

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 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 proposes 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 three funds under this category: 1. Youth Court; and 2. Asset Forfeiture (Federal and State). 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. In FY 2011 these funds were reclassified to either the General Fund or related Enterprise Funds. For FY 2013 there are no funds listed under this category and the information provided in this section is for historical purposes only. None of these funds are classified as major funds under GASB 34.

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. Technology Replacement; and 5. Road. Out of these funds the Capital Project Fund and Road Fund are classified as a major fund 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 that; (a) 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 four funds listed under this category: 1. Sewer, 2. Water, 3. Airport, and 4. Curtis D. Menard Memorial Sports Center (CMMSC). The Water, Sewer and CMMSC funds are classified as major funds under GASB 34 (see Enterprise section for detailed description of funds).

Permanent Funds Types

Permanent Funds – Permanent 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 Permanent Fund section for detailed description of fund).

FINANCIAL POLICIES

INTRODUCTION

The financial policies of the City establish the framework for the overall fiscal planning and management and sets 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 Directors 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 unassigned 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 Director.
- The ratio of short-term debt as a percent of revenue should not exceed five percent (5%) and ratio of short-term debt as a percent of total debt should not exceed twenty percent (20%).
- 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 twenty percent (20%) 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 net assets 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 unrestricted 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 any GO Debt with dedicated sales tax source).
- The City will commit to fund balance of the General Fund any amount over the sixty percent (60%) 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 unassigned general fund balance to be less than the minimum unassigned fund balance, except in an emergency expenditure or a major capital purchase.
- The City will maintain a positive net asset balance in each of the enterprise funds to provide sufficient reserves for emergencies and revenue for emergencies and revenue shortfalls. Sufficient net assets will be defined as a maximum of fifty percent (50%) and a minimum of twenty percent (20%) of total budgeted expenditures less budget expenditures for debt service and the budgeted allowance for depreciation. Unrestricted net assets will include a commitment to fund the current year's depreciation for future infrastructure of the enterprise funds.
- The City will maintain a reserve in each of its debt service funds in an amount not less than the sum of all reserve fund balances required by the bond ordinances applicable to that fund.

FISCAL YEAR 2013 and 2014 BUDGET PREMISES & FINANCIAL PROJECTIONS

Certain premises and projected financial forecasts were decided on as a foundation for developing the City of Wasilla's FY 2013 and 2014 Budget. These premises 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 Premises:

1. The population of the City of Wasilla will increase by approximately 4% each year to approximately 8,400 in FY 2013 and 96,000 in the Matanuska Susitna Borough. 2010 Census data puts the Matanuska Susitna Borough population at 88,995.
2. Annexations: No new annexations are incorporated in this budget period. However, discussions continue for possible future annexation areas.
3. The inflation rate for FY 2013 is projected to be approximately 3.2% based on a combination of data from Alaska Department of Labor and Workforce Development, Anchorage Economic Development Corporation and the Bureau of Labor Statistics CPI rates (2011).

Revenue Projections:

1. Sales and Use Taxes – Collections for sales taxes are projected to increase by 1.53% in FY 2013 to \$11,679,498. In FY 2014 a 1.5% over FY 2013 was used. The City conservatively approached the FY 2013 number by using the FY 2012 budget of \$11,503,500, realizing that the FY 2011 actual of \$11,681,721 may be too high to base any conclusion the City has not completely come out of the recession effects felt in FY 2009 through FY 2011. In FY 2010 the City experienced its first major downturn in its sales tax revenue. The downturn is primarily caused from national, state and local economic recession periods that began in 2009. With any recession, citizens look toward government to provide more services for fewer dollars. This is extremely difficult with revenue decreasing at a rate higher than expenditures rise. In FY 2013, the City is projecting an upward swing as FY 2012 sales tax collections have remained at consistent levels.
2. Property Taxes – The City's mill levy is projected to remain at 0.0 mils for FY 2013 and 2014.
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 \$1,606,025 for Fiscal Year 2013 and \$1,353,828 in FY 2014. The upward trend in FY 2013 is from a supplemental appropriation by the State of Alaska Community Revenue Sharing Program. It is projected the downward trend that the City has been experiencing with intergovernmental revenue in the past will continue in future years placing the City in the vicarious position of searching for attritional revenue without increasing its tax base.
4. User Fees and Charges – User fees and charges mainly consist of fees charged for utility services and fees charged at the Curtis D. Menard Memorial Sports Center. Other charges such as business licenses and various permits are included in this category. Total user fees and charges are projected to be \$3,608,382 in FY 2013 and \$3,820,756 in FY 2014, an increase of

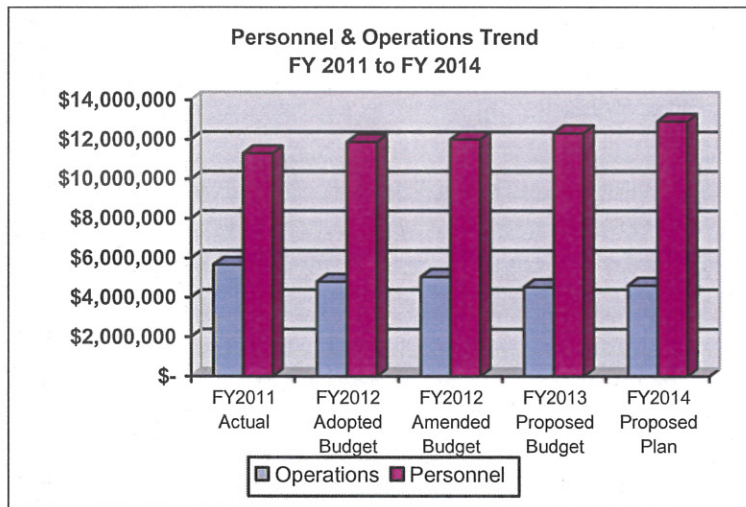
approximately 7% over FY 2012. The main increases in user fee revenue will be in the utility funds. These projected increases are based on the City implementing fee increases to its customer base in FY 2010. In FY 2013 and FY 2014, utility rates are projected to increase by 7.5% each fiscal year. These increases were approved so that the utilities infrastructure could be invested in along with shoring up the net assets of the utility funds (see the financial policies and fund stabilization policy).

5. Local Revenue - The largest component of local revenue is interest earned on investments. Other local revenue consists of sale of maps and copies. The local revenue for FY2013 is estimated to be \$392,787 and \$413,350 in FY 2014.
6. Other Revenue - The main component of other revenue are the fees from providing dispatch services for agencies. The revenue for dispatch services is projected equal to that of FY 2012 Amended Budget of \$1,534,894 for FY 2013. This projection is used as a base giving rise to contract review after passage of the FY 2013 and FY 2014 biennial budget. The revenue from this source is closely tied to dispatch expenditures. Other agencies contribute approximately 69% of the total dispatch cost in FY 2013 and 67% in FY 2014. Based on projected increases of 5% to 6% in dispatch costs over future years, this revenue will need to increase to keep up with these expenditures.

Expenditure Premises:

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) The City currently administers three union contracts; Local 302 (Public Works and Utilities), Local 341 (Curtis D. Menard Memorial Sports Center), and Local 959 (Wasilla Police Department). The City negotiated new contracts with Local 302 and Local 341 in FY 2011 and is currently in negotiations with Local 959. Personnel assumptions provide wage increases of 3.5% in FY 2013 and 4% in FY 2014.
 - b) Health Insurance premiums were projected to increase by 7% to 15%, however actual increases will be 22% with additional budget adjustments necessary to meet these needs.
 - c) Workers Compensation will increase by 10% in FY 2013 and FY 2014.
 - d) Public Employees Retirement System (PERS) retirement contribution will be steady for both Fiscal Years at 22%.
 - e) One position (Administrative Aide) was added to the Clerks Department at an annual cost of \$83,967 and \$88,857, respectfully for FY 2013 and FY 2014.
 - f) One position (Staff Accountant) was removed from the Finance Department due to overall personnel expenditure increase to the City. Cost savings to the City is \$90,909.
2. Operating Expenditures and Capital Outlays (under \$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 2013 and FY 2014 budget:
 - a) Departments were instructed to maintain operating expenditures at the FY 2012 Amended Budget levels.

- b) Projected increases (and decreases) are based on a department level decision-making process.
 - c) The departments are given a total departmental target budget 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.
 - d) Inflationary factors for FY 2013 and FY 2014 for some of the utility costs, fuel and supplies were provided to departments to assist in calculating required line items.
3. Insurance - This category includes expenditures for property insurance and general liability insurance. Based on projections from our Insurance Broker, property will be going up by approximately 5% with general liability and auto rates to remain flat during the next fiscal year. This line item was reduced from prior years primarily caused from a calculation assumption that increases were based on budget as opposed to actual from year to year. The adjustment this year should reset the calculation model for future years. Any increases in these line items will be due to increased number of vehicles or property changes.



FY 2013 and 2014 Core Service Increases/Decreases:

The City of Wasilla uses a zero budgeting process in preparing its budget. First the departments build a budget based on meeting the services levels that the City is currently providing. Once that budget is built, the City investigates what new core services or core service improvements that are needed. These core service increment requests are then prioritized and selected based on funding available after the core budget has been funded.

Because revenues have declined in the most recent prior fiscal year and maintaining marginally in FY 2011 and FY 2012, there are no additions to any core service in FY 2013 and FY 2014. Below explains what makes up the core service increases:

- 1) The total combined personnel wage and benefit increases for both Union represented and non-represented comprise \$442,910 or 3.73% increase in FY 2013 over FY 2012 Amended Budget. In FY 2014 and increase of \$585,284 or 4.73% is anticipated.

- 2) With the direction of the Mayor, Departments were instructed to maintain operating expenditures at the FY 2012 Amended Budget. By requesting this level of spending, the City was actually able to reduce total operational expenditures by (10.77%) or (\$542,614) under FY 2012 Amended Budget in FY 2013. In FY 2014 an increase of \$67,420 or 1.50% over FY 2013 levels is projected.

- 3) To support the City's capital project plans, Youth Court, Airport and the Curtis D. Menard Memorial Sports Center, transfers from the General Fund to other Funds increased by \$381,983 or 40.61% in FY 2013 over that of FY 2012 Amended Budget. An increase of \$170,369 or 12.88% is expected in FY 2014. The FY2013 increase is primarily from a transfer made to the Library Fund that had been removed in the FY 2012 budget due to GASB 54 changes. The FY 2014 increase is from a transfer to the Youth Court Fund to support operations of the program. The City is hopeful it will continue to find alternate revenue sources so that this transfer is not reoccurring.

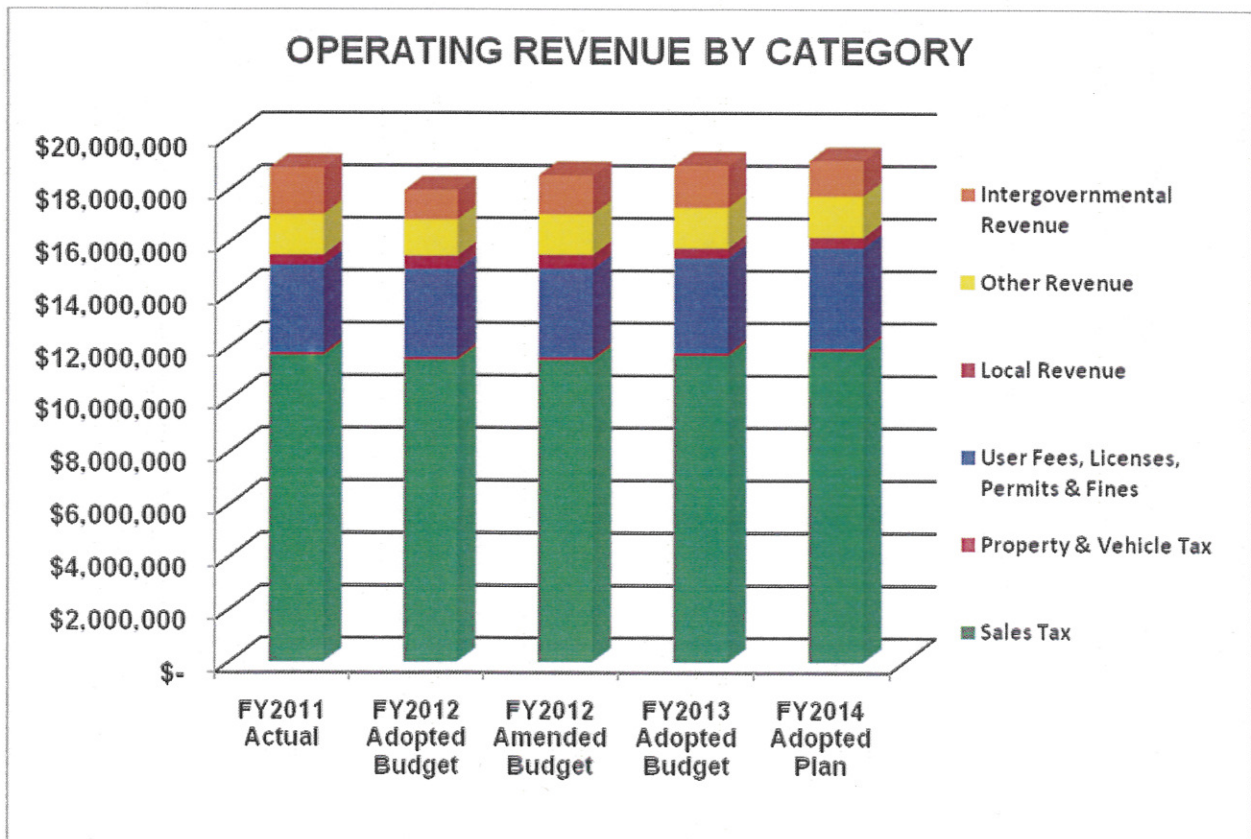
OPERATING BUDGET SUMMARY

OPERATING REVENUE

Total operating revenue for financing the Fiscal Year 2013 and FY 2014 operating budget is \$18,931,586 and \$19,123,024, respectfully. This is a projected increase in operating revenue for FY 2013 of \$379,577 compared to the FY 2012 Amended Budget. The primary reason for this increase is in utility rate increases reflected within the Sewer and Water Fund(s) and an increase in intergovernmental revenue associated with an increase from the State of Alaska Community Revenue Sharing Program. The City is keeping non-grant related revenues flat knowing that Sales Tax has been volatile over the last two fiscal years. As seen in the Operating Revenue by Category Graph below and the Operating by Revenue tables on the following page, the main decrease in revenues for Fiscal Year 2013 is local revenue, primarily interest earnings and in FY 2014 from intergovernmental revenue.

Sales Tax revenue is projected to increase slightly by 1.53% over FY 2012 projected levels. The City is being conservative in its estimates due to the national, state and local economic recession that has been experienced in FY 2010 and continued into FY 2011 and FY 2012. The City is optimistic this recession will turn positive in FY 2013. User Fees are projected to increase by \$233,050 in FY 2012. These increases are primarily from increased utility fees in the Water and Sewer Enterprise Funds. The City of Wasilla continues to look at new ways to generate local revenue to offset the loss of intergovernmental revenue though 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.

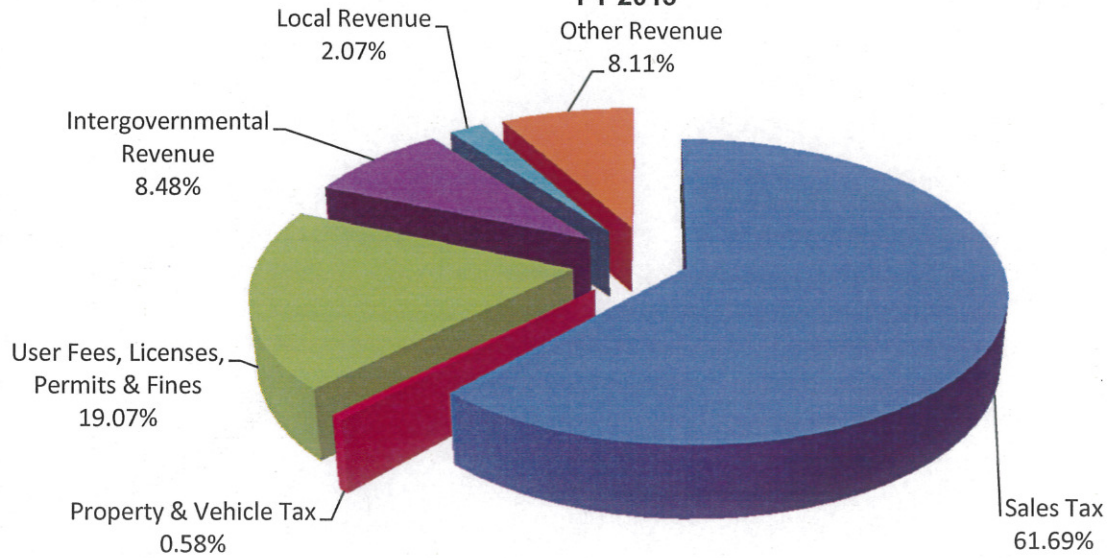


OPERATING BUDGET SUMMARY

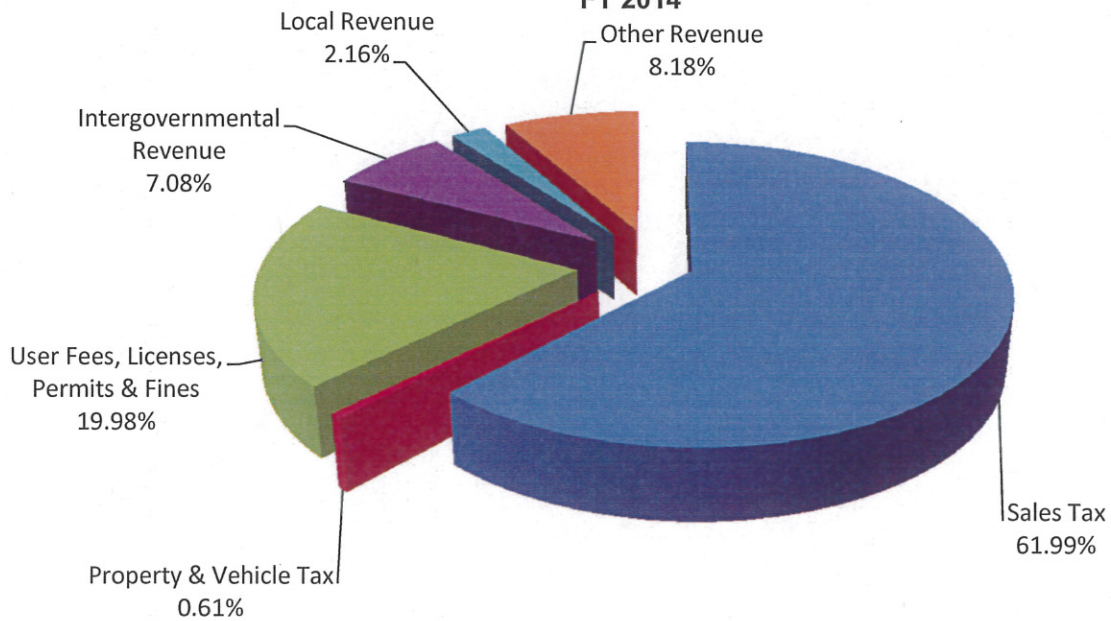
Operating Revenue by Fund (not including transfers)	FY 2011 Actual	FY 2012 Adopted Budget	FY 2012 Amended Budget	FY 2013 Adopted Budget	FY 2014 Adopted Plan
General Fund	\$ 15,458,069	\$ 14,678,798	\$ 15,085,622	\$ 15,389,579	\$ 15,458,943
Youth Court Fund	95,574	86,800	116,800	131,800	57,000
Asset Forfeiture Fund	22,095	-	-	-	-
Cemetery Fund	12,799	9,000	9,000	7,000	6,500
Sewer Fund	1,225,615	1,241,270	1,241,270	1,322,433	1,413,010
Water Fund	1,382,830	1,299,742	1,299,742	1,439,244	1,534,571
Airport Fund	66,278	72,720	72,720	63,530	65,000
Curtis D. Menard Memorial Sports Center	567,716	593,000	726,855	578,000	588,000
	<u>\$ 18,830,976</u>	<u>\$ 17,981,330</u>	<u>\$ 18,552,009</u>	<u>\$ 18,931,586</u>	<u>\$ 19,123,024</u>

Operating Revenue by Category (not including transfers)	FY 2011 Actual	FY 2012 Adopted Budget	FY 2012 Amended Budget	FY 2013 Adopted Budget	FY 2014 Adopted Plan
Sales Tax	\$ 11,681,721	\$ 11,503,500	\$ 11,503,500	\$ 11,679,498	\$ 11,854,690
Property & Vehicle Tax	108,670	110,000	110,000	110,000	117,000
User Fees, Licenses, Permits & Fines	3,337,644	3,351,332	3,375,332	3,608,382	3,820,756
Intergovernmental Revenue	1,779,815	1,125,487	1,490,241	1,606,025	1,353,828
Local Revenue	393,777	523,850	539,542	392,787	413,350
Other Revenue	1,529,349	1,367,161	1,533,394	1,534,894	1,563,400
Total Operating Revenue (transfers not inc.)	<u>\$ 18,830,976</u>	<u>\$ 17,981,330</u>	<u>\$ 18,552,009</u>	<u>\$ 18,931,586</u>	<u>\$ 19,123,024</u>

**Operating Revenue by Category
(All Funds)
FY 2013**



**Operating Revenue by Category
(All Funds)
FY 2014**



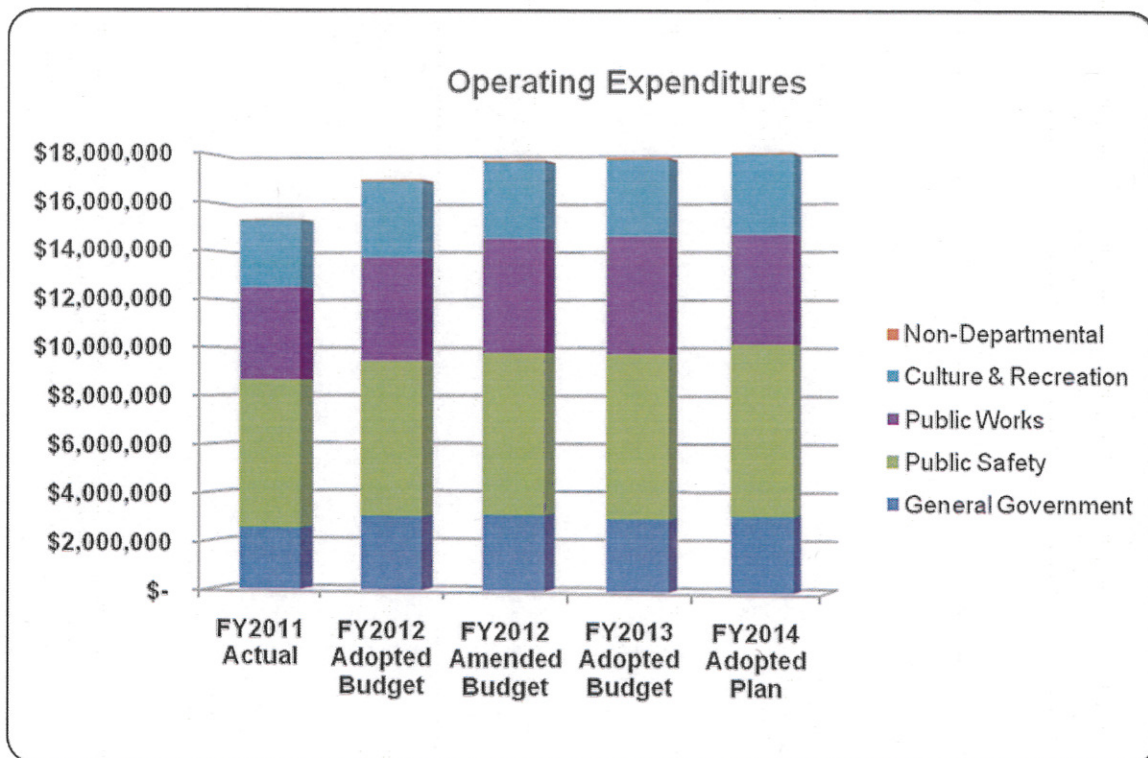
OPERATING BUDGET SUMMARY

OPERATING EXPENDITURES

The FY 2013 and FY 2014 operating budgets were balanced without the need for increases in any taxes. The total operating expenditures for FY 2013 and FY 2014 (not including transfers or debt service) will be \$17,779,702 and \$17,966,951, respectfully. The increase from FY 2012 Amended Budget to FY 2013 is \$89,189 or .50%. FY 2014 is anticipated to increase by \$187,249 or 1.05%.

As seen in the graph below and the expenditure tables on the next page, the largest increases in expenditures (comparing FY 2013 to FY 2012 Amended Budget) is in Public Works (including Sewer, Water and Airport Funds) at 2.48%, followed by Public Safety at 1.34%, Culture and Recreation at .56%. The other functions decreased with the largest being General Government decreasing by (4.29%).

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.



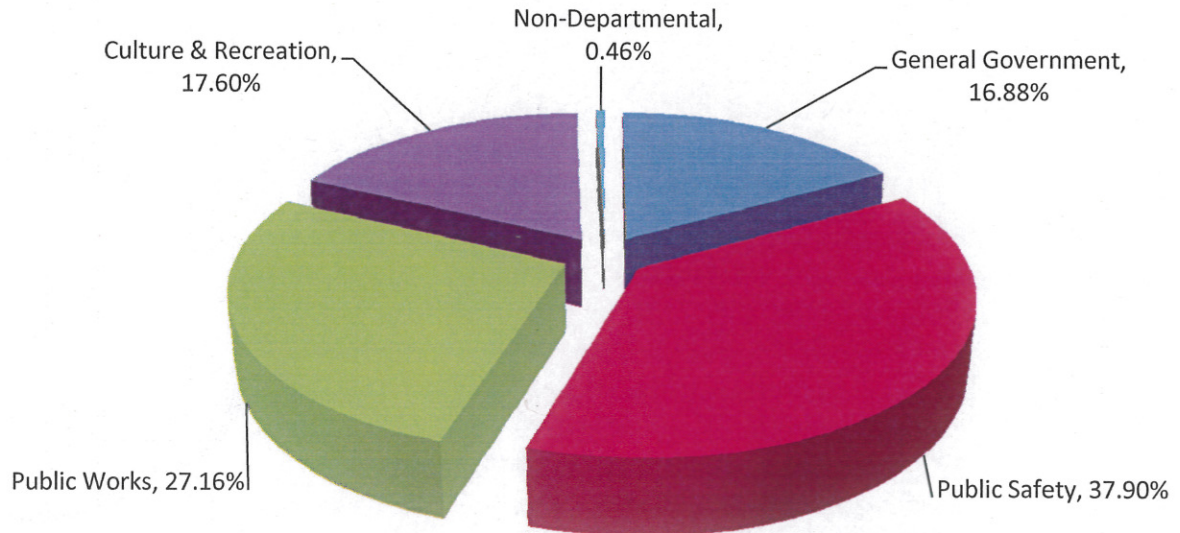
OPERATING BUDGET SUMMARY

(Debt Service not included)

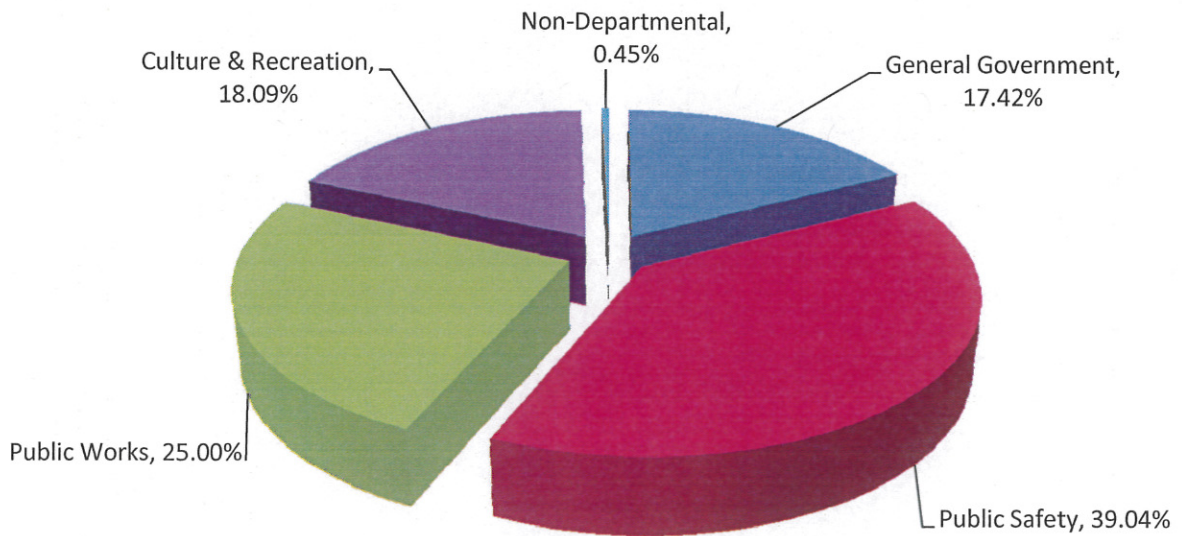
Operating Expenditures by Fund (not including transfers or debt service)	FY 2011 Actual	FY2012 Adopted Budget	FY 2012 Amended Budget	FY 2013 Adopted Budget	FY 2014 Adopted Plan
General Fund	12,396,478	13,455,248	13,810,983	13,839,890	14,357,710
Youth Court Fund	148,542	152,586	152,586	161,649	170,005
Sewer Fund	858,594	993,233	1,348,935	1,533,183	1,126,827
Water Fund	726,520	860,109	941,300	889,605	869,708
Airport Fund	123,451	168,768	164,401	181,037	187,431
Curtis D. Menard					
Memorial Sports Center	1,041,252	1,287,964	1,272,308	1,174,338	1,255,270
Total Operating Expenditures	15,294,837	16,917,908	17,690,513	17,779,702	17,966,951

Operating Expenditures by Function (not including transfers or debt service)	FY 2011 Actual	FY2012 Adopted Budget	FY 2012 Amended Budget	FY 2013 Adopted Budget	FY 2014 Adopted Plan
General Government	2,560,852	3,061,768	3,135,040	3,000,412	3,130,071
Public Safety	6,109,609	6,388,094	6,650,777	6,740,076	7,014,095
Public Works	3,828,162	4,272,784	4,712,305	4,829,287	4,491,499
Culture & Recreation	2,741,726	3,114,262	3,111,391	3,128,927	3,250,286
Non-Departmental	54,488	81,000	81,000	81,000	81,000
Total Operating Expenditures	15,294,837	16,917,908	17,690,513	17,779,702	17,966,951

**Operating Expenditure by Function
(All Funds)
FY 2013**



**Operating Expenditure by Function
(All Funds)
FY 2014**



**BUDGET SUMMARY
ALL FUNDS
For Fiscal Year 2013**

	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Permanent Funds	Total
Estimated unassigned beginning fund balance, 07/01/2012	\$ 8,619,096	\$ 46,793	\$ 683,578	\$ 3,961,233	\$ 228,923	\$ 13,539,623
Sources						
Sales Taxes	\$ 11,679,498	\$ -	\$ -	\$ -	\$ -	\$ 11,679,498
Vehicle Taxes	110,000	-	-	-	-	110,000
Licenses, Permits & Fines	248,875	-	-	-	-	248,875
Intergov. Revenues	1,481,025	125,000	1,050,000	1,182,500	-	3,838,525
User Fees & Charges	-	6,800	-	3,345,707	7,000	3,359,507
Local Revenues	392,787	-	-	57,500	-	450,287
Other Revenues	1,477,394	-	-	-	-	1,477,394
Transfers In	-	-	909,000	782,215	3,273	1,694,488
Total Sources	\$ 15,389,579	\$ 131,800	\$ 1,959,000	\$ 5,367,922	\$ 10,273	\$ 22,858,574
Total Available Funds	\$ 24,008,675	\$ 178,593	\$ 2,642,578	\$ 9,329,155	\$ 239,196	\$ 36,398,197
Uses						
Council/Clerk	\$ 605,804	\$ -	\$ -	\$ -	\$ -	\$ 605,804
General Government	2,355,108	-	-	-	-	2,355,108
Public Safety	6,372,927	161,649	-	-	-	6,534,576
Public Works	2,169,962	-	-	1,968,825	-	4,138,787
Culture & Recreation	1,924,089	-	-	1,174,338	-	3,098,427
Non-Departmental	81,000	-	-	-	-	81,000
Debt Service	422,744	-	-	270,784	-	693,528
Capital Outlay	-	-	1,828,104	1,435,000	-	3,263,104
Transfer To Other Funds	1,653,488	-	-	41,000	-	1,694,488
Total Use of Funds	\$ 15,585,122	\$ 161,649	\$ 1,828,104	\$ 4,889,947	\$ -	\$ 22,464,822
Change in unassigned fund balance	\$ (195,543)	\$ (29,849)	\$ 130,896	\$ 477,975	\$ 10,273	\$ 393,752
Estimated unassigned ending fund balance, 06/30/2013	\$ 8,423,553	\$ 16,944	\$ 814,474	\$ 4,439,208	\$ 239,196	\$ 13,933,375

**BUDGET SUMMARY
ALL FUNDS
For Fiscal Year 2014**

	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Permanent Funds	Total
Estimated unassigned beginning fund balance, 07/01/2013	\$ 8,423,553	\$ 16,944	\$ 814,474	\$ 4,439,208	\$ 239,196	\$ 13,933,375
Sources						
Sales Taxes	\$ 11,854,690	\$ -	\$ -	\$ -	\$ -	\$ 11,854,690
Vehicle Taxes	117,000	-	-	-	-	117,000
Licenses, Permits & Fines	264,875	-	-	-	-	264,875
Intergov. Revenues	1,303,828	50,000	10,934,815	1,950,000	-	14,238,643
User Fees & Charges	-	7,000	-	3,542,381	6,500	3,555,881
Local Revenues	413,350	-	-	58,200	-	471,550
Other Revenues	1,505,200	-	-	-	-	1,505,200
Transfers In	-	113,005	1,245,384	506,468	-	1,864,857
Total sources	\$ 15,458,943	\$ 170,005	\$ 12,180,199	\$ 6,057,049	\$ 6,500	\$ 33,872,696
Total available funds	\$ 23,882,496	\$ 186,949	\$ 12,994,673	\$ 10,496,257	\$ 245,696	\$ 47,806,071
Uses						
Council/Clerk	\$ 646,212	\$ -	\$ -	\$ -	\$ -	\$ 646,212
General Government	2,444,359	-	-	-	-	2,444,359
Public Safety	6,638,590	170,005	-	-	-	6,808,595
Public Works	2,252,033	-	-	2,043,966	-	4,295,999
Culture & Recreation	1,964,516	-	-	1,225,270	-	3,189,786
Non-Departmental	81,000	-	-	-	-	81,000
Debt Service	417,744	-	-	267,325	-	685,069
Capital Outlay	-	-	12,088,799	2,170,000	-	14,258,799
Transfer To Other Funds	1,823,857	-	-	41,000	-	1,864,857
Total use of funds	\$ 16,268,311	\$ 170,005	\$ 12,088,799	\$ 5,747,561	\$ -	\$ 34,274,676
Change in unassigned fund balance	\$ (809,368)	\$ -	\$ 91,400	\$ 309,488	\$ 6,500	\$ (401,980)
Estimated unassigned ending fund balance, 06/30/2014	\$ 7,614,185	\$ 16,944	\$ 905,874	\$ 4,748,696	\$ 245,696	\$ 13,531,395

**Governmental Funds
Fund Balance Summary**

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General Fund	Capital Fund	Road Fund		
For Fiscal Year 2013					
Fund balances:					
Prepaid items	\$ 78,953				\$ 78,953
Cemetery endowment				\$ 239,196	239,196
Committed to:					
Excess stabilization of funds	504,074				504,074
Assigned to:					
Land bank	150,000				150,000
Capital improvements		\$ 89,284			89,284
Youth court				3,813	3,813
Federal and state drug enforcement				13,131	13,131
Vehicle replacement				249,441	249,441
Right-of-way acquisition				68,632	68,632
Road improvements			\$ 26,869		26,869
Technology replacement				380,248	380,248
Other purposes	262,990				262,990
Unassigned	7,427,536				7,427,536
Total fund balances	\$ 8,423,553	\$ 89,284	\$ 26,869	\$ 954,461	\$ 9,494,167

**Proprietary Funds
Net Asset Summary**

	Sewer Fund	Water Fund	Airport Fund	Curtis Menard Memorial Sports Center	Total Proprietary Funds
Net Assets					
Non-spendable net assets					
Prepays & inventory	\$ 102,384	\$ 61,299	\$ 1,157	\$ 1,157	\$ 165,997
Restricted to:					
Debt service	20,387	250,654	-	-	271,041
Fund stabilization	524,842	452,053	90,769	591,919	1,659,583
Unassigned	1,090,092	1,002,547	111,959	137,989	2,342,587
Total net assets	\$ 1,737,705	\$ 1,766,553	\$ 203,885	\$ 731,065	\$ 4,439,208

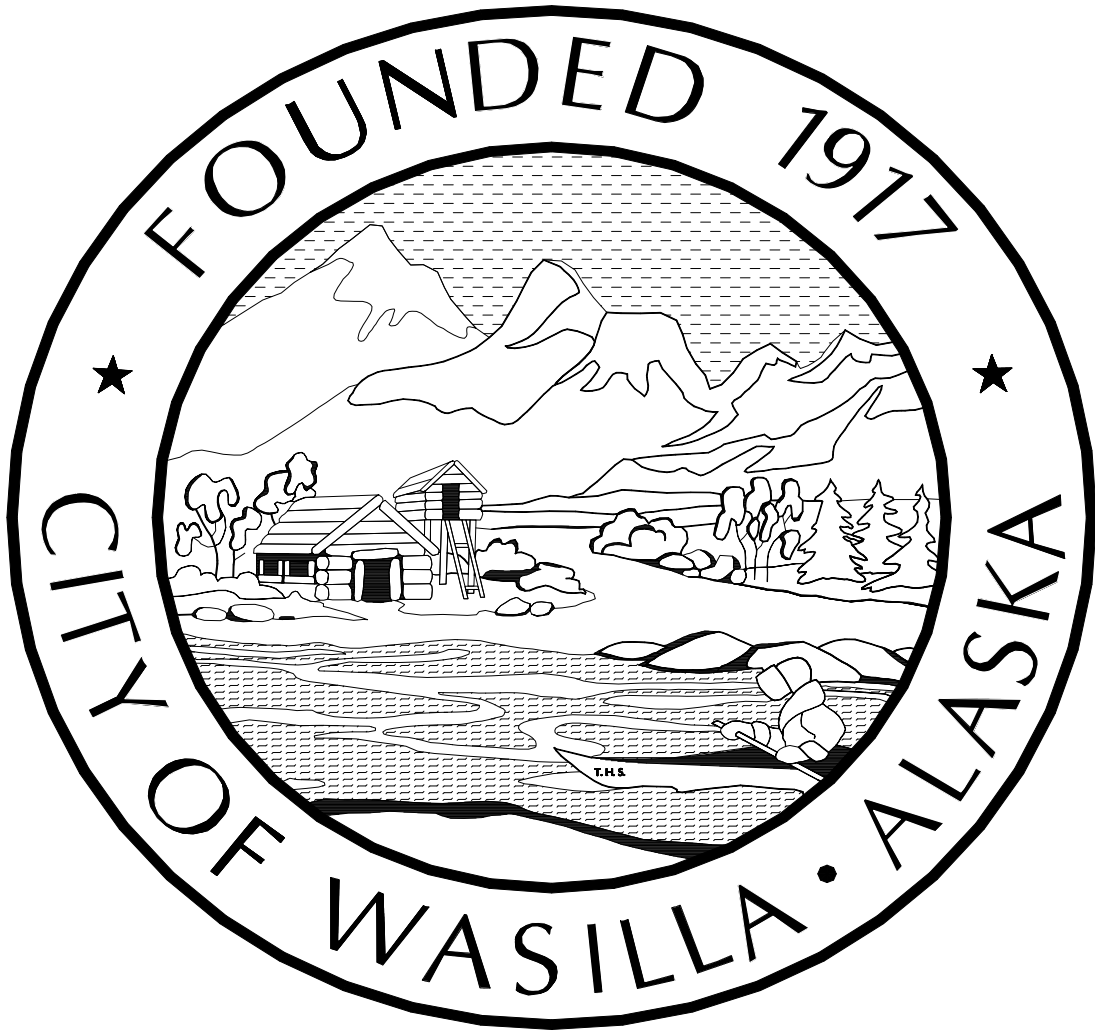
Total fund balance and net assets: \$ 13,933,375

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General Fund	Capital Fund	Road Fund		
For Fiscal Year 2014					
Fund balances:					
Prepaid items	\$ 78,953				\$ 78,953
Cemetery endowment				\$ 245,696	245,696
Assigned to:					
Land bank	200,000				200,000
Capital improvements		\$ 89,284			89,284
Youth court				3,813	3,813
Federal and state drug enforcement				13,131	13,131
Vehicle replacement				249,441	249,441
Right-of-way acquisition				68,632	68,632
Road improvements			\$ 26,869		26,869
Technology replacement				471,648	471,648
Other purposes	262,990				262,990
Unassigned	7,072,242				7,072,242
Total fund balances	\$ 7,614,185	\$ 89,284	\$ 26,869	\$ 1,052,361	\$ 8,782,699

**Proprietary Funds
Net Asset Summary**

	Sewer Fund	Water Fund	Airport Fund	Curtis Menard Memorial Sports Center	Total Proprietary Funds
Net Assets					
Non-spendable net assets					
Prepays & inventory	\$ 102,384	\$ 61,299	\$ 1,157	\$ 1,157	\$ 165,997
Restricted to:					
Debt service	20,387	247,453	-	-	267,840
Fund stabilization	571,663	442,104	93,966	334,606	1,442,339
Unassigned	1,293,085	1,418,604	160,831	-	2,872,520
Total net assets	\$ 1,987,519	\$ 2,169,460	\$ 255,954	\$ 335,763	\$ 4,748,696

Total fund balance and net assets: \$ 13,531,395



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**FUND BALANCE SUMMARY
ALL FUNDS
FOR FISCAL YEAR 2013**

	Beginning Fund Balance July 1, 2012	Revenues	Transfers In	Total Sources
Governmental Funds				
General Fund	\$ 8,619,096	\$ 15,389,579	\$ -	\$ 15,389,579
Special Revenue Funds				
Youth Court	33,662	131,800	-	131,800
Asset Forfeiture	13,131	-	-	-
Total Special Revenue Funds	46,793	131,800	-	131,800
Capital Funds				
Capital Fund	39,284	1,050,000	412,000	1,462,000
Vehicle	249,441	-	235,000	235,000
Right of Way	68,632	-	25,000	25,000
Road Fund	26,869	-	100,000	100,000
Technology Replacement Fund	299,352	-	137,000	137,000
Total Capital Funds	683,578	1,050,000	909,000	1,959,000
Total Governmental Funds	9,349,467	16,571,379	909,000	17,480,379
Permanent Funds				
Cemetery	228,923	7,000	3,273	10,273
Total Permanent Funds	228,923	7,000	3,273	10,273
Proprietary Funds				
Enterprise Funds				
Sewer	1,485,082	1,822,433	-	1,822,433
Water	1,482,071	1,439,244	-	1,439,244
Airport	164,392	746,030	175,000	921,030
Curtis D. Menard Memorial Sports Center	829,688	578,000	607,215	1,185,215
Total Proprietary Funds	3,961,233	4,585,707	782,215	5,367,922
Total	\$ 13,539,623	\$ 21,164,086	\$ 1,694,488	\$ 22,858,574

**FUND BALANCE SUMMARY
ALL FUNDS
FOR FISCAL YEAR 2013**

Operating Expenditures	Capital Outlays*	Transfers Out	Debt Service	Total Uses	Ending Fund Balance June 30, 2013	Change In Fund Balance	% Change
\$ 13,508,890	\$ -	\$ 1,653,488	\$ 422,744	\$ 15,585,122	\$ 8,423,553	\$ (195,543)	-2.27%
161,649	-	-	-	161,649	3,813	(29,849)	-88.67%
-	-	-	-	-	13,131	-	0.00%
<u>161,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>161,649</u>	<u>16,944</u>	<u>(29,849)</u>	<u>-63.79%</u>
-	1,412,000	-	-	1,412,000	89,284	50,000	127.28%
-	235,000	-	-	235,000	249,441	-	0.00%
-	25,000	-	-	25,000	68,632	-	0.00%
-	100,000	-	-	100,000	26,869	-	0.00%
-	45,600	-	10,504	56,104	380,248	80,896	27.02%
-	1,817,600	-	10,504	1,828,104	814,474	130,896	19.15%
<u>13,670,539</u>	<u>1,817,600</u>	<u>1,653,488</u>	<u>433,248</u>	<u>17,574,875</u>	<u>9,254,971</u>	<u>(94,496)</u>	<u>-1.01%</u>
-	-	-	-	-	239,196	10,273	4.49%
-	-	-	-	-	<u>239,196</u>	<u>10,273</u>	<u>4.49%</u>
1,033,183	500,000	16,500	20,127	1,569,810	1,737,705	252,623	17.01%
754,605	135,000	14,500	250,657	1,154,762	1,766,553	284,482	19.19%
181,037	700,000	500	-	881,537	203,885	39,493	24.02%
1,174,338	100,000	9,500	-	1,283,838	731,065	(98,623)	-11.89%
<u>3,143,163</u>	<u>1,435,000</u>	<u>41,000</u>	<u>270,784</u>	<u>4,889,947</u>	<u>4,439,208</u>	<u>477,975</u>	<u>12.07%</u>
<u>\$ 16,813,702</u>	<u>\$ 3,252,600</u>	<u>\$ 1,694,488</u>	<u>\$ 704,032</u>	<u>\$ 22,464,822</u>	<u>\$ 13,933,375</u>	<u>\$ 393,752</u>	<u>2.91%</u>

**FUND BALANCE SUMMARY
ALL FUNDS
FOR FISCAL YEAR 2014**

	Beginning Fund Balance July 1, 2013	Revenues	Transfers In	Total Sources
Governmental Funds				
General Fund	\$ 8,423,553	\$ 15,458,943	\$ -	\$ 15,458,943
Special Revenue Funds				
Youth Court	3,813	57,000	113,005	170,005
Asset Forfeiture	13,131	-	-	-
Total Special Revenue Funds	16,944	57,000	113,005	170,005
Capital Funds				
Capital Fund	89,284	10,934,815	748,384	11,683,199
Vehicle	249,441	-	235,000	235,000
Right of Way	68,632	-	25,000	25,000
Road Fund	26,869	-	100,000	100,000
Technology Replacement Fund	380,248	-	137,000	137,000
Total Capital Funds	814,474	10,934,815	1,245,384	12,180,199
Total Governmental Funds	9,254,971	26,450,758	1,358,389	27,809,147
Permanent Funds				
Cemetery	239,196	6,500	-	6,500
Total Permanent Funds	239,196	6,500	-	6,500
Proprietary Funds				
Enterprise Funds				
Sewer	1,737,705	1,413,010	-	1,413,010
Water	1,766,553	1,534,571	-	1,534,571
Airport	203,885	2,015,000	225,000	2,240,000
Curtis D. Menard Memorial Sports Center	731,065	588,000	281,468	869,468
Total Proprietary Funds	4,439,208	5,550,581	506,468	6,057,049
Total	\$ 13,933,375	\$ 32,007,839	\$ 1,864,857	\$ 33,872,696

**FUND BALANCE SUMMARY
ALL FUNDS
FOR FISCAL YEAR 2014**

Operating Expenditures	Capital Outlays*	Transfers Out	Debt Service	Total Uses	Ending Fund Balance June 30, 2014	Change In Fund Balance	%
							Change
\$ 14,026,710	\$ -	\$ 1,823,857	\$ 417,744	\$ 16,268,311	\$ 7,614,185	\$ (809,368)	-9.61%
170,005	-	-	-	170,005	3,813	-	0.00%
-	-	-	-	-	13,131	-	0.00%
<u>170,005</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,005</u>	<u>16,944</u>	<u>-</u>	<u>0.00%</u>
-	11,683,199	-	-	11,683,199	89,284	-	0.00%
-	235,000	-	-	235,000	249,441	-	0.00%
-	25,000	-	-	25,000	68,632	-	0.00%
-	100,000	-	-	100,000	26,869	-	0.00%
-	45,600	-	-	45,600	471,648	91,400	24.04%
-	12,088,799	-	-	12,088,799	905,874	91,400	11.22%
<u>14,196,715</u>	<u>12,088,799</u>	<u>1,823,857</u>	<u>417,744</u>	<u>28,527,115</u>	<u>8,537,003</u>	<u>(717,968)</u>	<u>-7.76%</u>
-	-	-	-	-	245,696	6,500	2.72%
-	-	-	-	-	<u>245,696</u>	<u>6,500</u>	<u>2.72%</u>
1,076,827	50,000	16,500	19,869	1,163,196	1,987,519	249,814	14.38%
779,708	90,000	14,500	247,456	1,131,664	2,169,460	402,907	22.81%
187,431	2,000,000	500	-	2,187,931	255,954	52,069	25.54%
1,225,270	30,000	9,500	-	1,264,770	335,763	(395,302)	-54.07%
<u>3,269,236</u>	<u>2,170,000</u>	<u>41,000</u>	<u>267,325</u>	<u>5,747,561</u>	<u>4,748,696</u>	<u>309,488</u>	<u>6.97%</u>
<u>\$ 17,465,951</u>	<u>\$ 14,258,799</u>	<u>\$ 1,864,857</u>	<u>\$ 685,069</u>	<u>\$ 34,274,676</u>	<u>\$ 13,531,395</u>	<u>\$ (401,980)</u>	<u>-2.89%</u>

**City of Wasilla
Schedule of Transfers**

FY2013 Adopted Budget

TRANSFERS IN

Fund	Fund Number	Transfers Out	Permenent Fund	Enterprise Funds:		Capital Project Funds:				
			Cemetery Fund 410	Airport Fund 330	Curtis Menard Memorial Sports Center 340	Capital Projects Fund 110	Vehicle Fund 120	Right-of-Way Fund 130	Technology Replacement Fund 170	Road Fund 160
General Fund	001	\$ 1,653,488	\$ 3,273	\$ 175,000	\$ 607,215	\$ 412,000	\$ 210,000	\$ 25,000	\$ 121,000	\$ 100,000
Enterprise Funds:										
Sewer Fund	310	16,500					15,000		1,500	
Water Fund	320	14,500					10,000		4,500	
Airport Fund	330	500							500	
Multi-Use Sports Complex	340	9,500							9,500	
		\$ 1,694,488	\$ 3,273	\$ 175,000	\$ 607,215	\$ 412,000	\$ 235,000	\$ 25,000	\$ 137,000	\$ 100,000

FY2014 Adopted Plan

TRANSFERS IN

Fund	Fund Number	Transfers Out	Special Revenue Funds	Enterprise Funds:		Capital Project Funds:				
			Youth Court 220	Airport Fund 330	Curtis Menard Memorial Sports Center 340	Capital Projects Fund 110	Vehicle Fund 120	Right-of-Way Fund 130	Technology Replacement Fund 170	Road Fund 160
General Fund	001	\$ 1,823,857	\$ 113,005	\$ 225,000	\$ 281,468	\$ 748,384	\$ 210,000	\$ 25,000	\$ 121,000	\$ 100,000
Enterprise Funds:										
Sewer Fund	310	16,500					15,000		1,500	
Water Fund	320	14,500					10,000		4,500	
Airport Fund	330	500							500	
Multi-Use Sports Complex	340	9,500							9,500	
		\$ 1,864,857	\$ 113,005	\$ 225,000	\$ 281,468	\$ 748,384	\$ 235,000	\$ 25,000	\$ 137,000	\$ 100,000