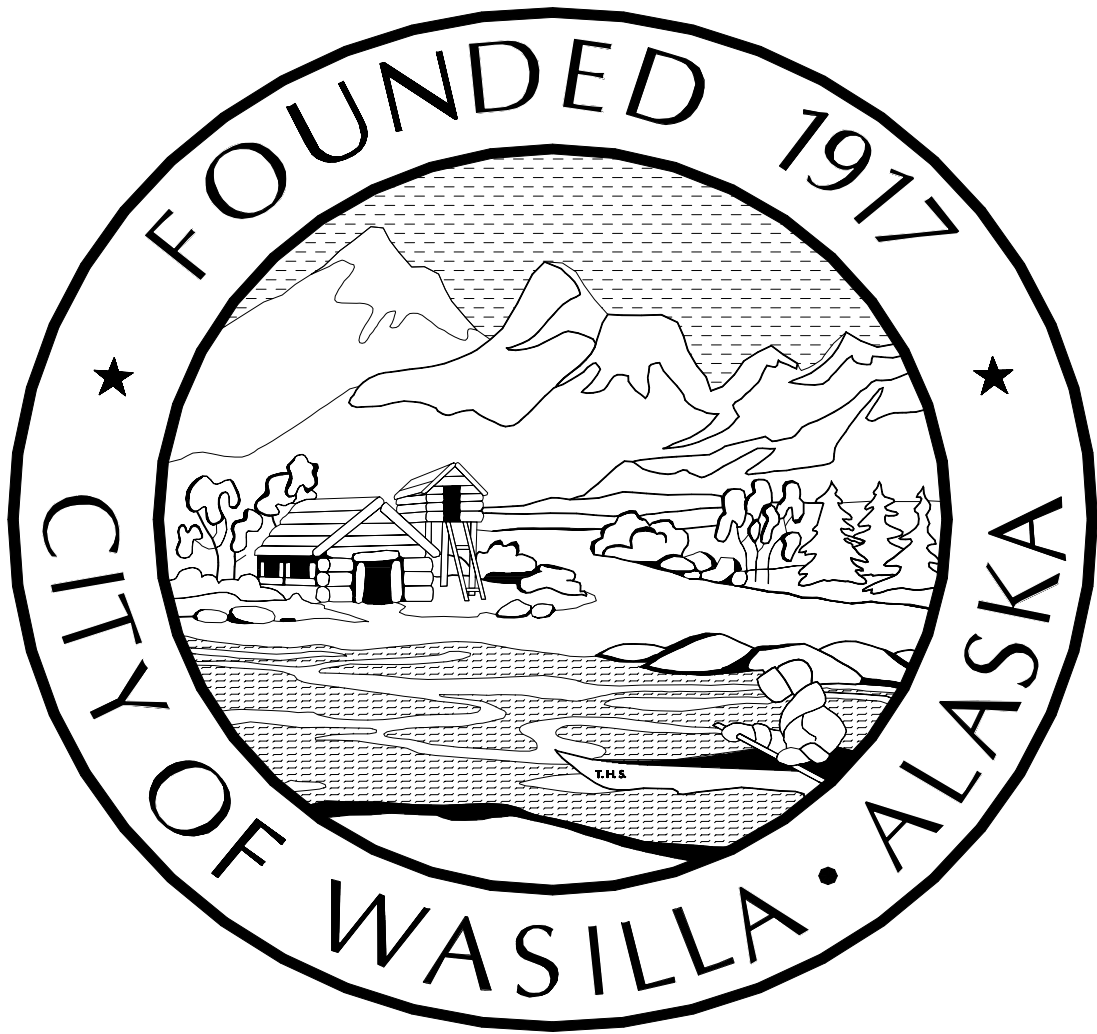
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	PROPOSED F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Personnel Services	\$ 95,728	\$ 102,040	\$ 99,982	\$ 58,016	\$ 79,536	-20.45%
Fringe Benefits	35,173	37,563	34,379	25,424	36,293	5.57%
Support Goods & Services	14,468	21,924	34,870	25,353	23,361	-33.01%
Capital Outlay	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	-	-	-	100.00%
Total	\$ 145,369	161,527	169,231	\$ 108,793	139,190	-17.75%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	PROPOSED F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Intergovernmental Revenue	\$ 94,160	\$ 131,799	\$ 148,788	\$ 100,169	\$ 115,000	-22.71%
Fees	10,150	8,591	13,000	9,848	11,047	-15.02%
Interest Earnings	142	25	150	23	150	0.00%
Contributions	20,332	18,897	30,575	27,493	20,000	-34.59%
Total	\$ 124,784	159,312	192,513	\$ 137,533	146,197	-24.06%

Personnel

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Probation Officer	1.50	1.50	1.50	1.50	1.50	0.00%
Secretary II	1.00	0.00	1.00	0.00	0.00	0.00%
Total	2.50	1.50	2.50	1.50	1.50	-40.00%



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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Asset Forfeiture	\$ -	\$ -	\$ 11,450	\$ 6,380	\$ -	-100.00%
Total	\$ -	\$ -	\$ 11,450	\$ 6,380	\$ -	-100.00%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Forfeiture Expenditures	-	-	11,450	6,380	-	-100.00%
Total	\$ -	\$ -	\$ 11,450	\$ 6,380	\$ -	-100.00%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Intergovernmental	\$ 8,747	\$ -	\$ -	\$ -	\$ -	0.00%
Interest Earnings	4	-	100	-	100	0.00%
Total	\$ 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 \$102,000 based on \$500 per personal computer and \$2,500 per network server. The transfer revenue is approximately 8% (\$27,500 increase) higher than last year. The MIS department is projecting that the City of Wasilla will replace 25 personal computers this year and 5 printers.

Previous Year's Accomplishments

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

Technology Replacement Fund

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Technology Replacement	\$ 15,418	\$ 23,723	\$ 25,600	\$ 25,568	\$ 38,800	51.56%
Total	\$ 15,418	\$ 23,723	\$ 25,600	\$ 25,568	\$ 38,800	51.56%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Small Tools & Equipment	15,418	23,723	25,600	25,568	38,800	51.56%
Capital Equipment	-	-	-	-	-	0.00%
Total	\$ 15,418	\$ 23,723	\$ 25,600	\$ 25,568	\$ 38,800	51.56%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 BUDGET	F.Y 2005 BUDGET	ACTUAL F.Y 2004 3/31/2004	PROPOSED F.Y 2005 BUDGET	% Over Last Year
Transfer of Funds	\$ 94,500	\$ 45,500	\$ 94,000	\$ 94,316	\$ 102,500	9.04%
Interest Earnings	130	14	200	316	400	100.00%
Total	\$ 94,630	\$ 45,514	\$ 94,200	\$ 94,632	\$ 102,900	9.24%

Personnel (Full-time Equivalents)

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 \$625,000 of capital projects out of the fund in FY 05. The City will have approximately \$280,060 of fund balance at the end of Fiscal Year 06 to fund capital needs in FY 06. The City is planning to transfer \$260,000 over to the Capital Project Fund to fund FY 06 capital infrastructure.

Previous Year's Accomplishments

- Will funded an estimated \$625,000 of water projects out of this fund.

Capital Reserve Fund Cont.

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Capital Reserve	\$ 753,384	\$ 150,000	\$ 625,000	\$ 125,000	\$ 260,000	-58.40%
Total	\$ 753,384	\$ 150,000	\$ 625,000	\$ 125,000	\$ 260,000	-58.40%

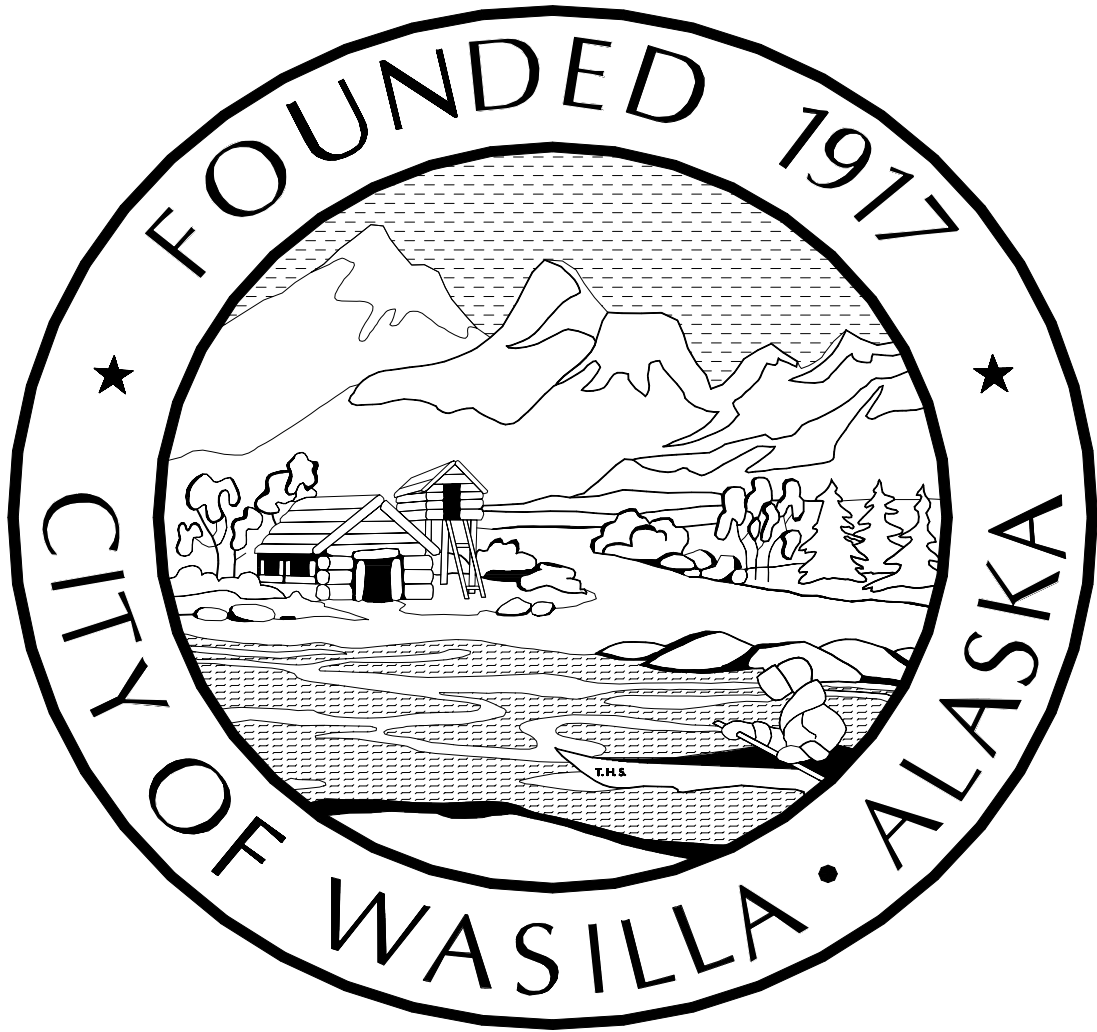
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Transfers to Other Funds	753,384	150,000	625,000	125,000	260,000	-58.40%
Total	\$ 753,384	\$ 150,000	\$ 625,000	\$ 125,000	\$ 260,000	-58.40%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Transfer From General Fund	\$ 573,409	\$ -	\$ 864,359	\$ 864,359	\$ -	-100.00%
Interest Earnings	2,459	224	804	362	500	-37.81%
Total	\$ 575,868	\$ 224	\$ 865,163	\$ 864,721	\$ 500	-99.94%

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

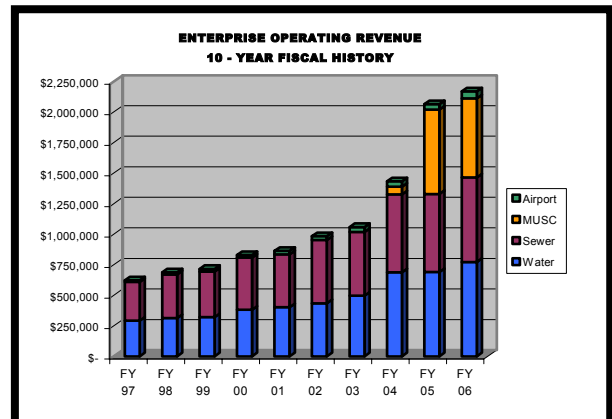
This fund accounts for the activities of the Wasilla Municipal Airport. All activities necessary for the operation of the Airport are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

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, Multi-Use Sports Complex fees, airport tie-downs and lease fees. These user fees and charges make up \$2,169,867 (46%) of total revenues and transfers in for the Enterprise Funds. Operating revenue for Fiscal Year 2006 is projected to be approximately 5% higher than Fiscal Year 2006. The projected increase in operating revenue is due mainly to increases in operating revenue from the Utility Fund and the Airport Fund due to the continued growth in customer base. 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

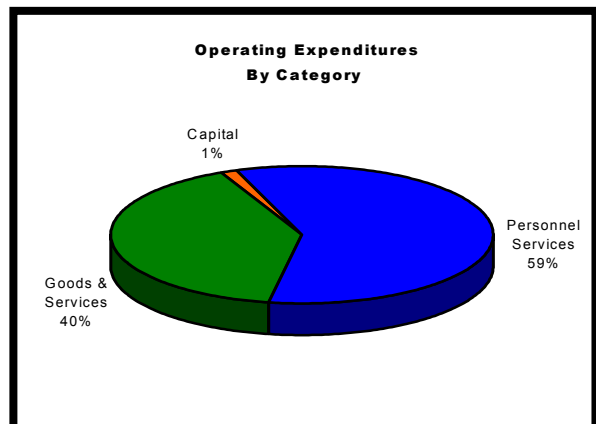
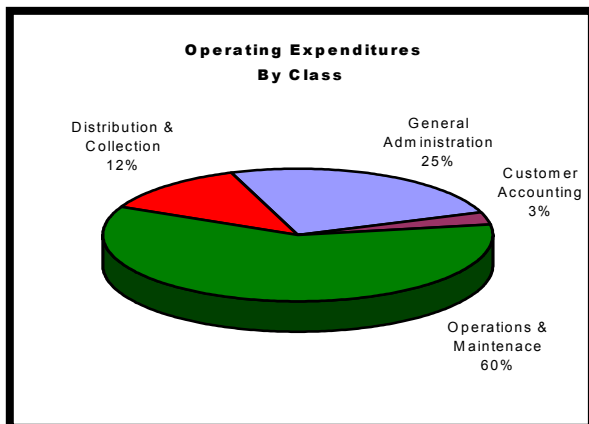
Non-Operating Revenue is comprised of interest earnings earned on unexpended funds in the Enterprise Funds and payments in lieu of assessments by customers connecting to the City's water and sewer system. Total non-operating revenue is projected to be \$127,283 (2.7 percent). It is projected that investment 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 \$2,178,000 (47% 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 2006 is projected to be \$203,060. The General Fund will make transfers to the Airport Fund for \$82,333 to cover the deficit that is projected for that fund and to the MUSC Fund for \$127,727 to cover operating deficits. 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 \$2,161,602 for Fiscal Year 2006 (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 59 percent of the operating budget (\$1,259,745) for the enterprise funds. Goods and services needed for the operation of the enterprise funds are projected to be 40 percent of the operating budget (\$868,857). Capital equipment purchases comprise approximately 1 percent of operating expenses (\$33,000). The majority of increases in operating cost are attribute to three factors: 1. Increasing personnel cost due to 43% increase in retirement contribution required by the state PERS system and 2. increasing employee benefit cost for Health 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 2005 to Fiscal Year 2006. 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 \$450,020. This increase is due to the increase in the MUSC Fund Balance based on the projected difference between the dedicated sales tax and the debt service payment in the fund (\$452,044) for Fiscal Year 2006. The MUSC Fund Balance is projected to increase over the next year and then gradual decrease over the next 4 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	\$ 1,759,056	\$ 150,567	\$ 1,218,481	\$ 3,128,104
REVENUES				
Operating Revenue	1,464,231	58,136	647,500	2,169,867
Non-Operating Revenue	56,783	500	70,000	127,283
Transfers In	-	82,333	120,727	203,060
Dedicated Sales Tax	-	-	2,178,000	2,178,000
Total Revenue	<u>1,521,014</u>	<u>140,969</u>	<u>3,016,227</u>	<u>4,678,210</u>
TOTAL AVAILABLE FUNDS	<u>\$ 3,280,070</u>	<u>\$ 291,536</u>	<u>\$ 4,234,708</u>	<u>\$ 7,806,314</u>
EXPENDITURES				
Operating Expenditures	\$ 1,164,336	\$ 140,969	\$ 828,227	\$ 2,133,532
Operating Transfer to Other Funds	28,000	-	-	28,000
Debt Service Payments	348,702	-	1,725,956	2,074,658
TOTAL USE OF FUNDS	<u>\$ 1,541,038</u>	<u>\$ 140,969</u>	<u>\$ 2,554,183</u>	<u>\$ 4,236,190</u>
ESTIMATED FUND BALANCE AVAILABLE 6/30/2006	<u>\$ 1,739,032</u>	<u>\$ 150,567</u>	<u>\$ 1,680,525</u>	<u>\$ 3,570,124</u>

Note: \$1,329,519 of MUSC Fund Balance dedicated to Retirement of MUSC GO Bond.

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

Debt Service Recap:

	<u>Outstanding Balance 7/1/2005</u>	<u>Principal Additions</u>	<u>Principal Reductions</u>	<u>Outstanding Balance 6/30/2006</u>
Utilities - Loans & Special Assmts	4,329,112	-	239,197	4,089,915
MUSC GO Bonds	11,715,000	-	1,240,000	10,475,000
Totals	<u>\$ 16,044,112</u>	<u>\$ -</u>	<u>\$ 1,479,197</u>	<u>\$ 14,564,915</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.

Department Details

Water	FY 2004	FY 2005	Proposed FY 2006
Total number of miles of main line	38.51	40.04	41.04
Total number of water service connections	775	806	860
Total number of water system inspections	5,000	5,050	6,000
Number of miles of pipe checked for leaks	37.45	38.15	39.65
Sewer	FY 2004	FY 2005	Proposed FY 2006
Number of miles of main line	19.12	19.38	19.38
Number of sewer service connections	545	561	581
Number of sewer system inspections	4,837	4,935	5,155

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual F. Y 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
	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: % increase expansion over previous year. % increase in connections.	4.36% 4%	3.98% 4%	2.49% 6.6%
2.	Objective: Ensure uninterrupted service to utility customers and the public. Measure: % 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%. % of planned leak detections completed.	7.5% 100%	7.5% 100%	7.5% 100%

UTILITY FUND Cont.

#	Performance Goals, Objectives & Measures	Actual F. Y 2004	Estimate F. Y. 2005	Proposed F. Y. 2006
	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%
	% increase over previous year.	4.2%	3.0%	3.6%
2.	Objective: Ensure uninterrupted service to utility customers and the public.			
	Measures: 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.			
1.	Objective: Ensure 100% compliance with state and federal regulations.			
	Measures: Per cent of monitoring samples in full compliance	90%	100%	100%
	Goal: Implement soft ware program to collect information and to provide staff with training.			
1.	Objective: Train utility staff on use of HTE software.			
	Measures: % utility staff trained on HTE Program.	55%	70%	100%

Significant Budget Changes

For Fiscal Year 2006, the utility fund is continuing to increase the number of connections to the system. The City is projecting a 7 percent increase in the customer base this fiscal year. The City has increased it personnel by 2 FTE. The City will be creating 2 new labor positions in order to continue work on preventive maintenance projects. Based on our continued growth trend in the city's customer base and the city's concentration on cost containment, the city staff is projecting that a rate increase will not be needed in the foreseeable future.

Previous Year's Accomplishments

Water:

- Completed inspection and cleaning of all main line valves.
- Completed 1500 locate request.
- Completed reprogramming of computer at Richman Hills Booster and valve adjustments.
- Completed reconstruction of bulk water delivery system Spruce Ave.
- Yearly service on 256 fire hydrants.
- Completed change over to electronic meter heads on services, this was a 5-year project where the City invested \$100,000 into the utility to reduce staff time in metering reading by 50 percent.
- Yearly inspection of service line valves.
- Completed piping of Mission Hill well house to allow for greater contact time for chlorine.

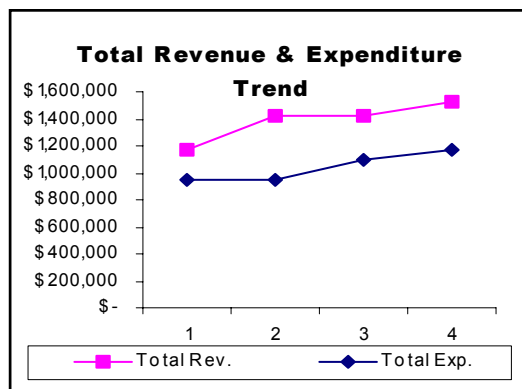
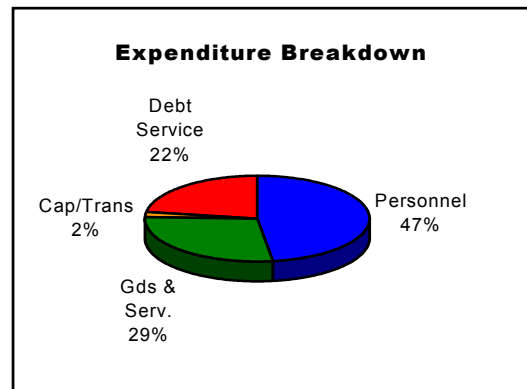
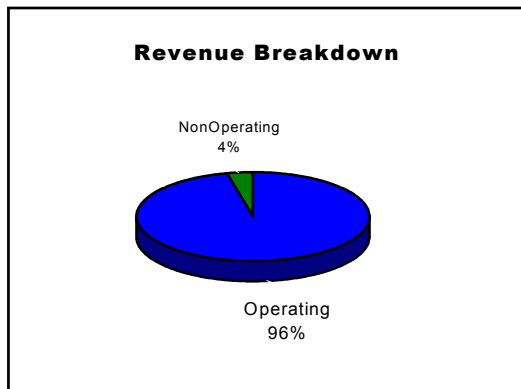
Sewer:

- Pumped and cleaned 208 septic tanks
- Checked and inspected 40 main line valve vaults

UTILITY FUND Cont.

Sewer Continued:

- Replaced two 20" man ways, this has been a 10-year project retrofitting the original sewer system with improved access for utility workers. This project is now complete.
- Cleaned Lagoon #2.
- Replaced 2 failed septic tanks.
- Installed vault cleanouts of 5 tanks.
- Erected 7500 square foot storage building. This will be a warm storage facility to house vehicles and equipment out of the weather that will reduce maintenance cost and improve winter response times to emergency repairs.



UTILITY FUND Cont.

Statement Of Revenues, Expenses and Changes in Retained Earnings

	<u>F.Y. 2003 ACTUAL</u>	<u>F.Y. 2004 BUDGET</u>	<u>F.Y. 2005 BUDGET</u>	<u>F.Y. 2005 ACTUAL 3/31/2005</u>	<u>PROPOSED F.Y. 2006 BUDGET</u>
OPERATING REVENUE					
Water	\$ 496,795	\$ 688,170	# \$ 690,874	\$ 548,573	\$ 773,424
Sewer	522,604	637,493	660,363	465,866	690,807
Total Operating Revenue	\$ 1,019,399	\$ 1,325,663	\$ 1,351,237	\$ 1,014,439	\$ 1,464,231
EXPENDITURES					
General Administration					
Water	\$ 202,853	\$ 200,710	\$ 238,122	\$ 201,723	\$ 255,814
Sewer	221,567	191,958	260,136	217,798	280,678
Customer Accounting					
Water	31,265	36,732	28,167	18,862	30,110
Sewer	31,321	36,366	33,172	19,005	30,188
Plant O & M:					
Water	95,510	101,123	131,401	83,346	139,639
Sewer	128,209	141,727	140,530	90,231	164,204
Distribution System					
Water	102,498	131,418	125,461	95,403	129,891
Sewer	141,532	101,555	146,027	68,367	133,812
Total Expenditures	\$ 954,755	\$ 941,589	\$ 1,103,016	\$ 794,735	\$ 1,164,336
Total Operating Income	\$ 64,644	\$ 384,074	\$ 248,221	\$ 219,704	\$ 299,895
Add:					
Nonoperating Revenue	157,115	102,850	69,886	77,740	56,783
Transfers From Other Funds	45,705	30,000	-	-	-
Less:					
Transfer To Other Funds	37,500	27,500	3,000	3,000	28,000
NET GAIN (LOSS)	\$ 229,964	\$ 489,424	\$ 315,107	\$ 294,444	\$ 328,678
Payment of Debt Service					
	162,690	248,707	325,253	260,295	348,702
INCREASE (DECREASE) IN RETAINED EARNINGS	\$ 67,274	\$ 240,717	\$ (10,146)	\$ 34,149	\$ (20,024)

Debt Coverage Requirements:

	<u>F.Y. 2003 ACTUAL</u>	<u>F.Y. 2004 BUDGET</u>	<u>F.Y. 2005 BUDGET</u>	<u>F.Y. 2005 ACTUAL 3/31/2005</u>	<u>PROPOSED F.Y. 2006 BUDGET</u>
Net Revenue	\$ 221,759	\$ 486,924	\$ 306,938	\$ 291,074	\$ 345,645
Total Debt Service - Loans	162,690	248,707	325,253	260,295	337,919
Net Coverage*	\$ 59,069	\$ 238,217	\$ (18,315)	\$ 30,779	\$ 7,726

UTILITY FUND Cont.

Personnel

BY POSITON	F.Y. 2001 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 ACTUAL	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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	3.00	200.00%
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. li	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	10.00	25.00%

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 2006

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

Significant Budget changes

Total debt service payment for the Utility Funds will be \$348,274. Total Principal reductions will be \$239,197 and total interest will be \$109,077. Based on the loan covenants for the utility fund, the City will have to generate net revenues to cover \$337,919 of the debt service. It is projected that the City of Wasilla will be compliance with the net coverage required by our loan covenants.

Previous Year's Accomplishments

N/A

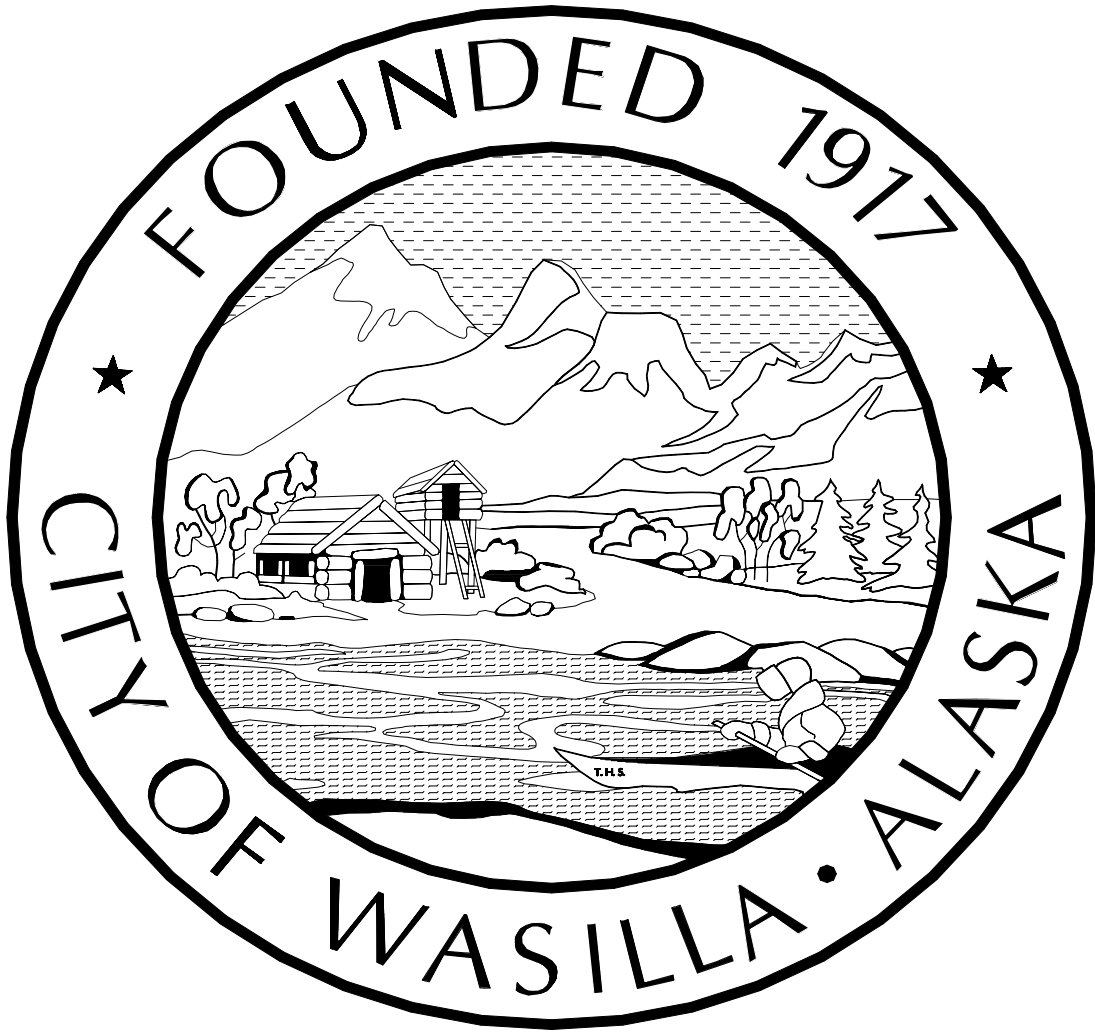
Schedule Of Debt

	Balance 6/30/2005	Principal Additions	Principal Reductions	Balance 6/30/2006
Special Assessments - Broadview Sewer (Org. Note \$84,711 @ 4.55% Int)	41,426	-	8,471	32,955
ADEC Loan # 95031 - Sewer Main Imp. (Org. Note 301,066 @ 2.50 Int)	270,959	-	15,053	255,906
ADEC Loan # 95051 - Sewer Main Imp. (Org. Note 44,353 @ 2.50 Int)	42,135	-	2,218	39,917
ADEC Loan # 95021 - Water Main Imp. (Org. Note 708,684 @ 2.50 Int)	671,386	-	37,299	634,087
ADEC Loan # 95041 - Water Main Imp. (Org. Note \$39,049 @ 4.50 int)	37,097	-	1,952	35,145
ADEC Loan # 95061 - Bumpus Resv. (Org. Note 3,309,000 @ 2.50 Int)	3,143,550	-	165,450	2,978,100
Water Utilitly Note -KGB (Org Note 177,100 @ 3.68 Int.)	122,559	-	8,754	113,805
Totals	\$ 4,329,112	\$ -	\$ 239,197	\$ 4,089,915

Utility Fund Debt

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

Fiscal Year	Sewer Loans		Water Loans		Total
	Principal	Interest	Principal	Interest	
2007	\$ 25,742	\$ 6,335	\$ 213,455	\$ 94,028	\$ 339,560
2008	25,742	5,669	213,455	88,691	333,557
2009	25,742	5,001	213,455	83,355	327,553
2010	24,813	4,336	213,455	78,018	320,622
2011	17,271	3,711	213,455	72,682	307,119
2012	17,271	3,430	213,455	67,346	301,502
2013	17,271	3,148	213,455	62,010	295,884
2014	17,271	2,868	213,455	56,672	290,266
2015	17,271	2,586	213,455	51,336	284,648
2016	17,271	2,305	213,455	45,999	279,030
2017	17,271	2,024	213,455	40,664	273,414
2018	17,271	1,742	213,455	35,327	267,795
2019	17,271	1,462	213,458	29,991	262,182
2020	17,271	1,180	204,701	24,654	247,806
2021	17,271	899	204,701	19,537	242,408
2022	17,271	617	204,701	14,418	237,007
2023	17,271	336	204,701	9,302	231,610
2024	2,216	55	167,415	4,185	173,871
Total	\$ 328,778	\$ 47,704	\$ 3,761,137	\$ 878,215	\$ 5,015,834



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.



Department Statistics

Airport	F. Y 2004	Estimated F. Y 2005	Proposed F. Y. 2006
Number of aircraft based at Wasilla Airport		105	120
Length of Runway	3,700 ft.	3,700 ft.	3,700 ft.
Number of Lease Lots	9	9	9

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	F. Y 2004	Estimated F. Y 2005	Proposed F. Y. 2006
	Goal: Ensure compliance with FAA regulations.			
	Objective:			
1.	Issue Notice To Airman (NOTAM) on runway conditions			
	Measure:			
	% NOTAMs issued within FAA timelines	100%	100%	100%
	Goal: Expand airport operations.			
	Objective:			
	Construct Additional Tie down area			
2.	Measure:			
	Number of tie down spaces constructed	N/A	12	20
	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%

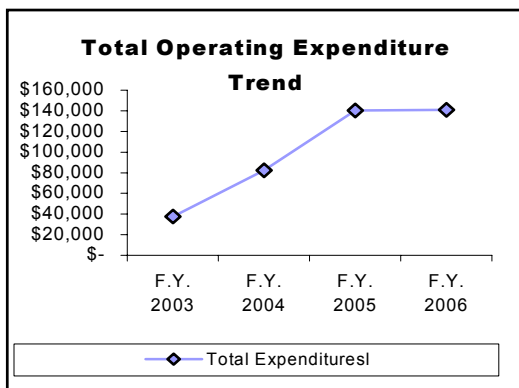
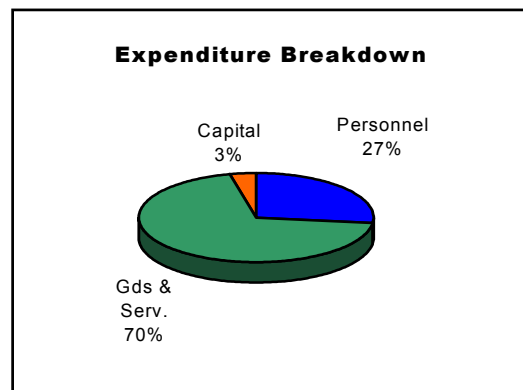
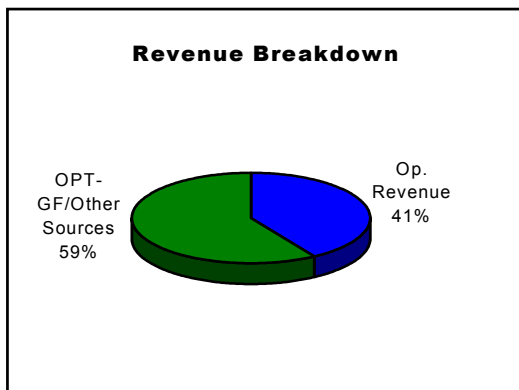
Significant Budget changes

There are no 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.

Airport Fund Cont.

Previous Year's Accomplishments

- Completed Phase 1A tie down and lease lots.
- Installed manager building with office space for pilots with toilet facilities.
- Cleared and grubbed 40 acres.
- Inspected asphalt runway and taxiways for wear.



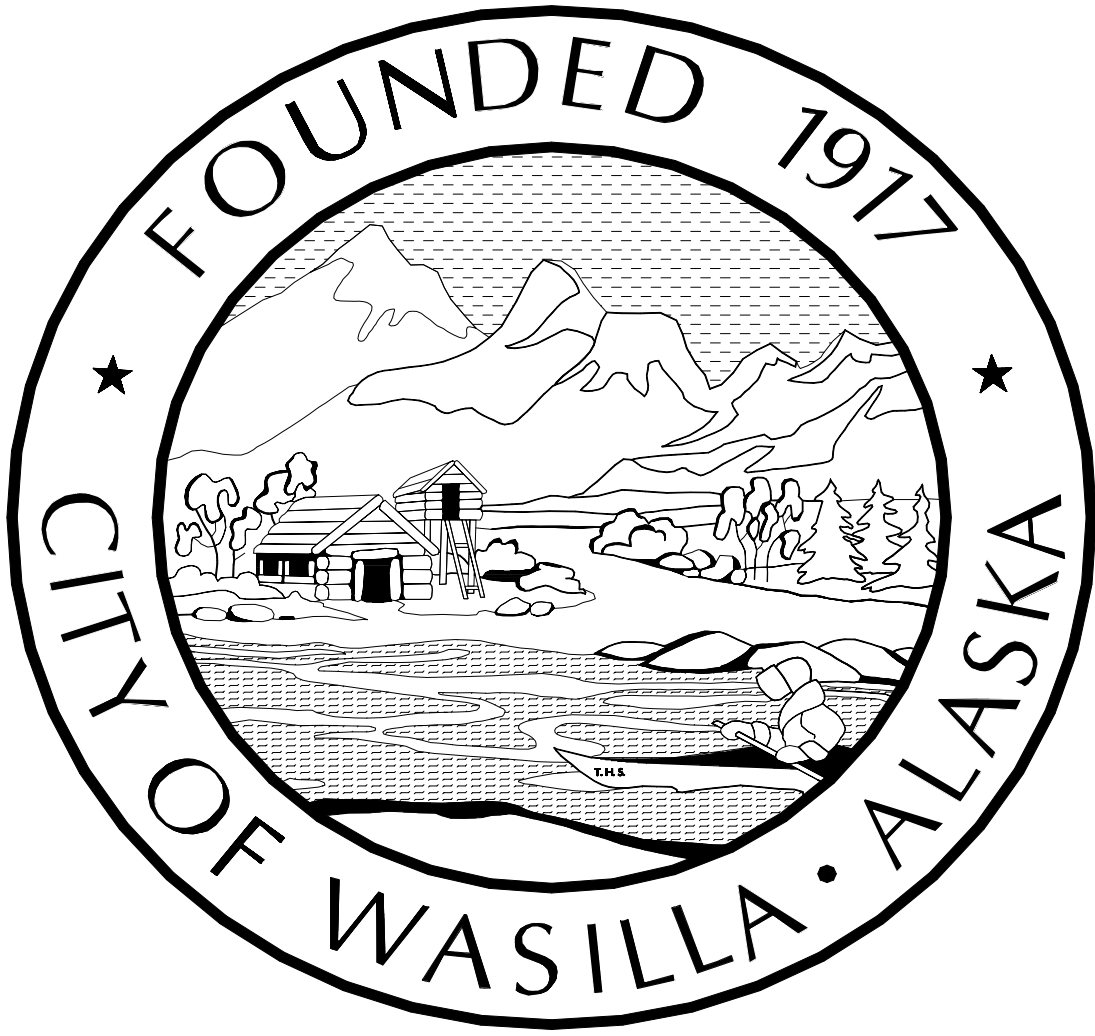
Airport Fund Cont.

Statement Of Revenues, Expenses and Changes in Retained Earnings

	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y. 2005 BUDGET	F.Y. 2005 ACTUAL 3/31/2005	PROPOSED F.Y. 2006 BUDGET
OPERATING REVENUE	\$ 40,334	\$ 43,759	# \$ 43,500	\$ 43,426	\$ 58,136
EXPENDITURES					
General Admin:					
Personnel Services	\$ 13,333	\$ 13,039	\$ 24,969	\$ 20,129	\$ 28,018
Fringe Benefits	3,092	3,651	6,847	5,725	10,081
Goods & Services	21,076	54,399	103,457	48,190	97,870
Capital	-	5,000	5,000	5,000	5,000
Total Expenditures	\$ 37,501	\$ 76,089	\$ 140,273	\$ 79,044	\$ 140,969
OPERATING INCOME (LOSS)	2,833	(32,330)	(96,773)	(35,618)	(82,833)
Add:					
Nonoperating Revenue	1,160	1,300	500	-	500
General Fund Transfer	39,789	39,789	96,273	43,809	82,333
NET GAIN (LOSS)	43,782	8,759	-	8,191	-

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

Mission

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 of the City of Wasilla. The department's resources are dedicated to developing programs for all ages and to introducing the youth to sporting activities to provide a quality and healthy lifestyle.

Department Statistics

Multi-Use Sports Complex	F. Y 2004	Estimated F. Y 2005	Proposed F. Y. 2006
Hours reserved for ice rink and turf court activities		2,025	2,500
Hours reserved for conference rooms		1,208	1,500
Number of large events (R.V. shows, Craft Fairs, etc.)		10	14
Number of persons attending events at the facility		125,000	150,000

Performance Goals, Objectives, and Measures

#	Performance Goals, Objectives & Measures	Actual F. Y. 2004	Estimated F. Y. 2005	Proposed F. Y. 2006
	Goal: Encourage and promote recreation programs and activities to improve quality of life of youth and adults. Objective: Provide opportunities to the public for reserving the facility for skating, soccer, and other active recreation events. Measure: # participants in skating, soccer, and other active events.		340	500
	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	67% 1,540	80% 1950
	Goal: Promote use of the facility for large events such as sporting events, trade shows, regional conferences, and conventions. Objective: 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	20	25
	Goal: Continue progress in making MUSC Enterprise Fund self-sufficient. Objective: An operating subsidy was provided by the General Fund.	Yes \$376,845	Yes \$120,000	Yes \$120,727

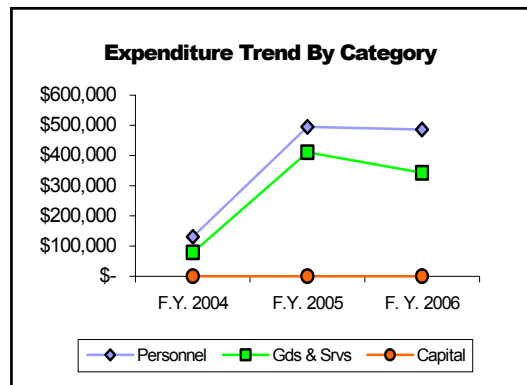
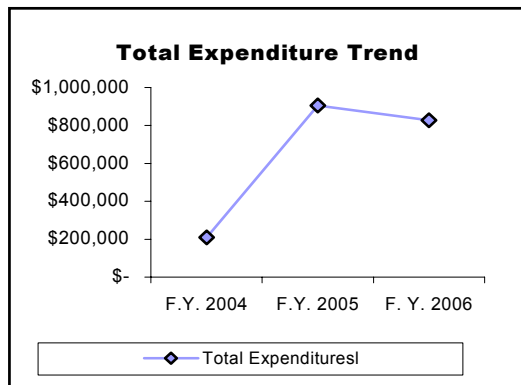
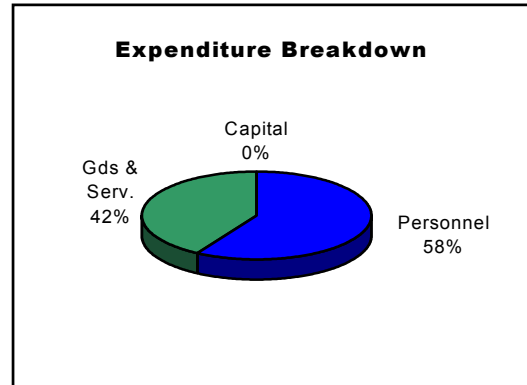
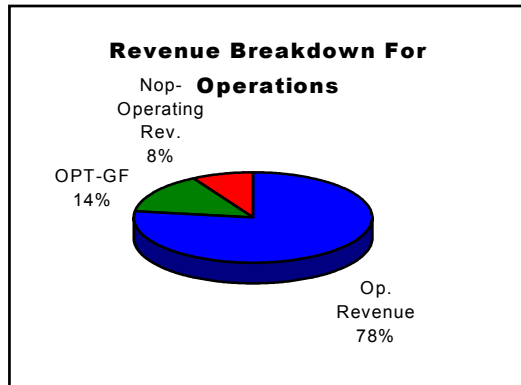
Multi-Use Sports Complex Cont.

Significant Budget changes

Added a half-time program coordinator position to assist in developing various in-house programs and events.

Previous Year's Accomplishments

- Hosted four major shows including Home Show, RV Show, Outdoor Adventure Show, and Christmas Bazaar.
- Hosted the Greatland Conference High School Hockey Tournament.
- Developed a 30 team Adult and 20 team Youth Soccer League.
- Hosted the Valley Health Fair, the Alaska Aces and two high school graduations.



Multi-Use Sports Complex Cont.

Statement Of Revenues, Expenses and Changes in Retained Earnings

	F.Y. 2003 ACTUAL	F.Y. 2004 ACTUAL	F.Y. 2005 BUDGET	F.Y. 2005 ACTUAL 3/31/2005	PROPOSED F.Y. 2006 BUDGET
OPERATING REVENUE	\$ -	\$ 63,348	\$ 690,695	\$ 483,572	\$ 647,500
EXPENDITURES					
General Admin:					
Personnel Services	\$ -	\$ 103,381	\$ 353,054	\$ 224,059	\$ 322,216
Fringe Benefits	-	27,524	141,851	92,751	163,636
Goods & Services	-	78,770	410,402	298,239	342,375
Total Expenditures	\$ -	\$ 209,675	\$ 905,307	\$ 615,049	\$ 828,227
TOTAL Operating Income (Loss)	\$ -	\$ (146,327)	\$ (214,612)	\$ (131,477)	\$ (180,727)
Add:					
Nonoperating Revenue	-	6,630	207,104	45,053	70,000
General Fund Transfer	-	376,845	-	-	120,727
Capital Expenditures	-	-	-	-	-
NET GAIN (LOSS)	-	237,148	(7,508)	(86,424)	10,000
Other Sources/Uses					
Dedicated Sales Tax	1,740,790	1,880,477	1,973,750	1,531,279	2,178,000
GO Bond Interest Payment	526,275	553,119	522,519	520,967	485,956
GO Bond Principal Payment	840,000	1,020,000	1,125,000	1,125,000	1,240,000
	<u>374,515</u>	<u>307,358</u>	<u>326,231</u>	<u>(114,688)</u>	<u>452,044</u>
INCREASE (DECREASE) IN RETAINED EARNINGS	374,515	544,506	318,723	(201,112)	462,044

Personnel (Full-time Equivalent)

BY POSITON	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y. 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y. 2006 BUDGET	% Over Last Year
Cultural & Rec. Manager	0.00	0.75	0.75	0.75	0.60	-20.00%
Admin Secretary	0.00	1.00	1.00	1.00	1.00	0.00%
Building Supervisor	0.00	2.00	2.00	2.00	2.00	0.00%
Maintenance Specialist	0.00	1.00	1.00	1.00	1.00	0.00%
Building Support Worker	0.00	2.75	2.75	2.75	2.00	-27.27%
Concession Wkr II	0.00	0.75	0.75	0.75	0.50	-33.33%
Concession Wkr I /Cashier	0.00	2.40	2.40	2.40	2.16	-9.86%
Recreation Coordinator	0.00	0.00	0.00	0.00	0.50	100.00%
Total	0.00	10.65	10.65	10.65	9.76	-8.32%

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 2006

- 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 7/1/2006	Principal Additions	Principal Reductions	Outstanding Balance 6/30/2006
MUSC GO Bond (Org Bond 14,700,000 @ 3.0 to 4.5% Int.)	\$ 11,715,000	\$ -	\$ 1,240,000	\$ 10,475,000
Totals	\$ 11,715,000	\$ -	\$ 1,240,000	\$ 10,475,000

Multi-Use Sports Complex Fund Debt (MUSC)

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

Fiscal Year	Musc GO Bond		Total
	Principal	Interest	
2007	\$ 1,365,000	\$ 442,556	\$ 1,807,556
2008	1,495,000	391,368	1,886,368
2009	1,645,000	331,568	1,976,568
2010	1,805,000	261,656	2,066,656
2011	1,985,000	184,942	2,169,942
2012	2,180,000	98,100	2,278,100
Total	<u>\$ 10,475,000</u>	<u>\$ 1,710,190</u>	<u>\$ 12,185,190</u>

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	\$ 160,705
REVENUES	
Intergovernmental	-
User Fees & Charges	15,000
Local Revenue	1,500
Transfer In	-
Total Revenue	<u>\$ 16,500</u>
TOTAL AVAILABLE FUNDS	<u>\$ 177,205</u>
EXPENDITURES	
General Government	\$ -
Culture & Recreation	-
Public Safety	-
Transfers Out	1,500
TOTAL USE OF FUNDS	<u>\$ 1,500</u>
ESTIMATED FUNDS AVAILABLE 6/30/06	<u><u>\$ 175,705</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.

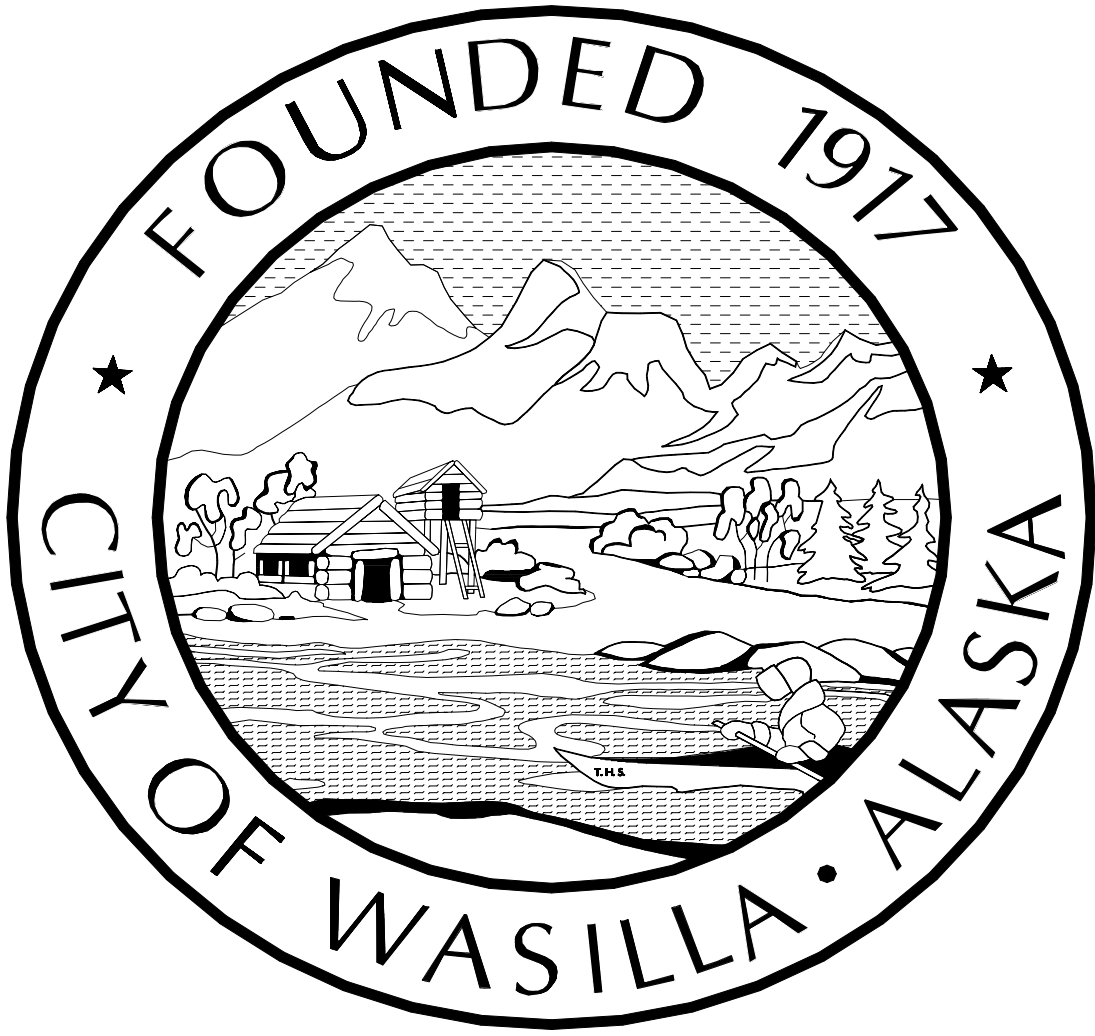
Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Cemetery	\$ 490	\$ 171	\$ 1,000	\$ 1,373	\$ 1,500	50.00%
Total	\$ 490	\$ 171	\$ 1,000	\$ 1,373	\$ 1,500	50.00%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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	490	171	1,000	1,373	1,500	50.00%
Total	\$ 490	\$ 171	\$ 1,000	\$ 1,373	\$ 1,500	50.00%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Cemetery Lot Sales	\$ 11,125	\$ 16,800	\$ 11,000	\$ 13,000	\$ 15,000	36.36%
Interest Earnings	490	171	1,000	1,373	1,500	50.00%
Total	\$ 11,615	\$ 16,971	\$ 12,000	\$ 14,373	\$ 16,500	37.50%



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 50% 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).

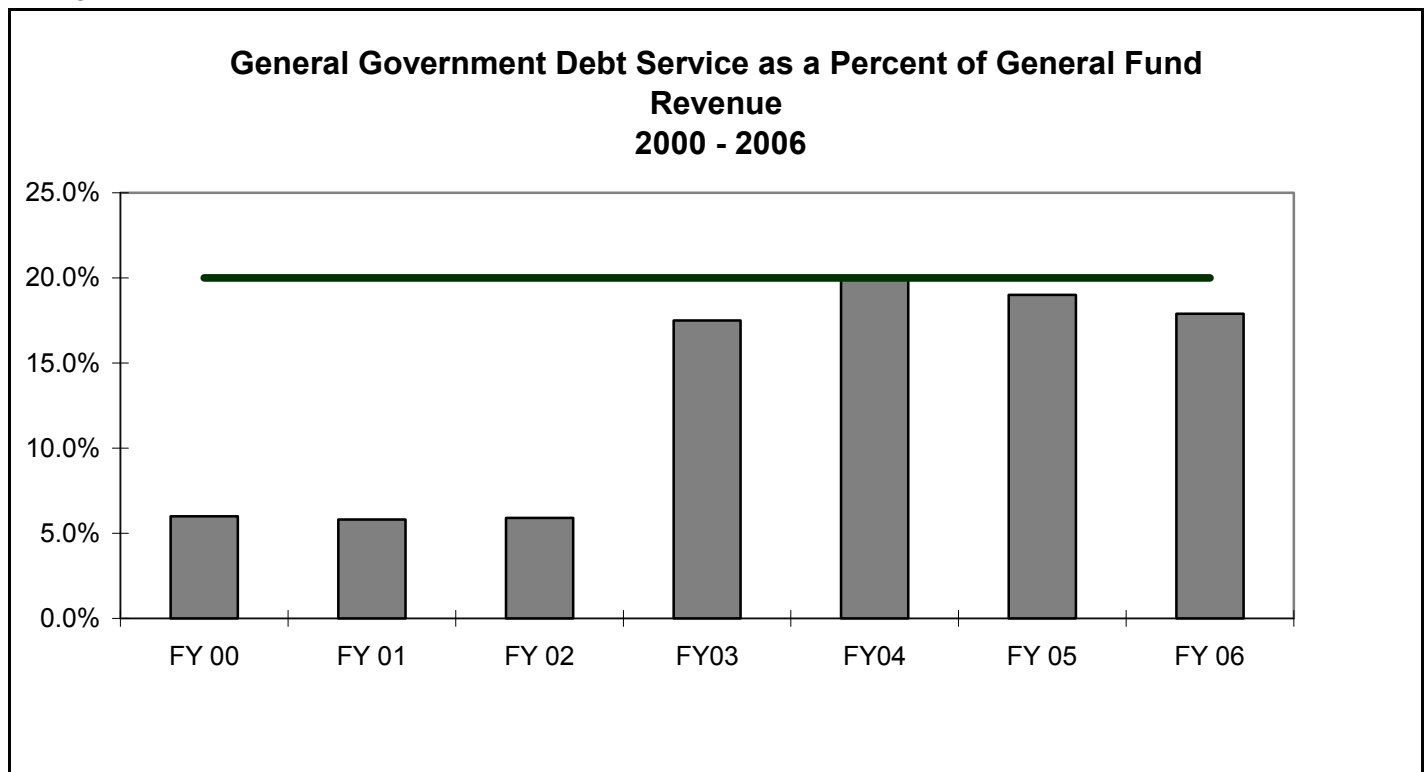
DEBT SERVICE FUNDS

	Outstanding Balance 7/1/2005	Principal Additions	Principal Reductions	Outstanding Balance 6/30/2006
General Obligation Debt*	\$ 4,355,000	\$ -	\$ 225,000	\$ 4,130,000
Sewer Special Assmt Debt	99,575	-	3,775	95,800
Water Special Assmnt Debt	48,748	-	3,954	44,794
Gas Special Assmt Debt	-	-	-	-
Paving Special Assmt Debt	321,473	-	104,005	217,468
Total	<u>\$ 4,824,796</u>	<u>\$ -</u>	<u>\$ 336,734</u>	<u>\$ 4,488,062</u>

* Does not include GO debt issued for Enterprise funds.

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 (not including State Dispatch contract rev.) including the dedicated sales tax for retiring MUSC GO Bond from Fiscal Year 2000 through Fiscal Year 2006.



DEBT SERVICE FUNDS

The chart shows that the debt service as a percent of General Fund Revenue remained fairly constant from Fiscal Year 2000 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 06.

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	\$ -	\$ 236,674	\$ 158,061	\$ 37,124	\$ 213,785	\$ 46,714	\$ 692,358
REVENUES							
Local	\$ -	\$ 250	\$ 400	\$ 400	\$ 5,000	\$ 900	\$ 6,950
Special Assessment	-	10,000	15,000	-	100,000	-	125,000
General Fund Transfers	434,810	-	-	-	-	-	434,810
Total Revenue	434,810	10,250	15,400	400	105,000	900	566,760
TOTAL AVAILABLE FUNDS	\$ 434,810	\$ 246,924	\$ 173,461	\$ 37,524	\$ 318,785	\$ 47,614	\$ 1,259,118
EXPENDITURES							
Debt Service	\$ 434,810	\$ 10,247	\$ 7,000	\$ -	\$ 121,333	\$ -	\$ 573,390
Transfers	-	-	17,776	-	-	-	17,776
TOTAL USE OF FUNDS	\$ 434,810	\$ 10,247	\$ 24,776	\$ -	\$ 121,333	\$ -	\$ 591,166
ESTIMATED FUNDS AVAILABLE 6/30/02	\$ -	\$ 236,677	\$ 148,685	\$ 37,524	\$ 197,452	\$ 47,614	\$ 667,952

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

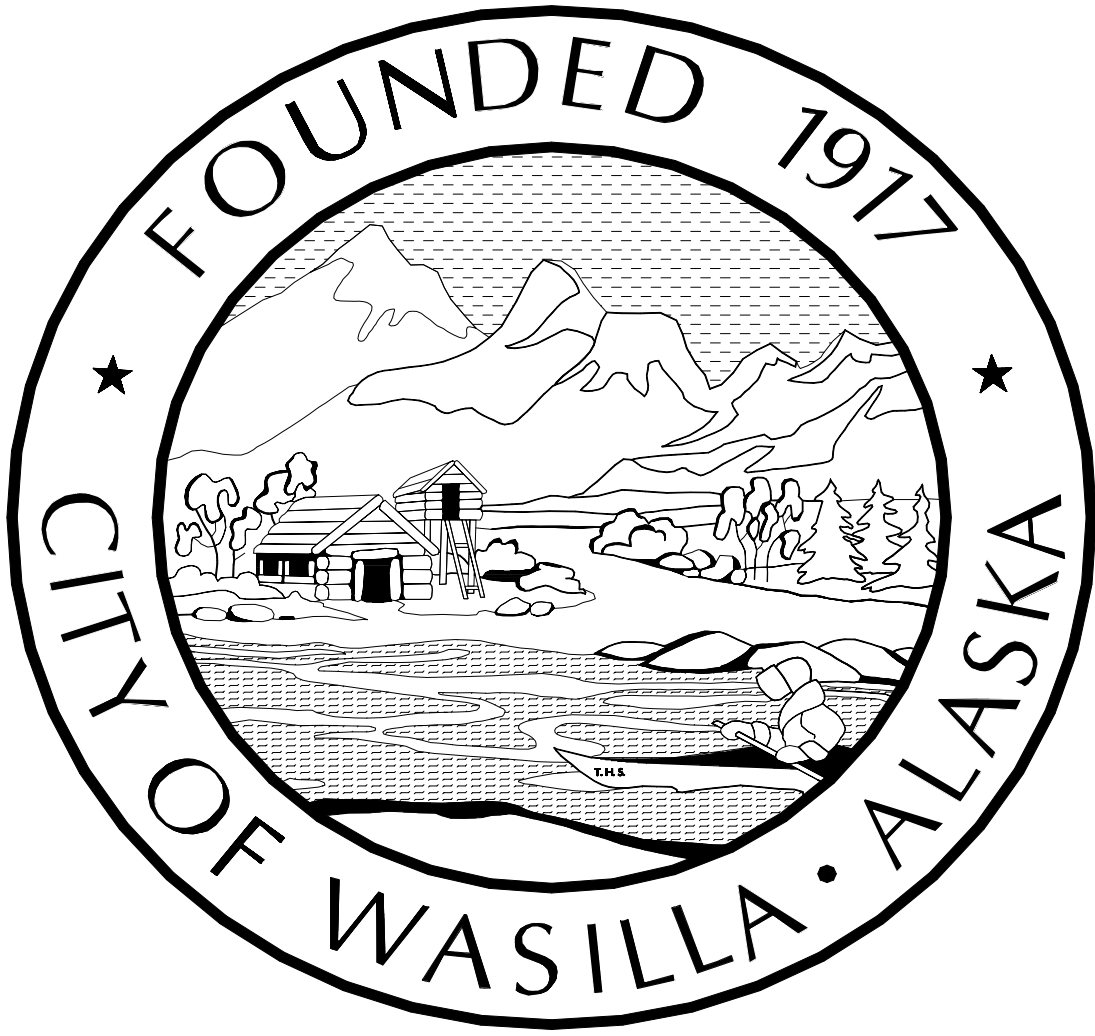
CITY OF WASILLA
SUMMARY OF OUTSTANDING BOND ISSUES
AS OF JUNE 30, 2006

Issue	Purpose	Amount Issued	Estimated Maturity Date	Amount Outstanding 6/30/2005	Principal Reduction	Amount Outstanding 06/30/06
General Obligation Debt:						
1998 Street Improvement	Pavement of Roads	5,500,000	10/01/18	4,355,000	225,000	4,130,000
Total General Obligation Debt		<u>5,500,000</u>		<u>4,355,000</u>	<u>225,000</u>	<u>4,130,000</u>
Special Assessment Debt:						
86W1	LID Water Bond	329,300	06/30/26	48,748	3,954	44,794
87S1	LID Sewer Bond	626,000	08/17/27	99,575	3,775	95,800
96P1-3	LID Paving Bond	287,200	11/24/08	61,300	28,720	32,580
98P2	LID Paving Bond	189,320	04/06/08	44,860	18,932	25,928
99P1	LID Paving Bond	17,400	06/28/06	1,840	1,840	-
99P2	LID Paving Bond	199,088	06/28/08	55,652	19,910	35,742
00P1	LID Paving Bond	117,689	03/01/10	50,151	11,769	38,382
00P2	LID Paving Bond	228,338	03/01/10	107,670	22,834	84,836
Total Special Assessment Debt		<u>1,994,335</u>		<u>469,796</u>	<u>111,734</u>	<u>358,062</u>
Total Debt Service Funds Debt		<u>7,494,335</u>		<u>4,824,796</u>	<u>336,734</u>	<u>4,488,062</u>

Debt Service Funds

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

<u>Fiscal Year</u>	<u>1998 Street GO Bond</u>		<u>Special Assment Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2007	\$ 235,000	\$ 206,500	\$ 98,558	\$ 18,667	\$ 558,725
2008	245,000	194,750	80,602	13,782	534,134
2009	260,000	182,500	42,455	10,035	494,990
2010	270,000	156,787	29,769	8,340	464,896
2011	285,000	148,200	10,354	6,987	450,541
2012	295,000	136,080	10,354	6,491	447,925
2013	310,000	127,000	10,354	5,843	453,197
2014	325,000	111,500	11,019	5,540	453,059
2015	345,000	95,250	3,900	4,199	448,349
2016	360,000	78,000	3,900	3,945	445,845
2017	380,000	60,000	3,900	3,692	447,592
2018	400,000	41,000	3,900	3,438	448,338
2019	420,000	21,000	4,900	3,185	449,085
2020	-	-	4,900	2,866	7,766
2021	-	-	4,900	2,548	7,448
2022	-	-	4,900	2,229	7,129
2023	-	-	4,900	1,911	6,811
2024	-	-	4,900	1,592	6,492
2025	-	-	4,900	1,274	6,174
2026	-	-	4,900	955	5,855
2027	-	-	4,900	637	5,537
2028	-	-	4,897	318	5,215
Total	\$ 4,130,000	\$ 1,558,567	\$ 358,062	\$ 108,474	\$ 6,155,103



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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
General Obligation Debt	\$ 439,398	\$ 438,026	\$ 436,347	\$ 436,347	\$ 434,810	-0.35%
Total	\$ 439,398	\$ 438,026	\$ 436,347	\$ 436,347	\$ 434,810	-0.35%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Bond Principal	195,000	205,000	215,000	215,000	225,000	4.65%
Bond Interest	244,398	233,026	221,347	221,347	209,810	-5.21%
Total	\$ 439,398	\$ 438,026	\$ 436,347	\$ 436,347	\$ 434,810	-0.35%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	-	-	-	-	-	0.00%
General Fund Transfer	439,398	438,026	436,347	436,347	434,810	-0.35%
Total	\$ 439,398	\$ 438,026	\$ 436,347	\$ 436,347	\$ 434,810	-0.35%

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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Sewer-83S1	\$ 10,983	\$ 10,738	\$ 10,247	\$ 10,738	\$ 10,247	0.00%
Total	\$ 10,983	\$ 10,738	\$ 10,247	\$ 10,738	\$ 10,247	0.00%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Bond Principal	3,775	3,775	3,775	3,775	3,775	0.00%
Bond Interest	7,208	6,963	6,472	6,718	6,472	0.00%
Total	\$ 10,983	\$ 10,738	\$ 10,247	\$ 10,493	\$ 10,247	0.00%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	\$ 907	\$ 159	\$ 200	\$ 263	\$ 200	0.00%
Special Assessment Rev.	40,571	21,653	20,000	4,052	10,000	-50.00%
Total	\$ 41,478	\$ 21,812	\$ 20,200	\$ 4,315	\$ 10,200	-49.50%

Sewer Special Assessment Funds

1988 Overlook Sewer District

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Sewer-86S1	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Bond Principal	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Bond Interest	-	-	-	-	-	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

Summary Of Resources

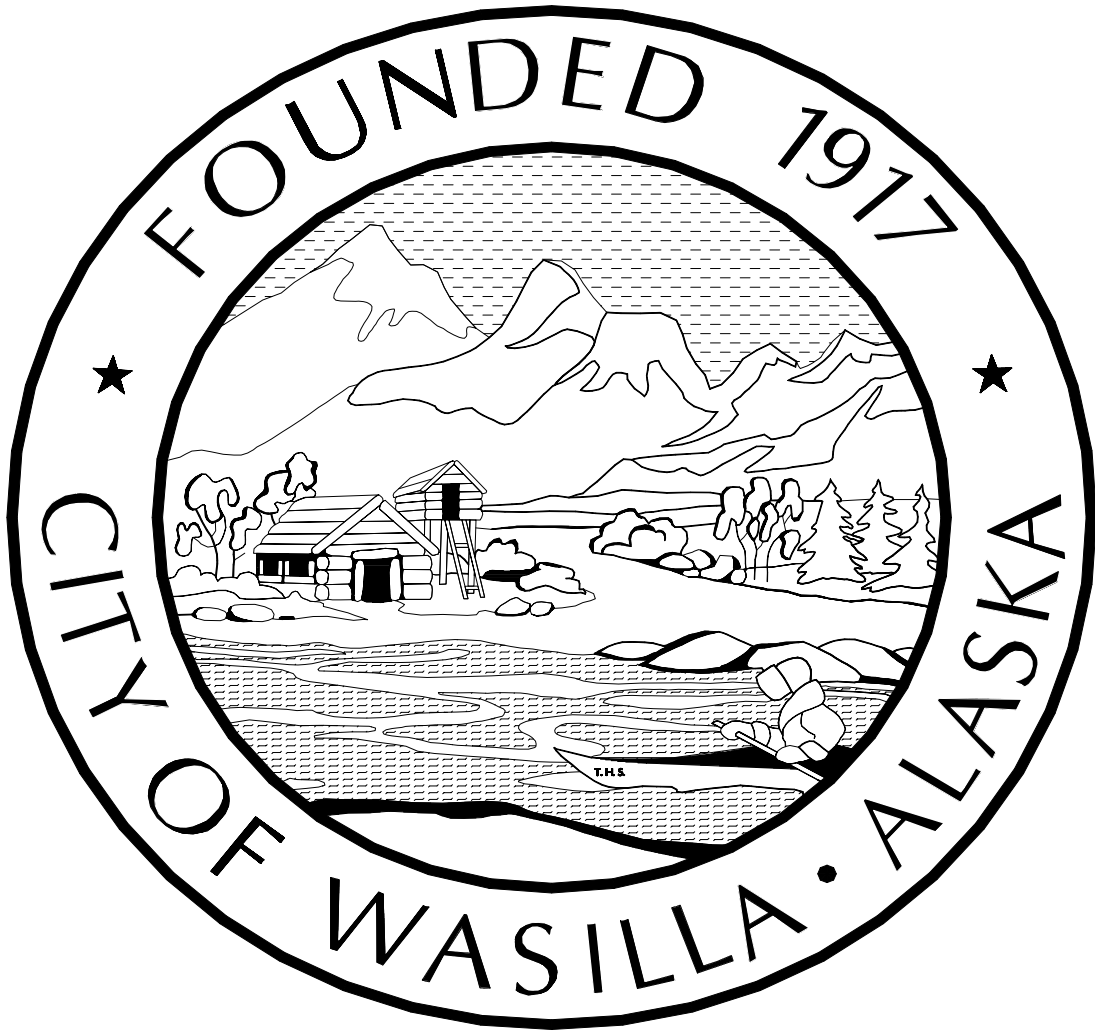
BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	\$ 139	\$ 33	\$ 100	\$ 44	\$ 50	-50.00%
SP Principal Revenue	-	-	-	-	-	0.00%
SP Interest Revenue	-	-	-	-	-	0.00%
Total	\$ 139	\$ 425	\$ 100	\$ 44	\$ 50	-50.00%

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 2006.

Previous Year's Accomplishments

N/A

Water Special Assessment Funds

Water 78-1

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	\$ 455	\$ 184	\$ 300	\$ 1,358	\$ 300	0.00%
Special Assessment Rev.	39,133	30,298	21,000	4,385	10,000	-52.38%
Total	\$ 39,588	\$ 30,482	\$ 21,300	\$ 5,743	\$ 10,300	-51.64%

Water Special Assessment Funds

South Side Water

Summary Of Expenditures

BY PROGRAM	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
South Side Water LID	\$ 12,047	\$ 11,805	\$ 11,563	\$ -	\$ 7,000	-39.46%
Total	\$ 12,047	\$ 11,805	\$ 11,563	\$ -	\$ 7,000	-39.46%

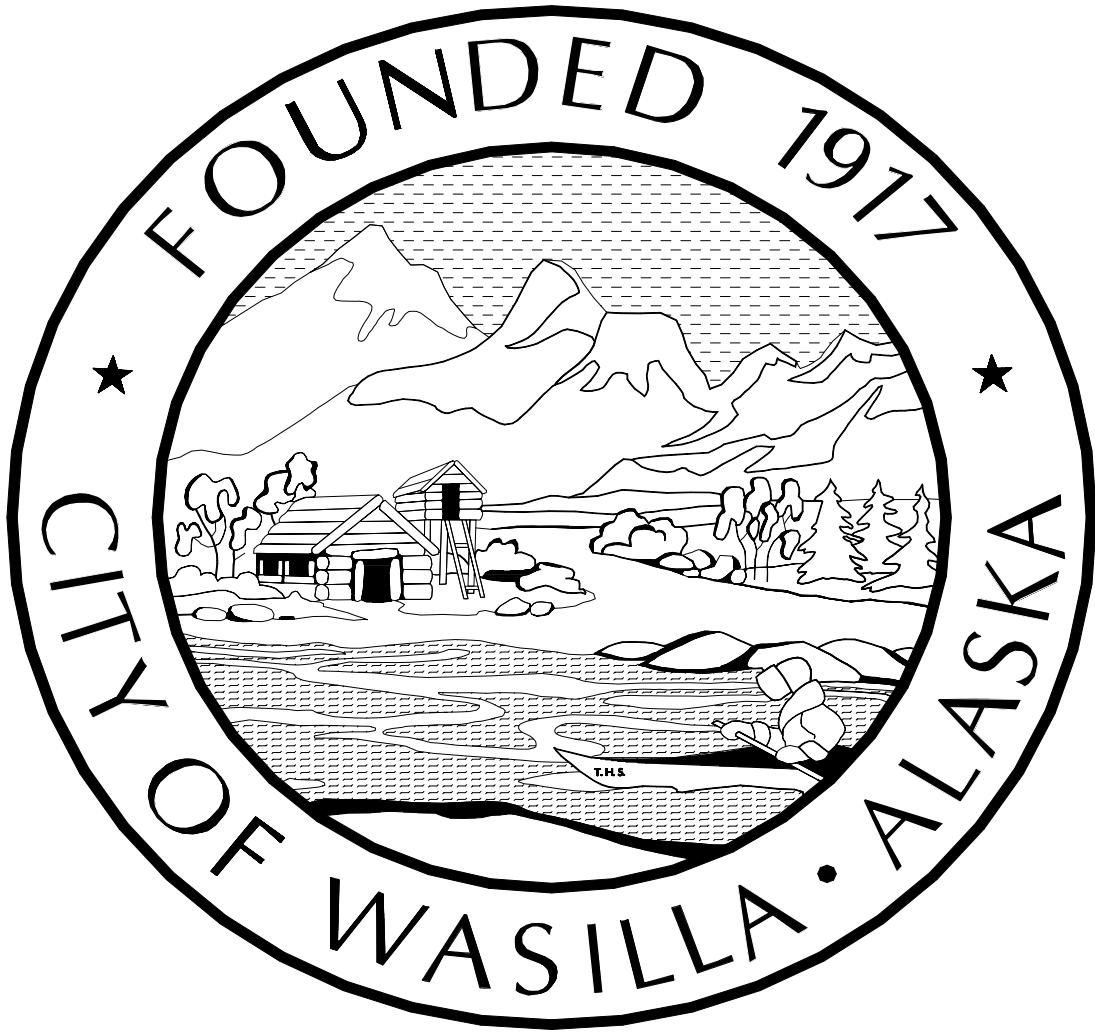
BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Bond Principal	3,954	3,954	3,954	-	3,954	0.00%
Bond Interest	8,093	7,851	7,609	-	3,046	-59.97%
Total	\$ 12,047	\$ 11,805	\$ 11,563	\$ -	\$ 7,000	-39.46%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	\$ 341	\$ 93	\$ 350	\$ 43	\$ 100	-71.43%
Special Assessment Revenue	20,073	17,411	15,000	341	5,000	-66.67%
Total	\$ 20,414	\$ 17,504	\$ 15,350	\$ 384	\$ 5,100	-66.78%

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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Gas LIDS	\$ -	\$ 13,167	\$ -	\$ -	\$ -	0.00%
Total	\$ -	\$ 13,167	\$ -	\$ -	\$ -	0.00%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Free Main Allowances	-	13,167	-	-	-	0.00%
Total	\$ -	\$ 13,167	\$ -	\$ -	\$ -	0.00%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	\$ 167	\$ 43	\$ 200	\$ 356	\$ 400	100.00%
Free Main Allow. Reimb.	3,919	5,665	-	-	-	-100.00%
Total	\$ 4,086	\$ 5,708	\$ 200	\$ 356	\$ 400	100.00%

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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	F.Y 2006 BUDGET	% Over Last Year
Paving LID's	\$ 322,925	\$ 212,707	\$ 320,542	\$ 130,528	\$ 121,333	-62.15%
Total	\$ 322,925	\$ 212,707	\$ 320,542	\$ 130,528	\$ 121,333	-62.15%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	F.Y 2006 BUDGET	% Over Last Year
Bond Principal	155,679	301,875	280,515	100,779	104,005	-62.92%
Bond Interest	40,070	47,961	40,027	29,749	17,328	-56.71%
Total	\$ 195,749	\$ 349,836	\$ 320,542	\$ 130,528	\$ 121,333	-62.15%

Summary Of Resources

BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	\$ 1,738	\$ 377	\$ 5,000	\$ 3,243	\$ 5,000	0.00%
Special Assessment Rev.	218,382	284,131	180,000	154,440	100,000	-44.44%
Total	\$ 220,120	\$ 284,508	\$ 185,000	\$ 157,683	\$ 105,000	-43.24%

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 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Bond Guarantee	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

BY CATEGORY	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Bond Principal	-	-	-	-	-	0.00%
Bond Interest	-	-	-	-	-	0.00%
Total	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

Summary Of Resources

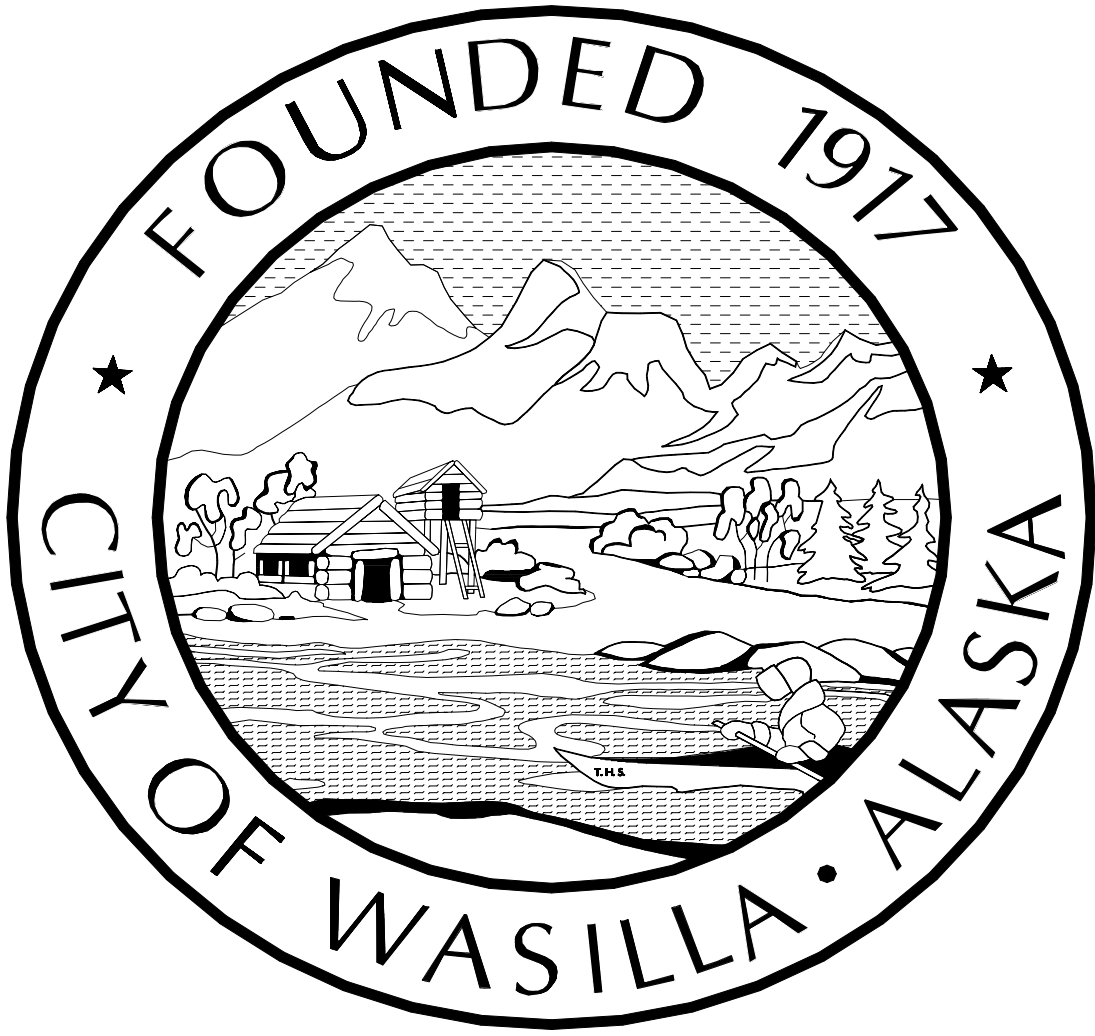
BY RESOURCE	F.Y 2003 ACTUAL	F.Y 2004 ACTUAL	F.Y 2005 BUDGET	ACTUAL F.Y 2005 3/31/2005	PROPOSED F.Y 2006 BUDGET	% Over Last Year
Interest Earnings	-	-	900	340	600	-33.33%
Total	\$ -	\$ -	\$ 900	\$ 340	\$ 600	-33.33%

Personnel (Full-time Equivalents)

N/A

Performance Indicators

N/A



CAPITAL PROJECT IMPROVEMENT PLAN

Introduction

One of the primary responsibilities of local government is to preserve, maintain, and improve its community's stock of public buildings, roads, parks, water and sewer facilities, and equipment. Planning for capital improvements is a matter of prudent financial management as well as a sound development practice. 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 funding appropriated in the annual budget process (see-following CIP Fund sections for breakdown). Pursuant to WMC 05.04.160, an appropriation for a capital project continues in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation is deemed abandoned if three years pass without any disbursement from the original appropriation

The list of capital projects that will be undertaken in the next fiscal year, along with a tentative list of projects anticipated to be initiated in the subsequent four years, is called a Capital Improvements Plan (CIP). The CIP is a planning document and does not authorize funding of projects. Included in the CIP are all capital expenditures projected to cost in excess of \$10,000. It is the policy of the City of Wasilla to include all projects listed in the first year of the CIP in the ensuing budget draft submitted to the City Council. Preparation of the CIP document is currently assigned to the Public Works Department. The Mayor, the City Planner and the Finance Director review all projects during the preparation of the CIP. In August 2005, a new more formal CIP process will be implemented which is based on submissions from City departments, the public and local agencies.

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

- Support City Council budget goals and initiatives;
- 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 where appropriate in order to take maximum advantage of improvements provided by other units of government.

Once a proposed CIP is completed by administration, the City Council reviews all of the existing and proposed projects, considers citizen comments 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

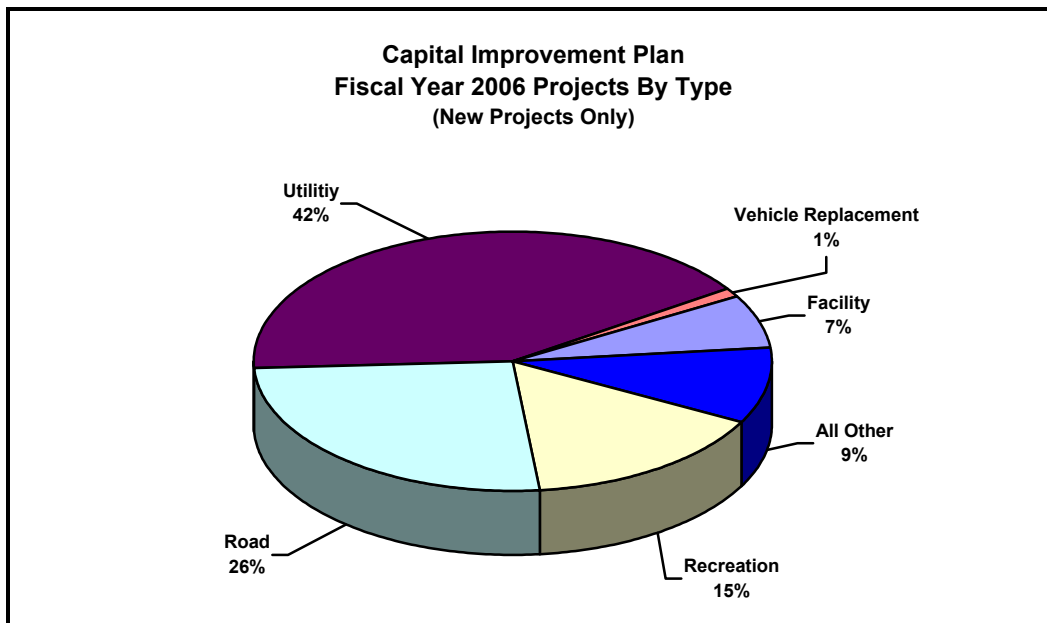
Wasilla's Five-Year CIP includes the projects the city will need to implement during the capital plan period. Potential funding sources are identified for each of the CIP project (see - detailed CIP detail project sheets). There are three types of financing techniques that the City of Wasilla utilizes to finance 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 in the CIP, the City of Wasilla anticipates completing its capital 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

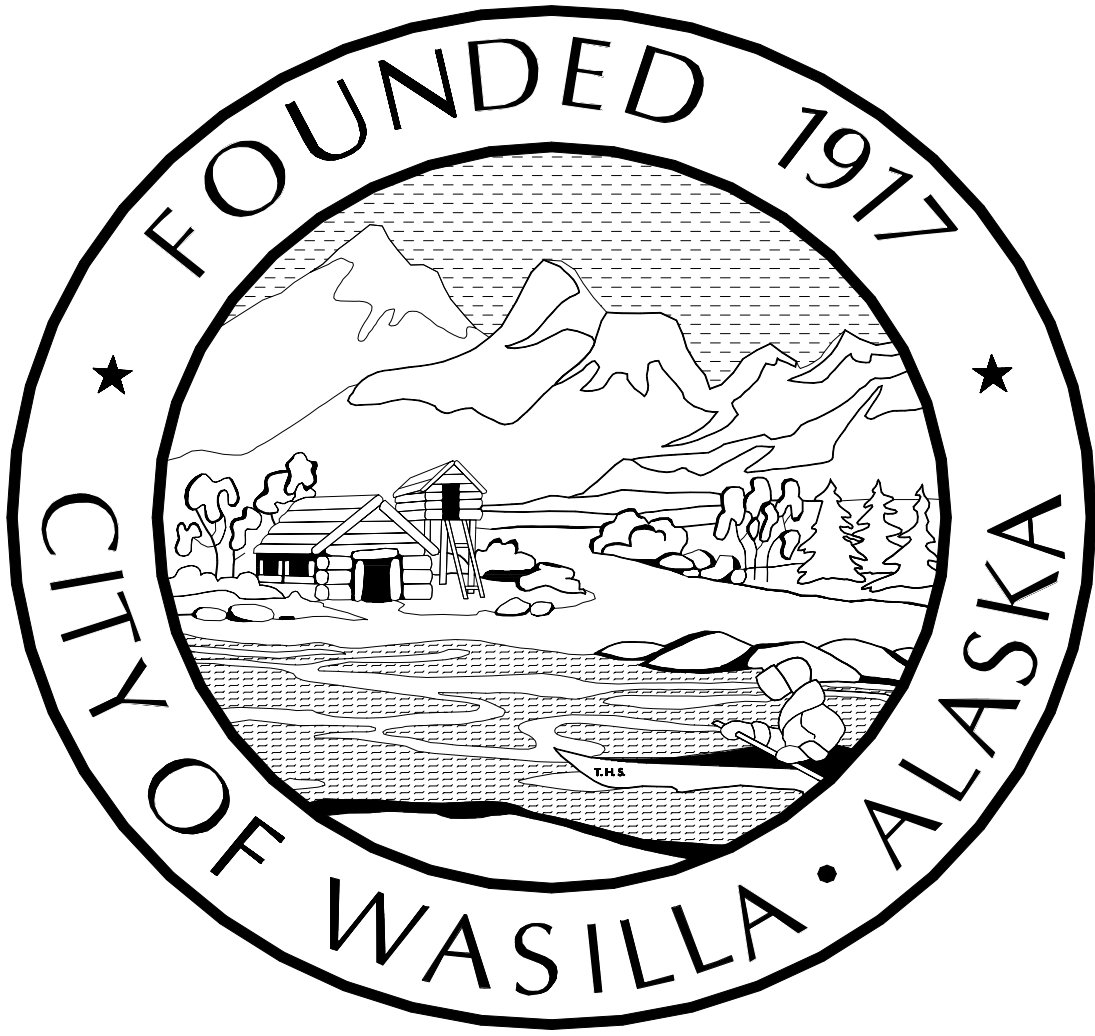
The graph below shows the breakdown of the 2006 capital projects by major category type.



In the sections following the Capital Improvement Plan description, are the capital projects listed by fund. Major capital projects are listed and a CIP detail sheet is included for each project that will have funds appropriated for the project in Fiscal Year 2006. 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	\$ 840,027	\$ 100,000	\$ 940,027
REVENUES			
Intergovernmental	7,736,643	7,454,543	15,191,186
Local Revenue	250,000	-	250,000
Other	-	-	-
Transfer In	1,328,888	458,888	1,787,776
TOTAL SOURCES OF FUNDS	\$ 9,315,531	\$ 7,913,431	\$ 17,228,962
TOTAL AVAILABLE FUNDS	\$ 10,155,558	\$ 8,013,431	\$ 18,168,989
EXPENDITURES			
Capital Outlay	9,301,643	8,004,543	17,306,186
Transfers	450,000	-	450,000
TOTAL USE OF FUNDS	\$ 9,751,643	\$ 8,004,543	\$ 17,756,186
ESTIMATED FUNDS AVAILABLE 6/30/06	\$ 403,915	\$ 8,888	\$ 412,803



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 established to account for the acquisition and construction of major capital facilities such as improvements to various city facilities and city roads and the performance of feasibility studies. [Sewer, Water, Airport and Multi-Use Sport Complex projects are included in the enterprise funds.]

VEHICLE FUND

This fund was established 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.

ROADS FUND

This fund was established to account for federal, state and local funds used for road construction.

CAPITAL PROJECT FUNDS RECAP.

	<u>CIP</u>	<u>VEHICLE</u>	<u>R. O. W.</u>	<u>ROAD</u>	<u>TOTAL</u>
ESTIMATED BEGINNING BALANCES	500,145	301,551	38,331	-	840,027
REVENUES					
Intergovernmental	3,979,143	-	-	3,757,500	7,736,643
Local Revenue	-	-	-	-	-
Other	-	-	-	250,000	250,000
Transfer In	631,388	195,000	20,000	482,500	1,328,888
TOTAL SOURCES OF FUNDS	4,610,531	195,000	20,000	4,490,000	9,315,531
TOTAL AVAILABLE FUNDS	5,110,676	496,551	58,331	4,490,000	10,155,558
EXPENDITURES					
Capital Outlay	4,601,643	190,000	20,000	4,490,000	9,301,643
Transfers Out	450,000	-	-	-	450,000
TOTAL USE OF FUNDS	5,051,643	190,000	20,000	4,490,000	9,751,643
ESTIMATED FUNDS AVAILABLE 6/30/06	59,033	306,551	38,331	-	403,915

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. The Estimated Beginning Fund Balance are reduced by these balances so that estimated beginning balance indicates what is available to be spent on current and future projects.

DEPARTMENT BUDGET SUMMARY

Capital Project Fund

Program

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

Goal

The City shall protect Wasilla citizen'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 2006

- ❑ 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 2006, specially:
 - To continue to coordinate and integrate DOT, Mat-Su Borough, Alaska Railroad, and City transportation projects.

Significant Budget Changes

The largest single appropriation for a new capital improvement item under the Capital Project Fund will be an appropriation for the Wasilla to Big Lake Trail. The amount appropriated for phase I of the project will be \$2,550,000 (total estimated project cost are \$9,000,000), which equates to 75.6 % of the Fund's appropriation. Other recreation projects account for \$123,500 (3.5% of the Fund's Budget). \$195,000 is being appropriated for major plans such as a Downtown study, Area Master Plans, Economic Development/Marketing Plan, and a Police Staffing study. The planning monies represent 6% of the budget. Another \$504,000 has been appropriated for miscellaneous facility, software and equipment projects (14.9 percent of the Fund's budget – see Fiscal Year 2006 Annual Plan for breakdown).

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 routine 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 the City of Wasilla approximately \$2,136 to maintain a new acre of park property (estimate 2 acres developed). Total estimated impact on the operating budget for the new projects budgeted in Fiscal 2006 would be approximately \$37,600 per Fiscal Year.

Capital Project Fund

Fund Balance

The Fund balance is this fund will be reduced by \$450,000. The \$450,000 reduction is due to a transfer of \$450,000 to the Road Fund for construction of City roads.

CAPITAL PROJECT FUND

	FY 03 Actual	FY 04 Actual	FY 05 Budget	F.Y. 2006 Budgeted Additions
Revenue:				
Intergovernmental	\$ 245,306	\$ 2,272,828	\$ 5,813,447	\$ 3,979,143
Local	44,186	7,787	-	-
Other	346,028	-	200,000	-
Transfers from other Funds	1,634,258	620,783	700,000	631,388
Total Revenue	\$ 2,269,778	\$ 2,901,398	\$ 6,713,447	\$ 4,610,531
Projects:				
Facility Projects:				
City Building Improvements	43,686	205,941	136,585	55,000
Street Marking Vehicle	-	-	-	55,000
Intermodal Facility	-	-	900,000	-
FTA Wasilla Bus Facility	-	-	1,240,000	-
Land Aquisition	150,075	-	19,711	-
Library Modifications	-	152,061	-	-
Police Building	34,626	120,506	78,939	25,000
South Mack Utilities	-	-	-	-
City Shop	-	-	78,505	35,000
Enclose Police Carport	-	-	-	250,000
Mobile Data Network	-	-	-	986,643
Radio Tower Improvements	-	-	-	242,500
Miscellaneous Projects:				
Miscellaneous City Projects	54,796	63,795	201,471	69,000
City Website	-	-	100,000	-
Planning/Economic Dev. Plans				
Econ. Dev/Marketing plan	-	-	-	40,000
Aerial Photo Updates	-	-	-	25,000
Area Master Plans	-	-	-	100,000
Downtown Study	-	-	-	30,000
Recreation Projects:				
Wasilla to Big Lake Trail	-	-	-	2,550,000
Bumpus Recreational Complex	30,153	-	8,246	-
Iditapark	103,700	-	114,779	68,500
Miscellaneous Projects	130,891	-	190,389	70,000
Stormwater Projects:				
Stormwater System	114,951	2,319,455	1,610,531	-
Street Projects:				
Church Road Intersection	-	79,650	145,350	-
Gravel Road Rehab	70,773	-	272,676	-
Miscellaneous Road Projects	400,339	91,469	320,074	-
Traffic Signs	16,545	-	43,455	-
South Mack Drive	559,184	223,471	1,920,263	-
Transfers to Other Funds	13,000	7,000	13,246	450,000
Total Project Expenditures	\$ 1,722,719	\$ 3,256,348	\$ 7,394,220	\$ 5,051,643

* **Bolded project in Fy 06 Column designated as major projects. CIP project sheets are included showing breakdown.**

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 To purchase a self propelled striper for street markings. Contracting this activity costs the city between \$15,000 and \$20,000 annually. Street markings typically where off in a year's time. Scheduling this work with contractors is difficult due to their limited resources. This purchase will pay for itself in 3 years and allow the city to begin each spring with new street markings.

Impact on Operating Budget:
 Cost of operating vehicle is projected to be approximately \$6,500 per year.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	55,000	-	-	-	-	55,000
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	55,000	-	-	-	-	55,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

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 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	25,000	-	-	-	-	25,000
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	225,000	-	-	-	-	225,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-	125,000	-	-	-	-	125,000
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 This project will provide a mobile computer wireless network system that will allow patrol officers access to the computer network. The project includes all in car equipment, radio tower repeaters, and support equipment at the police department.

Impact on Operating Budget:
 \$20,000 annually

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	\$616,480	-	-	-	-	616,480
Other Services	-	-	-	370,163	-	-	-	-	370,163
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 986,643	\$ -	\$ -	\$ -	\$ -	\$ 986,643

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 986,643	\$ -	\$ -	\$ -	\$ -	\$ 986,643
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 986,643	\$ -	\$ -	\$ -	\$ -	\$ 986,643

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

A new tower is needed to install radio antenna that are currently on the rooftop of the police building. The antenna installation is not adequate for high winds due to the limited structural capacity of the roof. In addition, roof penetrations are causing maintenance problems on the roof. Once the antenna are mounted on a tower designed for high wind, a new roof membrane will be installed on the police building. This project also includes repeaters for the new tower, repeaters for the existing tower on the Spruce Avenue Reservoir, and improvements to the Spruce Ave tower.

Impact on Operating Budget:

\$2,000 annually

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	\$242,500	-	-	-	-	242,500
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 242,500	\$ -	\$ -	\$ -	\$ -	\$ 242,500

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 242,500	\$ -	\$ -	\$ -	\$ -	\$ 242,500
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 242,500	\$ -	\$ -	\$ -	\$ -	\$ 242,500

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2006
Through Fiscal Year 2010

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This project pertains to marketing and promotion of Wasilla and increase awareness (branding) of the city being a year-a-round (365-day) tourism & cultural destination and commercial destination in the Matanuska-Susitna Borough. This project would include doing an economic impact study of the major events that are held in the City such as the Iditarod, Jr. Iditarod, the Iron Dog race, and other major events. The project would identify ways to reestablish and improve city's identify and brand as the home of many major Alaskan events such as the Iditarod and the Iron Dog through collaboration with major event organizers, businesses and citizens in the city. The study would also investigate ways on how to promote the City as a year-a-round tourist destination and commercial destination and how to implement the marketing strategy once it is developed.

The project would also include hiring a consultant to provide for the professional design and layout of economic information, demographic information, and marketing materials regarding the City. The cost of printing these materials would also covered by this funding.

Impact on Operating Budget:

It is estimated that if the project is successful, it will promote increased tourism which will result in more tourism dollars and consumer dollars to the City's businesses and also result in City businesses increasing the number of employees that they employ. The increased business in the City and increased number of jobs in the City will have a positive impact on the amount of Sales tax revenue generated in the City. An accurate estimated of the increased sales tax revenue can not be projected until the study and plan are completed.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	40,000	20,000	20,000	20,000	-	100,000
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 100,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	\$40,000	\$20,000	\$20,000	20,000	-	100,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 100,000

Cost Beyond 5-Year

Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

The rapid rate of growth being experienced by Wasilla creates a need for constantly updating information of the type found on aerial photographs. Large scale aerial photos are useful for planning projects and for preparing presentations. Aerial photographs are also a good economic development tool as they can answer questions that potential businesses may have on land vacancy rates and on what surrounding land uses may be adjacent to specific tracts of land.

Impact on Operating Budget:

none

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	25,000	25,000	25,000	25,000	25,000	125,000
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	25,000	25,000	25,000	25,000	25,000	125,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000

Cost Beyond 5-Year

Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 There are approximately 320 acres in the commercial area bounded by the Parks Highway, the Palmer-Wasilla Highway Extension and Knik-Goose Bay Road that are open for development. Interest in this area is high and the City has a limited window of opportunity in which to develop a master plan to guide development of interior roads and other infrastructure. During a preliminary meeting with the property owners within this area in September 2004, there was positive support for development of such a master plan. The existing Transportation Museum, Wasilla Airport development and industrial area should develop an integrated master plan to maximize development potential in this area. Potentials include construction of a new intermodal facility along the ARRC tracks and a road connecting the Airport and Museum to the Parks Highway via S. Mack Drive.

Impact on Operating Budget:

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	100,000	50,000	-	-	-	150,000
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 150,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	\$100,000	\$50,000	-	-	-	150,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 150,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 The Downtown Planning Study will evaluate current land use patterns in the downtown area, evaluate the potential for improvements to the pedestrian circulation system, research other potential visual enhancements for the downtown area, and recommend funding methods for any recommended improvements.

Impact on Operating Budget:
 none

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	30,000	40,000	-	-	-	70,000
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 30,000	\$ 40,000	\$ -	\$ -	\$ -	\$ 70,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
State:	-	-	-	-	40,000	-	-	-	40,000
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	30,000	-	-	-	-	30,000
Totals	\$ -	\$ -	\$ -	\$ 30,000	\$ 40,000	\$ -	\$ -	\$ -	\$ 70,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This project will evaluate alternative routes from the Sports Complex to Big Lake. Public meetings will be held and alternatives considered in coordination with the Borough to determine the route with the least environmental impact. Routes to be considered are 1) along the Parks Highway; 2) along Lucille Creek and; 3) along Knik Goose Bay Road. This trail will be constructed to allow for both motorized and ono-motorized uses. This trail could support the Iditarod Restart, if the Knik-Goose Bay Road route is selected.

Impact on Operating Budget:

none until completed.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	2,000,000	-	-	-	-	2,000,000
Design Services	-	-	-	550,000	50,000	-	-	-	600,000
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	2,000,000	4,400,000	-	6,400,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 2,550,000	\$ 50,000	\$ 2,000,000	\$ 4,400,000	\$ -	\$ 9,000,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 500,000	-	\$ 2,000,000	\$ 2,200,000	\$ -	\$ 4,700,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-	2,000,000	-	-	2,200,000	-	4,200,000
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	\$50,000	\$50,000	-	-	-	100,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 2,550,000	\$ 50,000	\$ 2,000,000	\$ 4,400,000	\$ -	\$ 9,000,000

Cost Beyond 5-Year Program:

DEPARTMENT BUDGET SUMMARY

Vehicle Fund

Program

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

Goal

The City shall purchase needed vehicles for the departments at the best price available. The goal is 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 2006

- To continue to purchase vehicle replacements for the city's aging fleet at the best price possible.

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

	FY 03 Actual	FY 04 Actual	FY 05 Budget	F.Y. 2006 Budgeted Additions
Revenue:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Local	1,520	397	-	-
Other	-	-	-	-
Transfers from other Funds	145,000	145,000	155,000	195,000
Total Revenue	\$ 146,520	\$ 145,397	\$ 155,000	\$ 195,000
Projects:				
Police Vehicle Replacements	\$ 55,869	\$ 82,032	\$ 90,000	\$ 105,000
Mobile Equipment	65,535	115,657	65,000	85,000
Transfers to Other Funds	-	-	-	-
Total Project Expenditures	\$ 121,404	\$ 197,689	\$ 155,000	\$ 190,000

* Bolded project in Fy 06 Column designated as major projects. CIP project sheets are included showing breakdown.

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2006
Through Fiscal Year 2010

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:
FY06 will purchase 3 new police vehicles. Two will be replacement vehicles and one will be a new vehicle for the newly created School Resource Officer position.

Impact on Operating Budget:
The operating impact of replacing the two old vehicles will be approximately \$2,000 in less maintenance and the operating impact of adding one new vehicle will be \$3,500. Net impact on the operating budget will be approximately \$1,500.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	\$105,000	-	-	-	-	105,000
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ 105,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	\$105,000	-	-	-	-	105,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ 105,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

FY06 will purchase 3 new service pickups.

Impact on Operating Budget:

Savings on Maintenance of replacing vehicles will offset new operating cost.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	85,000	-	-	-	-	85,000
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
State:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	65,000	-	-	-	-	65,000
Veh. Fund's Fund Bal.	-	-	-	20,000	-	-	-	-	20,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000

Cost Beyond 5-Year Program:

DEPARTMENT BUDGET SUMMARY

Right of Way Fund

Program

This fund was setup to account for the acquisition of needed right-of-ways for city operations.

Goal

The City shall provide long-term funding for the acquisition of needed right-of-way for city operations.

Objectives for Fiscal Year 2006

- 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

	FY 03 Actual	FY 04 Actual	FY 05 Budget	F.Y. 2006 Budgeted Additions
Revenue:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Local	153	48	673	-
Other	-	-	-	-
Transfers from other Funds	-	-	-	20,000
Total Revenue	\$ 153	\$ 48	\$ 673	\$ 20,000
Projects:				
Easements	\$ -	\$ -	\$ -	\$ 20,000
Transfers to Other Funds	-	-	-	-
Total Project Expenditures	\$ -	\$ -	\$ -	\$ 20,000

* Boded project in Fy 06 Column designated as major projects. CIP project sheets are included showing breakdown.

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:
 This project will provide funding to purchase easements for roads and utilities for future projects.

Impact on Operating Budget:
 none

Project Cost Summary

Expenditure Category:

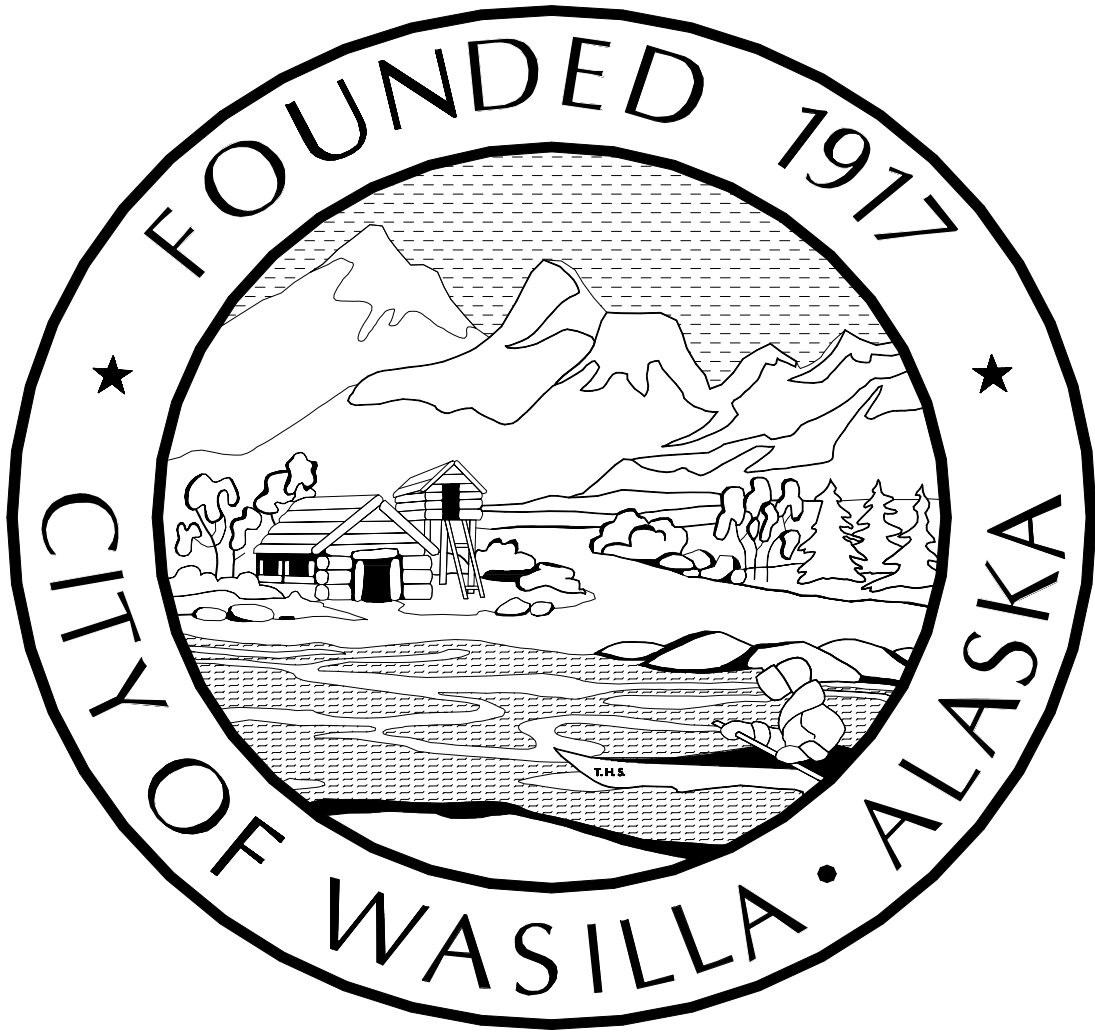
	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
Land	-	-	-	20,000	50,000	50,000	50,000	50,000	220,000
Design Services	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 20,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 220,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	-	-	-	\$ -	-	\$ -
State:	-	-	-	-	-	-	-	-	-
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	\$20,000	\$50,000	\$50,000	50,000	50,000	220,000
Totals	\$ -	\$ -	\$ -	\$ 20,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 220,000

Cost Beyond 5-Year Program:



DEPARTMENT BUDGET SUMMARY

Roads Fund

Program

This fund was setup to account for federal, state and local funds used for road construction.

Goal

The City shall construct and improve roads within the Wasilla city limits to enhance public safety and the quality of life of residents and visitors.

Objectives for Fiscal Year 2006

- To pave 14 miles of collector and neighborhood roads over the next two fiscal years and another 7 miles of neighborhood roads over fiscal years 2008 through 2010.

Significant Budget Changes

The road fund was created to account for funds use to construct roads. Over \$4,490,000 of monies is being allocated to road studies and road paving in FY 06.

Impact on Operating Budget

Projects will increase road maintenance by approximately \$8,000 per year.

ROAD FUND

	FY 03 Actual	FY 04 Actual	FY 05 Budget	F.Y. 2006 Budgeted Additions
Revenue:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 3,757,500
Local	-	-	-	-
Other	-	-	-	250,000
Transfers from other Funds	-	-	-	482,500
Total Revenue	\$ -	\$ -	\$ -	\$ 4,490,000
Projects:				
Street Projects:				
City Road Paving	-	-	-	2,015,000
Crusey & Lucus Improvements	-	-	-	350,000
E. Susitna Ext. Study/Road Cost.	-	-	-	125,000
Wasilla Alternative Corridor Study	-	-	-	2,000,000
Transfers to Other Funds	-	-	-	-
Total Project Expenditures	\$ -	\$ -	\$ -	\$ 4,490,000

* **Bolded project in Fy 06 Column designated as major projects. CIP project sheets are included showing breakdown.**

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This project is a continuation of the City's Gravel to Asphalt program where the city currently has approximately 60 miles of roads with approximately 50 percent of the roads paved. Local collector roads will be funded 100 percent by the city, and neighborhood roads will be funded through the LID process where homeowners may pay up to one-third of the cost. This program will pave approximately 70 percent (21 miles) of the existing gravel roads in the next 5 years.

Impact on Operating Budget:

An increase asphalt maintenance is offset by reduced summer grader maintenance. Winter maintenance for snow removal is unaffected.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	100,000	50,000	50,000	50,000	50,000	300,000
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	\$1,915,000	\$375,000	\$375,000	375,000	375,000	3,415,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 2,015,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 3,715,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:									
Earmark	\$ -	\$ -	\$ -	\$ 1,000,000	-	\$ -	\$ -	\$ -	\$ 1,000,000
MSB Reimbursement	-	-	-	300,000	200,000	200,000	200,000	200,000	1,100,000
State:									
	-	-	-	-	-	-	-	-	-
Local:									
Capital Fund Balance	-	-	-	450,000	-	-	-	-	450,000
Operating Transfers	-	-	-	15,000	100,000	100,000	100,000	100,000	415,000
LID Bonds	-	-	-	250,000	125,000	125,000	125,000	125,000	750,000
Totals	\$ -	\$ -	\$ -	\$ 2,015,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 3,715,000

Cost Beyond 5-Year

Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

These projects are on the DOT Statewide Transportation Improvements Program (STIP) list where the City has committed to funding 5 percent of the projects to accelerate their schedules. These projects will be constructed by DOT. Crusey Street will be expanded to 5 lanes. Lucus Road will remain a 2-lane facility with improved grades, wider shoulders, and a bikepath. These projects are being designed together to be bid under one contract by the State.

Impact on Operating Budget:

\$5,000 annually for snow removal when complete.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	-	-	-	350,000	600,000	-	-	-	950,000
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	4,500,000	-	-	4,500,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 350,000	\$ 600,000	\$ 4,500,000	\$ -	\$ -	\$ 5,450,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ -	-	-	\$ -	-	\$ -
State:	-	-	-	332,500	570,000	4,275,000	-	-	5,177,500
Local:	-	-	-	-	-	-	-	-	-
Operating Transfers	-	-	-	\$17,500	\$30,000	\$225,000	-	-	272,500
Totals	\$ -	\$ -	\$ -	\$ 350,000	\$ 600,000	\$ 4,500,000	\$ -	\$ -	\$ 5,450,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This project will extend E. Susitna Avenue to the Palmer-Wasilla Highway that will provide an alternate access for the new housing development being constructed across the railroad tracks from Wasilla Lake at the end of E. Susitna Avenue. Without this extension, all the new traffic from the housing project will enter and exit off of Knik-Goose Bay Road adding to the congestion near Main Street. This project will utilize the new road constructed by Home Depot. The road will have a moderate design challenge in traversing the hill, however, the city engineer has determined that a road along this route is feasible.

Impact on Operating Budget:

\$3,000 annually.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-	-	-		-	-	-
Design Services	-	-	-	125,000	-		-	-	125,000
Engineering	-	-	-	-	-		-	-	-
Construction	-	-	-	-	1,000,000		-	-	1,000,000
Equipment	-	-	-	-	-		-	-	-
Other Services	-	-	-	-	-		-	-	-
Contingency	-	-	-	-	-		-	-	-
Totals	\$ -	\$ -	\$ -	\$ 125,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,125,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -		\$ 1,000,000		\$ -		\$ 1,000,000
	-	-	-	-	-		-	-	-
State:	-	-	-	125,000	-		-	-	125,000
	-	-	-	-	-		-	-	-
Local:	-	-	-	-	-		-	-	-
Operating Transfers	-	-	-	-	-		-	-	-
Totals	\$ -	\$ -	\$ -	\$ 125,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,125,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This project will perform preliminary engineering and begin the environmental impact analysis for an alternative highway corridor for Wasilla. The Parks Highway corridor will not provide enough capacity for through traffic in the future. Another highway corridor is needed if Wasilla wants to avoid grid-lock. This project will be needed regardless of the Knik-Arm Crossing Bridge Project.

Impact on Operating Budget:

none

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-						-
Design Services	-	-	-						-
Engineering	-	-	-	2,000,000	-	-	-	-	2,000,000
Construction	-	-	-						-
Equipment	-	-	-				-	-	-
Other Services	-	-	-						-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 2,000,000					\$ 2,000,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-						-
	-	-	-						-
Local:	-	-	-						-
Operating Transfers	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000

Cost Beyond 5-Year Program:

ENTERPRISE CAPITAL PROJECTS

ENTERPRISE CAPITAL PROJECTS

Capital Improvement projects for water, sewer, airport and the sports complex 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	\$ 100,000	\$ -	\$ -	\$ 100,000
Revenue				
Intergov. Revenue	2,694,543	3,900,000	860,000	7,454,543
Bond Proceeds	-	-	-	-
Local Revenue	-	-	-	-
Transfers	458,888	-	-	458,888
TOTAL SOURCES OF FUNDS	<u>3,153,431</u>	<u>3,900,000</u>	<u>860,000</u>	<u>7,913,431</u>
TOTAL AVAILABLE FUNDS	<u>\$ 3,253,431</u>	<u>\$ 3,900,000</u>	<u>\$ 860,000</u>	<u>\$ 8,013,431</u>
EXPENDITURES				
Capital Outlays	3,244,543	3,900,000	860,000	8,004,543
Transfers	-	-	-	-
TOTAL USE OF FUNDS	<u>\$ 3,244,543</u>	<u>\$ 3,900,000</u>	<u>\$ 860,000</u>	<u>\$ 8,004,543</u>
Estimated Funds Available 6/30/05	<u>\$ 8,888</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,888</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. The estimated beginning fund balance is reduced by unexpended appropriations to reflect estimated beginning balances that are available to be appropriated.

DEPARTMENT BUDGET SUMMARY

Utility Capital Projects (Included in Utility Enterprise Fund)

Program

This fund was setup to account for capital improvements for the Utility Fund.

Goal

The City shall protect Wasilla citizen'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 2006

- ❑ To administer professional and construction contracts in a manner consistent with appropriate legal requirements, City polices, 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 to Mission Hills and east towards Trunk road.

Significant Budget Changes

The significant share of new capital expenditures will be for three projects that are projected to continue expansion of the City's water Lines and water reservoir capacity. These projects include connecting Mission Hills to our mains system; extend water utility line to Garden Terrace, and completing Phase III of the Palmer/Wasilla Highway Water Improvements. The funding for these three projects will be 87% of the utility capital fund budget. \$250,000 will be appropriated to complete a long-range study of water and sewer needs in the Matanuska-Susitna Borough Core area (8% of the utility's capital budget). Another \$160,000 has been appropriated for miscellaneous water and sewer projects (5% of the utility's capital budget).

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 will \$22,000 annually for future Fiscal Years.

UTILTIY CAPITAL PROJECTS

	<u>FY 03 Actual</u>	<u>FY 04 Actual</u>	<u>FY 05 Budget</u>	<u>F.Y. 2006 Budgeted Additions</u>
Revenue:				
Intergovernmental	\$ 312,965	\$ 1,594,302	\$ 2,832,108	\$ 2,694,543
Local	-	-	-	-
Other	361,895	10,199	-	-
Transfers from other Funds	626,960	622,888	925,000	458,888
Total Revenue	\$ 1,301,820	\$ 2,227,389	\$ 3,757,108	\$ 3,153,431
Projects:				
Sewer Projects				
Lucille Street Sewer Extension	23,165	-	-	-
Miscellaneous Projects	260,458	108,973	201,755	15,000
Sewer Building			65,504	60,000
Sewer Plant Expansion	52,525	12,533	1,037,467	-
South Mack Sewer Extension	39,399	349,707	9,634	-
Water Projects				
Bumpus Well Reservoir	1,238,062	2,568,579	45,000	-
Core Area Water-Sewer Master Plan	-	-	-	250,000
Emergency Water Source	93,117			
Garden Terrace Extension	-	-	282,375	1,974,543
Lucille Street Water Extension	32,291	-	-	-
Mapping GPS Upgrades	6,945	-	77,282	-
Miscellaneous Projects	266,600	67,617	197,141	75,000
Mission Hills Water Extension				500,000
Palmer/Was PH II Extension	73,816	272,624	1,036,963	-
Palmer/Was PH III Extension	-	-	1,376,584	360,000
Parks West Ext.	312,500			
Remote Meter Replacement	38,580		33,207	10,000
South Mack Water Extension	84,462	957,118	25,817	-
Total	\$ 2,521,920	\$ 4,337,151	\$ 4,388,729	\$ 3,244,543

*Note: Difference between revenues and expenditures is due to substantial amounts of construction projects funded by \$3,740,590 of loan proceeds received at end of Fiscal Year 02.

* Bolded project in Fy 06 Column designated as major projects. CIP project sheets are included showing breakdown.

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This project will study long range water and sewer planning for the Borough's Core area. The study will investigate groundwater potential to serve the area over the next 50 years and sewer treatment plant locations that will serve the estimated population by 2055.

Impact on Operating Budget:

none

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-						-
Design Services	-	-	-						-
Engineering	-	-	-						-
Construction	-	-	-						-
Equipment	-	-	-						-
Other Services	-	-	-	250,000					250,000
Contingency	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 250,000					\$ 250,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-						-
	-	-	-						-
Local:	-	-	-						-
Operating Transfers	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2006
Through Fiscal Year 2010

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This project will extend the water utility east towards Trunk Road in the city's water service area, outside the city limits to a subdivision of 50 homes that is running of water. The expanded customer base will help the utility's annual financial statement. This extension will also allow "The Ranch", a new adjacent subdivision to be connected to the city utility in the future.

Impact on Operating Budget:

Increase in operating cost (\$5,000) will be less than the estimated revenue (\$20,000) generated by the customers. Also revenue will be increased in the future due to the ability of the City to provide water to other developments beyond Garden Terrace. It is projected that this revenue will be substantial in the future (i.e. projections range from \$90,000 and higher per Fiscal year).

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-	30,000					30,000
Design Services	90,000	90,000	-						90,000
Engineering	-	-	-	120,000	-				120,000
Construction	192,375	127,392	64,983	1,824,543					2,016,918
Equipment	-	-	-						-
Other Services	-	-	-						-
Contingency	-	-	-						-
Totals	\$ 282,375	\$ 217,392	\$ 64,983	\$ 1,974,543	\$ -	\$ -	\$ -	\$ -	\$ 2,256,918

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -	\$ 919,543					\$ 919,543
	-	-	-	-	-	-	-	-	-
State:	-	-	-	1,025,000					1,025,000
	-	-	-	-	-	-	-	-	-
Local:									
Operating Transfers	\$207,375	-	90,000	\$30,000					237,375
Mat-Su Borough	75,000	-	75,000						75,000
	-	-	-						-
Totals	\$ 282,375	\$ -	\$ 165,000	\$ 1,974,543	\$ -	\$ -	\$ -	\$ -	\$ 2,256,918

Cost Beyond 5-Year

Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2006
Through Fiscal Year 2010

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This project will extend the water utility west to Mission Hills subdivision. This subdivision is on its own well and storage tank, and it is owned and operated by the City. This system has low level arsenic in the water that currently meets drinking water standards. However, if the standard is reduced, then the water would need to be treated for arsenic. The Bumpus Well and Reservoir were designed to serve this subdivision to avoid potentially having to treat the Mission Hills well water. This project will also provide fire flow to the residents.

Impact on Operating Budget:

none

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-	10,000					10,000
Design Services	-	-	-	85,000					85,000
Engineering	-	-	-		-				-
Construction	-	-	-	405,000	300,000				705,000
Equipment	-	-	-				-		-
Other Services	-	-	-						-
Contingency	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 500,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 800,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -		\$ 200,000				\$ 200,000
	-	-	-	-	-	-	-	-	-
State:	-	-	-	500,000					500,000
	-	-	-	-	-	-	-	-	-
Local:									
Operating Transfers	-	-	-		\$100,000				100,000
	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ -	\$ -	\$ 500,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 800,000

Cost Beyond 5-Year Program:

City Of Wasilla
Capital Improvement Project Detail
Fiscal Year 2006
Through Fiscal Year 2010

Project Title:

Project Number:
(Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
(Assigned By Administration)

Project Narrative:

This project will create the upper pressure zone along the Palmer-Wasilla Highway as listed in the water utility master plan. This project will construct a 0.85 million gallon reservoir in FY06, and be followed by a new well and booster station in FY07. The upper pressure zone will be between Glennwood Avenue and Palmer-Wasilla Highway extension overpass on both sides of the highway. While the booster station will serve all development in the new pressure zone, the reservoir will remain at the static pressure of the downtown system providing redundancy for the rest of the water utility. The reservoir will also allow water extensions farther east along the Parks Highway, and farther south along Knik-Goose Bay Road.

Impact on Operating Budget:

\$15,000 annually

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ 5,000
Land	142,000	142,000	-						142,000
Design Services	85,000	85,000	-		100,000				185,000
Engineering	-	-	-		-				-
Construction	1,086,075	418,006	668,069	360,000	1,150,000				2,596,075
Equipment									
Other Services	-	-	-						-
Contingency	-	-	-						-
Totals	\$ 1,318,075	\$ 650,006	\$ 668,069	\$ 360,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,928,075

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ 314,202	\$ 15,000	\$ 299,202						\$ 314,202
	-	-	-						-
State:	378,873	25,400	\$ 353,473		1,000,000				1,378,873
	-	-	-						-
Local:									
Operating Transfers	\$625,000	\$609,606	\$ 15,394	\$250,000	\$250,000				1,125,000
Capital Reserve	-	-	-	110,000	-				110,000
Totals	\$ 1,318,075	\$ 650,006	\$ 668,069	\$ 360,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,928,075

Cost Beyond 5-Year Program:

DEPARTMENT BUDGET SUMMARY

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

Program

This fund was setup to account for capital improvements for the Airport Fund.

Goal

The City shall protect 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 2006

- To increase number of tie down spaces available by 100 in FY 06 - FY 07.

Significant Budget Changes

N/A

Impact On The Operating Budget

\$10,000 per fiscal year for snow removal and maintenance for additional runway.

AIRPORT FUND

	FY 03 Actual	FY 04 Actual	FY 05 Budget	F.Y. 2006 Budgeted Additions
Revenue:				
Intergovernmental	\$ 351,113	\$ 132,547	\$ 2,618,915	\$ 3,900,000
Local	-	-	-	-
Other	-	-	-	-
Transfers from other Funds	-	82,000	90,000	-
Total Revenue	\$ 351,113	\$ 214,547	\$ 2,708,915	\$ 3,900,000
Projects:				
Airport Master Plan	\$ 93,481	\$ 24,148	\$ 15,790	
Airport Clear Zone Brushing	-	-	15,000	
Airport Security Gates	272,407	10,269	28,725	
Airport Runway Improvements	-	103,549	2,772,875	
Airport 1C, Taxiway, G/Ski Runway	-	-	-	3,900,000
Transfers to Other Funds	-	-	-	-
Total Project Expenditures	\$ 365,888	\$ 137,966	\$ 2,832,390	\$ 3,900,000

* **Bolded project in Fy 06 Column designated as major projects. CIP project sheets are included showing breakdown.**

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This is a two year project for improvements along the north end of the runway. Apron 1C will allow for additional aircraft tie-down spaces. The gravel/ski runway is needed for wheeled aircraft with tundra tires and for winter operations with ski aircraft, that will be in the vicinity of Apron 1C. The taxiway is also in the same area as Apron 1C and it is needed to improve aircraft access to new apron and gravel/ski runway.

Impact on Operating Budget:

\$10,000 annually in snow removal and maintenance which will be partially offset by new tie-down rental fees.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	-	-	-	-	-	-	-	-	-
Design Services	346,579	90,000	256,579	-	-	-	-	-	346,579
Engineering	-	-	-	-	-	-	-	-	-
Construction	-	-	-	3,900,000	-	-	-	-	3,900,000
Equipment	-	-	-	-	-	-	-	-	-
Other Services	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Totals	\$ 346,579	\$ 90,000	\$ 256,579	\$ 3,900,000	\$ -	\$ -	\$ -	\$ -	\$ 4,246,579

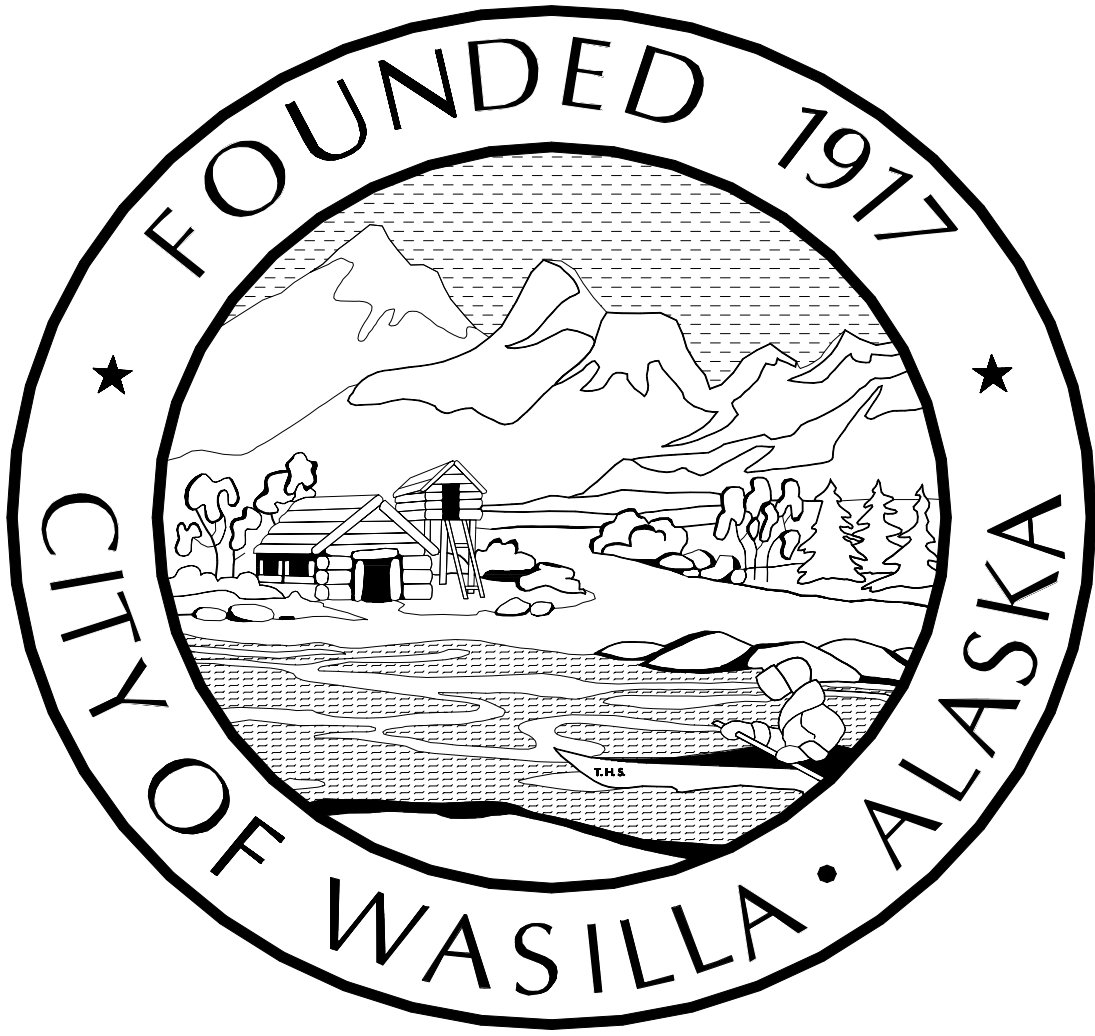
Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ 250,000	\$ -	\$ 250,000	\$ 3,800,000	-	\$ -	\$ -	\$ -	\$ 4,050,000
	-	-	-	-	-	-	-	-	-
State:	6,579	-	6,579	100,000	-	-	-	-	\$ 106,579
	-	-	-	-	-	-	-	-	-
Local:	90,000	90,000	-	-	-	-	-	-	\$ 90,000
Operating Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Totals	\$ 346,579	\$ 90,000	\$ 256,579	\$ 3,900,000	\$ -	\$ -	\$ -	\$ -	\$ 4,246,579

Cost Beyond 5-Year

Program:



DEPARTMENT BUDGET SUMMARY

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

Program

This fund was established to account for capital improvements for the Multi-Use Sports Complex (MUSC) Fund.

Goal

The City shall protect 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 2006

- To complete design and construction of the Sports Complex kitchen.
- To continue to seek funding from private foundations for funding of infrastructure projects listed in the MUSC master plan

Significant Budget Changes

The complex opened in February of 2004. In FY 06, kitchen facilities will be added and additional emergency generators capable of supporting all activities at the complex will be installed.

Impact On The Operating Budget

It is projected that the revenue generated due to the complex having a commercial kitchen will more than offset the operating cost of the kitchen. The maintenance cost of the new generators is projected to be approximately \$20,000 per year.

MULTI-USE SPORTS COMPLEX

	FY 03 Actual	FY 04 Actual	FY 05 Budget	F.Y. 2006 Budgeted Additions
Revenue:				
Intergovernmental	\$ 5,106	\$ -	\$ -	\$ 860,000
Local	313,074	327,720	-	-
Other	14,769,551	-	-	-
Transfers from other Funds	135,894	376,845	-	-
Total Revenue	\$ 15,223,625	\$ 704,565	\$ -	\$ 860,000
Projects:				
Multi-Use Sports Complex	\$ 3,011,637	\$ 12,205,713	\$ 681,177	\$ -
Commerical Kitchen Addition	-	-	-	600,000
Emergency Generators	-	-	-	260,000
Transfers to Other Funds	-	-	-	-
Total Project Expenditures	\$ 3,011,637	\$ 12,205,713	\$ 681,177	\$ 860,000

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

The Sports Complex was designed for the addition of a commercial kitchen next to the rear entrance by the turf area. The kitchen will enable the facility to hold banquets and conventions requiring food service, enhancing the facility's ability to generate revenue. The kitchen will also provide food service when the facility is used as an emergency shelter.

Impact on Operating Budget:

Revenue from the kitchen will offset maintenance costs.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-						-
Design Services	-	-	-						-
Engineering	-	-	-		-				-
Construction				500,000					500,000
Equipment				\$100,000					100,000
Other Services	-	-	-						-
Contingency	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -						-
	-	-	-						-
State:				600,000					600,000
	-	-	-						-
Local:									-
Operating Transfers	-	-	-						-
	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000

Cost Beyond 5-Year Program:

City Of Wasilla
 Capital Improvement Project Detail
 Fiscal Year 2006
 Through Fiscal Year 2010

Project Title:

Project Number:
 (Assigned By Finance Department)

Project Description:

Department/Div.:

Ranking:
 (Assigned By Administration)

Project Narrative:

This project will replace the single 100kw generator with two 350kw generators that will enable the facility to be fully operational as a shelter in a man-made or natural disaster.

Impact on Operating Budget:

Maintenance on the generators is estimated to be \$20,000 per year.

Project Cost Summary

Expenditure Category:

	Prior Budget	Project Expenditures To Date	Project Balance	Additions					Total CIP Cost
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Administration/OH	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Land	-	-	-						-
Design Services	-	-	-						-
Engineering	-	-	-						-
Construction	-	-	-						-
Equipment	-	-	-	\$260,000					260,000
Other Services	-	-	-						-
Contingency	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ 260,000

Funding Source Summary

Funding Sources:

	Prior Budget	Project Revenue To Date	Project Balance	Additions					Total CIP Funding
				Fiscal YR 2006	Fiscal YR 2007	Fiscal YR 2008	Fiscal YR 2009	Fiscal YR 2010	
Federal:	\$ -	\$ -	\$ -						\$ -
	-	-	-						-
State:	-	-	-	260,000					260,000
	-	-	-						-
Local:	-	-	-						-
Operating Transfers	-	-	-						-
	-	-	-						-
Totals	\$ -	\$ -	\$ -	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ 260,000

Cost Beyond 5-Year Program:

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 06 budget are also included at the end of this section.

**2003-2006 RECOMMENDED CITY BUDGET
PERSONNEL SUMMARY - Permanent Employees**

	<u>2003 Approved</u>	<u>2004 Approved</u>	<u>2005 Approved</u>	<u>2006 Approved</u>	<u>Difference Between FY 05 & 06*</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	-	-	-	-
	<u>2.50</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>-</u>
Mayor					
Mayor	1.00	1.00	1.00	1.00	-
Deputy Administrator	1.00	-	-	-	-
Admin. Assistant	1.00	1.00	1.00	1.00	-
	<u>3.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>-</u>
General Adm. Services					
Human Resource Assist.	0.65	1.00	1.00	1.00	-
Finance Director	0.25	0.25	0.25	0.25	-
	<u>0.90</u>	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>	<u>-</u>
Finance/MIS					
Finance Director	0.75	0.75	0.75	0.75	-
Asst Finance Director	1.00	1.00	1.00	1.00	-
Purchasing/Contract Spec.	-	-	-	0.25	0.25
Human Resource Assist.	0.35	0.25	-	-	-
Finance Clerk	4.00	4.00	4.75	4.75	-
Cashier	1.00	1.00	1.00	1.00	-
	<u>7.10</u>	<u>7.00</u>	<u>7.50</u>	<u>7.75</u>	<u>0.25</u>
Economic Development:					
Economic Dev. Director	-	1.00	1.00	1.00	-
	<u>-</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>
Police					
Police Chief	1.00	1.00	1.00	1.00	-
Deputy Chief	-	-	-	1.00	1.00
Admin. Assistant	1.00	1.00	2.00	2.00	-
Lieutenant	1.00	1.00	1.00	1.00	-
Sergeant	2.00	2.00	2.00	2.00	-
Investigator	1.00	1.00	1.00	1.00	-
Police Officer II -Acting Inv.	1.00	1.00	1.00	2.00	1.00
Police Officer II	12.00	12.00	13.00	14.00	1.00
Police Officer I	-	1.00	1.00	-	(1.00)
School Resource Officer	-	-	-	1.00	1.00
Code Compliance Officer	-	-	1.00	1.00	-
Communication Manager	-	-	1.00	1.00	-
Dispatch Supervisors	-	-	3.00	3.00	-
Dispatchers	-	6.00	11.00	14.00	3.00
Call Takers	-	-	2.00	3.00	1.00
	<u>19.00</u>	<u>26.00</u>	<u>40.00</u>	<u>47.00</u>	<u>7.00</u>

**2003-2006 RECOMMENDED CITY BUDGET
PERSONNEL SUMMARY - Permanent Employees**

	<u>2003 Approved</u>	<u>2004 Approved</u>	<u>2005 Approved</u>	<u>2006 Approved</u>	<u>Difference Between FY 05 & 06*</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>1.50</u>	<u>(1.00)</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	-	-	-
Purchasing/Contract Spec.	-	-	-	0.75	0.75
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	1.00	1.00	1.00	1.00	-
Planning:					
City Planner	1.00	1.00	1.00	1.00	-
Economic Planner	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	2.00	2.00	2.00	2.00	-
Road Tech. I	1.00	1.00	1.00	1.00	-
Property Maintenance:					
Property Tech. III	0.35	0.35	0.35	0.35	-
Property Tech. II	0.30	0.30	0.30	0.30	-
Property Tech. I	0.20	1.20	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	3.00	2.00
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>21.50</u>	<u>21.50</u>	<u>20.50</u>	<u>23.25</u>	<u>2.75</u>
Museum					
Museum Registrar	0.50	0.50	0.50	1.00	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>1.50</u>	<u>0.50</u>
Recreation Services					
Culture & Rec Svc Manager	0	0.25	0.25	0.25	0
Recreation Coord	0.50	0.50	0.50	0.50	-
	<u>0.50</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>	<u>-</u>

**2003-2006 RECOMMENDED CITY BUDGET
PERSONNEL SUMMARY - Permanent Employees**

	<u>2003 Approved</u>	<u>2004 Approved</u>	<u>2005 Approved</u>	<u>2006 Approved</u>	<u>Difference Between FY 05 & 06*</u>
Recreation Facilities Maint.					
Parks & Prop. Tech. II	0.70	0.70	0.70	0.70	-
Parks & Prop. Tech. I	1.55	1.55	1.55	1.55	-
	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>	<u>-</u>
MUSC Facility					
Culture & Rec Svc Manager	-	0.75	0.75	0.60	(0.15)
Admin Sec. II	-	1.00	1.00	1.00	-
Recreation Coord.	-	-	-	0.50	0.50
Building Supervisor	-	2.00	2.00	2.00	-
Maint. Specialist	-	1.00	1.00	1.00	-
Building Support Worker	-	2.75	2.75	2.00	(0.75)
Concessions/Cashiers*	-	3.15	3.15	2.66	(0.49)
	<u>-</u>	<u>10.65</u>	<u>10.65</u>	<u>9.76</u>	<u>(0.89)</u>
Library					
Culture & Rec Svc Manager	-	-	-	0.15	0.15
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	-
IIL 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>9.65</u>	<u>0.15</u>
Total	<u><u>69.75</u></u>	<u><u>87.40</u></u>	<u><u>100.90</u></u>	<u><u>109.66</u></u>	<u><u>8.76</u></u>

Justification for increase in staff:

Police:

3 FTE of Commission Officers:	The officers are needed to handle increased population & traffic growth.
3 FTE of Dispatchers	The dispatchers are needed to handle increased call volume.
1 FTE of Call Taker	The Call Taker is needed to handle increased call volume.

Finance/Public Works:

1 FTE of Purchasing/Contracting Spec.	The position is needed to assist departments with purchasing. Projected cost savings in more efficient purchasing of items will offset salary and benefits cost of position.
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Utilities:

2 FTE of Laborer	The laborer positions are needed to service increased number of miles of water and sewer lines.
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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 107 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.

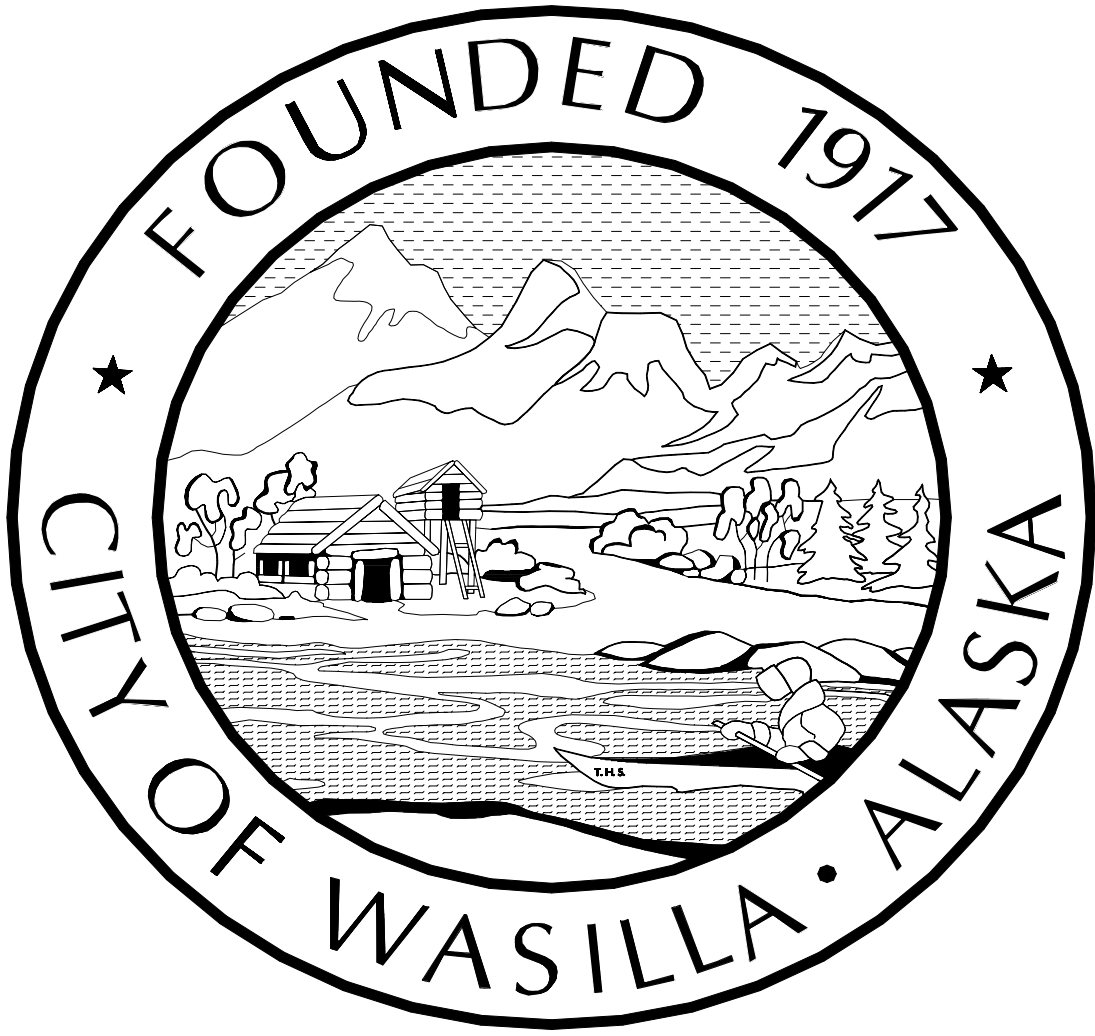
The tourist industry is becoming one the keystones of the City of Wasilla's economy along with the Mat-Su Borough's economy. The Mat-Su Borough has become a vacation spot for people living in the South Central Alaska. According to the Mat-Su Borough, hotel sales receipts have grown by over 600 percent 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

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
 2005 6,950

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 (2000 Census)

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
Home Depot
Lowe's, 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.
of water service connections 860
of Gallons produced 162,000,000
Number of miles of Water Main 41.04

Public Sewer System: Operated by City of Wasilla.
of sewer service connections 581
of Gallons treated 84,000,000
Number of miles of Sewer Main ... 19.38

Heating: Primarily piped natural gas (Privately Operated).

Police: City Of Wasilla – 23 Officers (including Police Chief)

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 0.30 mills
Mat-Su Borough Area Wide. 10.88 mills
Mat-Su Borough Fire Dist. 1.50 mills

Accommodations (Bed) Tax
Mat-Su Borough..... 5.0%

**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
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
2006*	10.880	1.500	0.300	12.680

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

* estimated - based on proposed budget.

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

FISCAL YEAR	PROPERTY TAXES	SALES TAXES	TOTAL TAXES
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
2006	\$192,175	10,890,000	11,082,175

* 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.

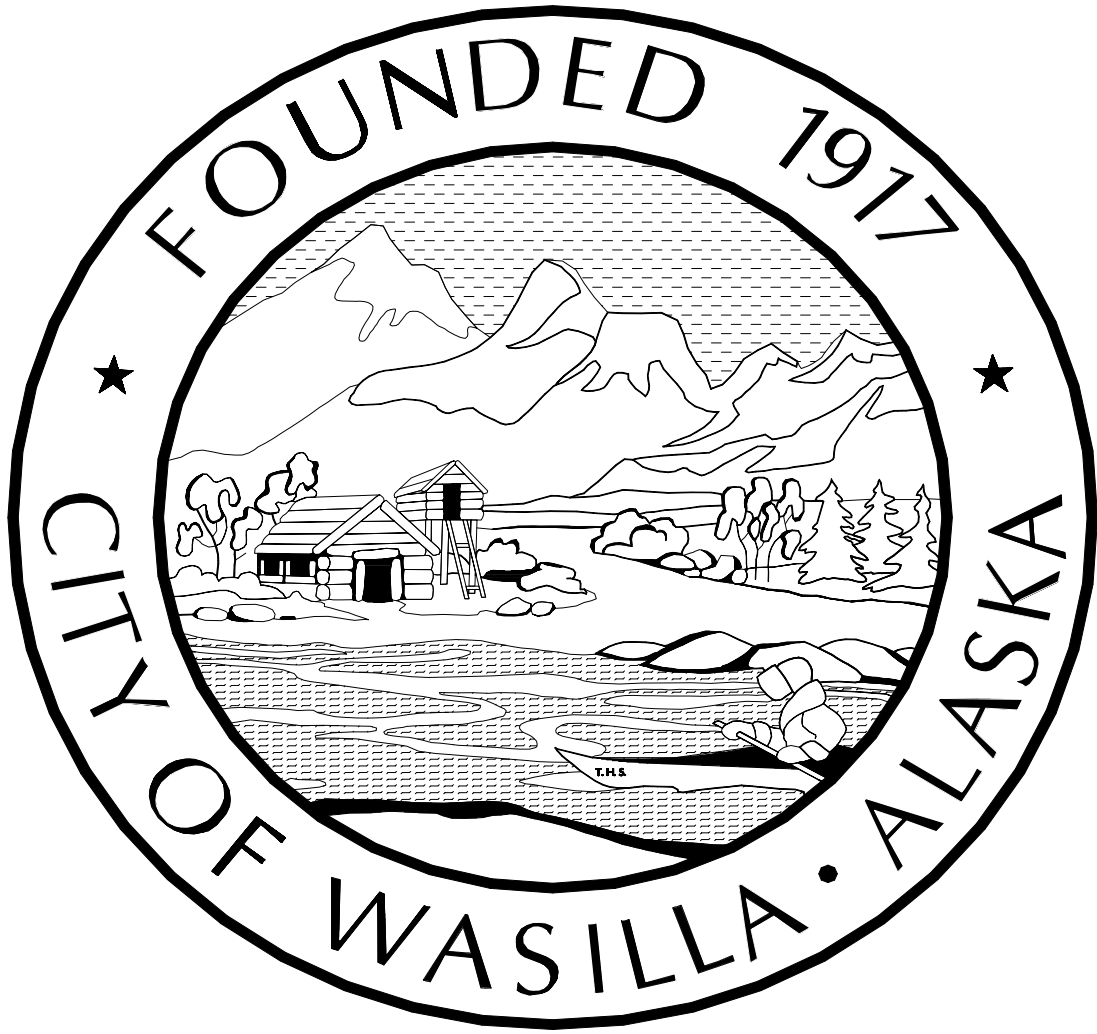
Sales Tax Projection For Next 6 Fiscal Years (Based On Analysis by Northern Economics):

2007	11,535,000
2008	12,203,000
2009	12,895,000
2010	13,611,000
2011	14,353,000
2012	15,121,000

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

<u>FISCAL YEAR</u>	<u>REAL PROPERTY</u>	<u>Exempt PROPERTY (1)</u>	<u>TOTAL ASSESSED VALUE NET OF EXEMPTIONS (1)</u>
1997	273,538,950	(28,701,850)	244,837,100
1998	299,376,085	(30,916,985)	268,459,100
1999	303,475,800	(16,606,900)	286,868,900
2000	322,482,900	(18,105,500)	304,377,400
2001	361,413,900	(19,547,200)	341,866,700
2002	381,258,900	(20,997,500)	360,261,400
2003	408,866,900	(20,905,300)	387,961,600
2004	445,441,100	(26,454,800)	418,986,300
2005	530,369,900	(29,620,227)	500,749,673
2006	681,562,200	(31,812,527)	649,749,673

- (1) This includes Disabled Vets and Senior Citizen exemptions.
Effective with Fiscal Year 1999, Personal Property was exempted from property tax.
- (2) Each Dollar of assessed value will generate .0003 of a dollar of property tax for the City of Wasilla.



**CITY OF WASILLA
 ORDINANCE SERIAL NO. 05-36(AM)**

AN ORDINANCE OF THE CITY OF WASILLA, ALASKA PROVIDING FOR THE ADOPTION OF THE ANNUAL BUDGET FOR THE FISCAL YEAR 2006 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 2006, as presented by the Mayor and introduced on May 09, 2005.

Section 3. Appropriation. There is hereby appropriated out of the revenues of the City of Wasilla, for the fiscal year beginning July 1, 2005 and ending June 30, 2006, the sum of \$17,035,962 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	\$ 393,173	Library	\$ 713,521
Administration	212,917	Youth Court	139,190
General Administration	341,001	Asset Forfeiture	-
Finance	595,111	Technology Replacement	38,000
M.I.S.	192,255	Capital Reserve	260,000
Economic Development	189,387		
Public Safety	4,451,207		
Public Works		Fiduciary Funds	
Administration	462,015	Cemetery	\$ 1,500
Roads	830,945		
Property Maintenance	473,104		
Planning	237,479		
Culture and Recreation			
Museum	141,451		
Recreation	79,743		
Recreation Fac. Maint.	521,160		
Non-Departmental			
Non-Departmental	20,000		
Transfers/Contingencies	1,915,447		
Total General Fund	\$ 11,056,395		

Section 4. Tax Levy. The rate of tax levy on each dollar assessed valuation of taxable property is fixed at .3 mills.

Enterprise Funds

Utility	
Operations & Transfers	\$ 1,192,336 *
Debt Service	348,702
Total Utility Fund	\$ 1,541,038

Airport

Operations & Transfers	\$ 140,969
Total Airport	\$ 140,969

Multi-Use Sports Complex

Operations & Transfers	\$ 828,227
Debt Service	1,725,956
Total Multi-Use Sports Complex Fund	\$ 2,554,183

*Does not include depreciation.

Debt Service Funds

1983 Sewer Assessment District	\$ 10,247
1982 Original Water Bond	17,776
1986 Southside Water District	7,000
Gas Assessment	-
General Obligation	434,810
Paving Assessments	121,333

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

ADOPTED by the Wasilla City Council on May 23, 2005.



DIANNE M. KELLER, Mayor

ATTEST:



JAMIE NEWMAN, CMC
Acting City Clerk

[SEAL]

**CITY OF WASILLA
ORDINANCE SERIAL NO. 05-49(AM)**

AN ORDINANCE OF THE WASILLA CITY COUNCIL PROVIDING FOR THE AMENDMENT OF THE FISCAL YEAR 2006 BUDGET BY APPROPRIATING FUNDS TO THE CAPITAL PROJECT AND ENTERPRISE FUNDS FOR CONSTRUCTION PROJECTS.

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

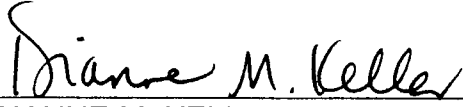
Section 2. Purpose. In accordance with WMC 05.04.140, the Wasilla City Council hereby adopts the Annual Capital Budget for the Fiscal Year 2006, as presented by the Mayor and introduced on June 13, 2005.

Section 3. Appropriation. There is hereby appropriated out of the revenues of the City of Wasilla, for the fiscal year beginning July 1, 2005 and ending June 30, 2006, the sum of \$17,756,186 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:

General Fund:		Enterprise Funds:	
Roads	\$ (15,000)	Utility Fund	\$ 3,244,543
Non-Departmental: Transfers	15,000	Airport Fund	3,900,000
		Multi-Use Sports Complex	860,000
Capital Funds:			
Capital Project	5,051,643		
Right of Way	20,000		
Vehicle	190,000		
Roads	4,490,000		

Section 4. Effective Date. This ordinance takes effect July 1, 2005.

ADOPTED, by the Wasilla City Council on June 27, 2005.



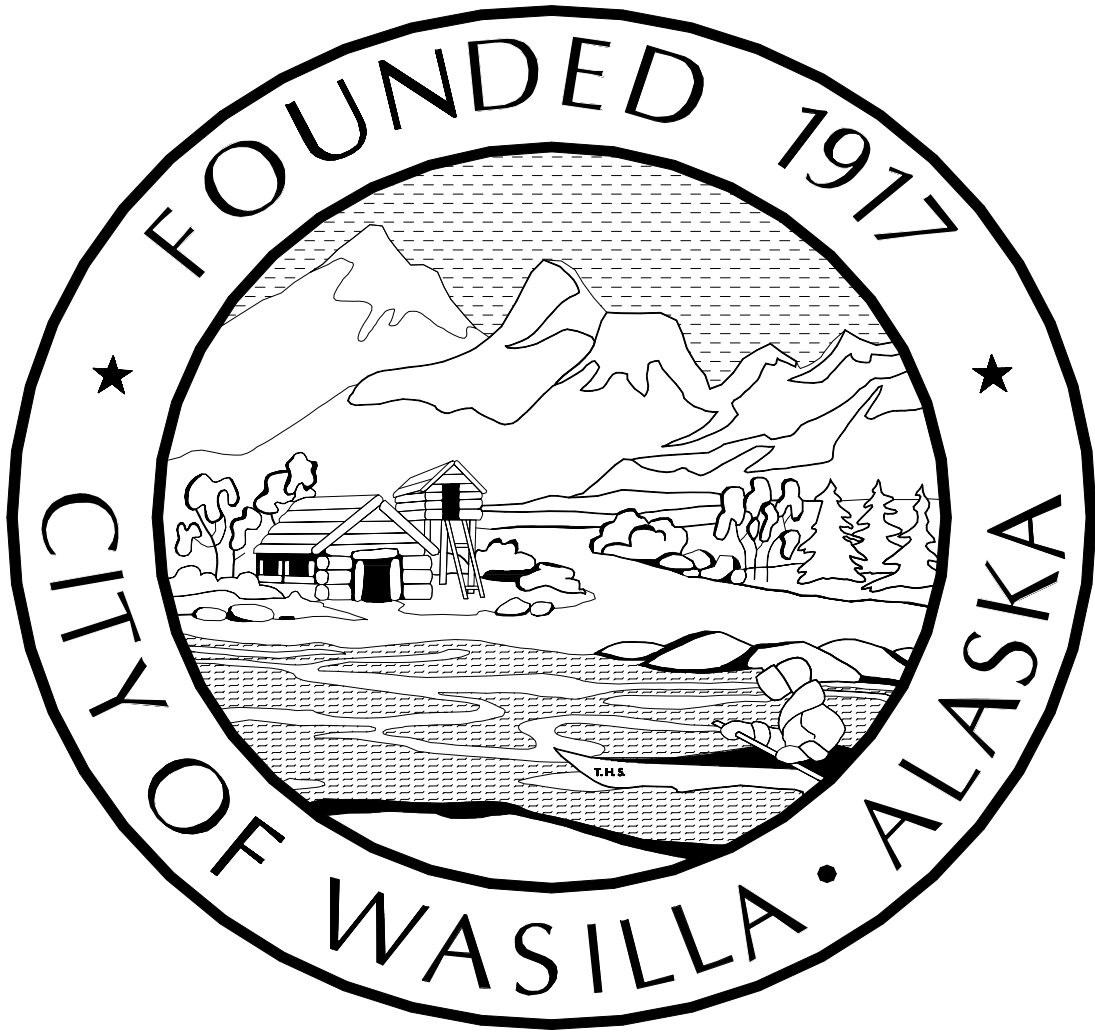
DIANNE M. KELLER, Mayor

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 BALANCE – Excess of an entity's assets over its liabilities.

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