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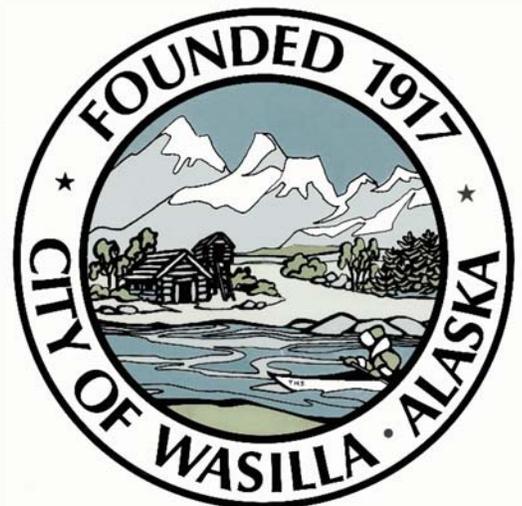
**CITY OF WASILLA**  
ALASKA

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*Comprehensive Annual Financial Report*

*For the Fiscal Year Ended*

*June 30, 2018*



# City of Wasilla, Alaska

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## Comprehensive Annual Financial Report Year Ended June 30, 2018

Bert Cottle  
Mayor

Prepared by  
Finance Department

Troy Tankersley  
Finance Director

# City of Wasilla, Alaska

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# CITY OF WASILLA

290 East Herning Avenue  
Wasilla, Alaska 99654-7091  
Phone (907) 373-9080 Fax (907) 373-9085

November 9, 2018

To the Members of the City Council and Citizens of the City of Wasilla:

State of Alaska statutes and local charter provisions require that all general purpose local governments publish a complete set of audited financial statements. This report is published to fulfill those requirements for the fiscal year ended June 30, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BDO USA LLP, a firm of licensed certified public accountants, has issued an unmodified (clean) opinion on the City of Wasilla's financial statements for the year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City of Wasilla was part of a broader, State and federally mandated "Single Audit" designed to meet the special needs of State and federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of State and federal awards. These reports are available in the City of Wasilla's separately issued Single Audit Report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### ***Profile of the Government***

The City of Wasilla (the City) is located in the south central part of the state and is approximately 42 miles north of Anchorage. Two beautiful lakes canvas the city limits – Wasilla Lake and Lake Lucile. The lakes were once connected by water flow until construction of the Alaska Railroad line and road development effectively separated the watersheds. The City is a First Class city incorporated in 1974 under Title 29 of the Alaska State Statutes and City code establishes a June 30 fiscal year end. The City currently occupies a land area of approximately 13.60 square miles within the Matanuska Susitna Borough. It serves the City resident population of an estimated 8,797. It also serves as a central commercial district to the Matanuska Susitna Borough residents of an estimated 104,166. The City is empowered to levy a property tax on both real and personal property located within its boundaries, however at this time the City levies no said tax. It also is empowered by state

statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate. The last annexation occurred in FY2014 which extended the City's western boundary; encompassing largely undeveloped, commercial-zoned property along the Parks Highway and a portion of Jacobson Lake. The City's current annexation project under review includes the commercial land adjacent Seward Meridian Parkway between the Parks Highway and Palmer-Wasilla Highway on the eastern side.

The City of Wasilla is operated under a strong mayoral system with six city council members. The mayor and council members are all elected at-large. The mayor is elected to serve a three year term and is responsible for appointing department directors and managing the day to day governmental activities. The council members are elected to serve three-year, staggered terms, and are responsible for approving ordinances, municipal contracts, budgets, and certain appointments.

The City provides a full range of municipal services authorized by state statute and city code. This includes police, planning and land use control, animal control, sewer, water, road maintenance, parks and recreation, museum, library, and cultural services. Funding for the City's operations is primarily supported by a 2% sales tax, charges for services, grants, state revenue sharing and other sources. Note that the sales tax rate for the second half of FY2018 was 3% with 1% dedicated to a capital project discussed in the Long-Term Financial Planning and Major Initiatives section below.

The annual budget serves as the foundation for the City of Wasilla's financial planning and control. The council is required to hold public hearings on the proposed budget and a final budget must be approved by council on or before June 30<sup>th</sup> of each year. The budget is prepared by fund, function (e.g. public safety) and department (e.g. patrol). All transfers between funds, departments, and functions require council approval. The Mayor may transfer up to \$10,000 per fiscal year between departments and functions without council approval.

### ***Local Economy***

The City of Wasilla is located in what continues to be one of the fastest growing regions of Alaska and serves as the retail center for the Matanuska Susitna Borough. The City remains primarily a bedroom community of Anchorage due to a lack of large-scale, primary industry. The City offers an attractive lifestyle and a competitive housing market which is why an estimated 30% of its residents in the workforce commute to Anchorage and another 8% commute to the North Slope.

The service-oriented economy of the City continues to remain stable. Since 2010, sales tax revenues have changed year over year at variable rates between -1.0% and 4.5%. With sales tax as the City's primary source of revenues, the development of businesses outside the City, internet sales, and the state-wide economy are concerns. The current local unemployment rate decreased from 8.6% to 8.0% while the national average decreased from 4.2% to 3.7%. While oil prices have been on a slow rise since 2016, the State of Alaska's budget deficit continues to impact the local economy. The FY2018 state legislative session provided no significant grant awards.

The City continues to look toward growth in the service industries to maintain our position as the trade center of the Matanuska-Susitna Valley. In addition to the service industries, petroleum exploration and extraction continue to fuel our economy both directly and indirectly. South of the City, projects benefitting our economy include continued development of and new lessees for the Port MacKenzie which is America's northernmost deep draft dock; allowing heavy industrial and bulk materials to move through Alaska and beyond. The MacKenzie Rail Extension began construction in 2012 and includes construction of 32 miles of new rail line to Port MacKenzie. Already funded \$184M by the Alaska Legislature, the project is under construction in segments and needs \$125M to complete. The longest industrial rail loop in the state will provide for efficient movement of materials between ship, rail, truck, and barge. Just north of the City at Hatchers Pass, 7.5 km of designed trails and a 4,000 square-foot Chalet/Adventure Center has created a regional venue for Nordic skiing and tourism. Additionally, the Matanuska Susitna Borough continues to fund unprecedented levels of road construction which supports the local economy today and land development in the future.

### ***Long-Term Financial Planning and Major Initiatives***

The City of Wasilla's strategic development is guided by several tools. City council and management establish goals and objectives for the upcoming five years. These initiatives may include both capital projects and quality of life issues; and are revisited on an annual basis.

The City's Comprehensive Plan (the Plan) which was revised and adopted in FY2012 also provides a flexible, forward-thinking road map to address important community elements. The Plan focuses on matters of transportation, land use, development of its downtown, use of community assets and economic vitality. It also provides alignment and consistency with other adopted plans of the City; such as, the 'Downtown Area Plan' which was adopted by Wasilla City Council and Matanuska Susitna Borough Assembly in FY2014 and focuses specifically on the development and re-development of the historical downtown district. Enhancement of the aesthetics, economic and functional values of the City were further promoted by creating a downtown overlay district setting specific design guidelines and other conditions.

Major initiatives impacting the community include revision of its Main Street to form a one-way couplet. This project targets traffic flow but plays an almost equally critical role in defining the community's downtown by re-shaping the core area, providing sidewalks, on-street parking, beautification, lighting, and streetscape design opportunities. While the State of Alaska, Department of Transportation (DOT) is responsible for administration and funding of this project, the City plays a governing role and received \$5M in State funding to accelerate the project – through right-of-way purchase, design work, etc. The City's grant funds have been largely expended of which \$860,200 relates to excess 'land held for resale'. Proceeds from its sale will go back into the project. The DOT's design work continues and is estimated to be 70% complete at year end. Approximately \$5.7M in federal and state match funding has been secured with an estimated \$32M expected in FY2021. The project entails a two-year construction period with commencement expected in FY2021. The City will be responsible for maintenance of the project when completed.

The City opened its new library in the fall of 2016 and the building it vacated is being used to expand the Dorothy G. Page Museum. Approximately \$500,000 has been budgeted over a three-year period for renovation and the building is expected to open in the spring of 2019. Adjacent to the museum property, the City intends to remove an old fire station in FY2019 and replace it with a landscaped parking lot. The museum is in downtown proper, so its renovation aligns with the City's redevelopment initiatives.

For the past two decades, administration, City Council and residents have strongly supported a "forward-funded" approach to discretionary capital projects. In October 2017, the Wasilla residents approved a ballot initiative to increase the City sales tax by one percent (1%) beginning January 1, 2018 with the increase being dedicated to funding construction of a new public safety building and related equipment. The 1% increase is for a period of two years or until \$12M is collected, whichever is earlier. The sales tax will then decrease one-half percent (.5%) to two and one-half percent (2.5%). The one-half percent (.5%) will be available for operations or other projects as approved through the regular budgeting process. At year end, approximately \$3.2M had been collected and is restricted for the new police station. Construction shall be a design build beginning in the spring of 2019 and completed in 2020.

In FY2017, the City was awarded and accepted a contract with the Matanuska Susitna Borough to provide 911 call taking and dispatch services for emergency fire, EMS, and rescue services in the Borough. The contract is for approximately five years with service beginning July 1, 2017. The contract includes payments of approximately \$6.8M total for operations (~\$1.3M/year) and \$1.8M total for capital upgrades. A portion of the required capital upgrades will be forward-funded by the City and ultimately reimbursed over the life of the contract. Separately, but with related functionality, the City was awarded and accepted federal grant monies

passed through the State of Alaska, Department of Transportation to upgrade its' wireless communications system. The grant award was approximately \$3.5M with city match requirements.

In FY2013, the City completed the replacement of a wooden dam structure at the western outlet of Lake Lucile. Replacement ensured that the waterline would not drop to its pre-'60s level posing much concern for the property owners who had built docks and waterfront landscaping based on the modern shoreline. In prior years, the City completed its purchase of an aquatic weed harvester to improve the lake's water quality. Harvesting continues throughout the summer season. A water quality study of Lake Lucile is anticipated in the upcoming year which further demonstrates the City's commitment to sustaining the property values and vitality of one of its core neighborhoods.

With the cost of healthcare in Alaska, a focus on health insurance remains a priority. In FY2012, the City established a partially self-insured program that provided aggregate and individual stop loss coverage. Effective July 1, 2016 the City returned to a fully insured model. The three labor unions present at the City in FY2018 each maintain and operate separate health benefit plans. The City established agreements for each union to provide health insurance for their respective members at an agreed upon rate. Non-represented employees are offered coverage through one of the union's plan. The health insurance expense in FY2018 and FY2017 was \$2,251,380 and \$1,792,293 respectively. The increase relates almost entirely to the final closeout of the IBNR reserve under the partially self-insured model which reduced the expense in FY2017. After fiscal year end, the Teamsters Local 959 was disbanded and alternate insurance is being reviewed for the public safety employees.

### ***Relevant Financial Policies***

The City of Wasilla has a comprehensive set of financial policies of which two are particularly relevant during the current year.

One, it is the policy of the City to maintain the fund balances and net position of the various City operating funds at levels sufficient to maintain the City's creditworthiness, and to provide financial resources for unforeseeable emergencies. As such, the general fund and the enterprise funds' unrestricted net position (as defined by the policy) must not fall below the prescribed minimum or exceed the prescribed maximum. At the end of FY2018, the unrestricted net position of the general fund exceeded the calculated maximum by approximately \$6,010,411. This amount was committed through legislation for capital projects and referenced as "capital improvements" in the governmental fund balance sheet as per policy.

The City provides pension benefits for all eligible employees through the State of Alaska Public Employees Retirement System (PERS). The system consists of three defined benefit (DB) Tiers, and one defined contribution (DC) Tier. This City has no obligations in connection with employee benefits offered through these plans beyond its annual required payments to the plans. The City pays its annual required contribution rates timely. The annual contribution rates have been capped at 22% of covered payroll for both DB and DC plans based on legislative action committing the State of Alaska to cover costs exceeding 22%. The legislature's cap on local government contribution rates brings stability to Wasilla's retirement rates although it is important to note that a future State legislature can eliminate its contributions. The transition from a single-agent, multiple-employer plan, to a cost-sharing plan as of July 1, 2008, provided a single rate for all participating PERS employers, eliminating the previous methodology of assessing each employer its own rate. The City now shares in the pooled liability of the PERS plan.

Governmental Accounting Standards Board (GASB) Statement No. 68 required the City to recognize its proportionate share of the cost sharing plan's net pension liability. The City's total portion of the liability at June 30, 2017 was \$15,420,525. The net liability at June 30, 2018 is \$12,235,598, a decrease of \$3,184,927. This does not change the actual contributions by the employers, as those are based on Alaska Statutes. For additional detail, reference footnote 8 in the basic financial statements.

In the current year, GASB Statement No. 75 required the City to recognize its proportionate share of the cost sharing plan's net liability for other postemployment benefits (OPEB). The net other postemployment benefits liability at June 30, 2018 is \$1,967,539. For additional detail, reference footnote 8 in the basic financial statements.

***Awards and Acknowledgements***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wasilla for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. This was the twenty-second consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The government also received the GFOA's Distinguished Budget Presentation Award for its biennial budget document for the period beginning July 1, 2018. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance department and Administration. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit is also due to the City Council for their unflinching support for maintaining the highest standards of professionalism in the management of the City of Wasilla's finances.

Respectfully submitted,



Bert Cottle  
Mayor



Troy Tankersley  
Finance Director

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# City of Wasilla, Alaska

## City Officials Year Ended June 30, 2018

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### ELECTED OFFICIALS

Mayor	Bert L. Cottle
City Council - Seat A	Glenda Ledford
City Council - Seat B	Tim Burney
City Council - Seat C	Stu Graham
City Council - Seat D	Mike Dryden
City Council - Seat E	Gretchen O'Barr
City Council - Seat F	James Harvey

### APPOINTED OFFICIALS

#### Staff

Public Works Director	Archie Giddings
City Clerk	Jamie Newman
Finance Director	Troy Tankersley
Recreation Services Director	Joan Klapperich
Police Chief	Gene Belden (Temporary)
Deputy Administrator	Lyn Carden

#### Planning Commission

Eric Bushnell	Simon Brown
Darrell Breese	Brian Mayer (Co-Chair)
Jessica Dean (Chair)	

#### Parks and Recreation Commission

Mary Shampine	Lee Mitchell (Co-Chair)
Dave Tuttle (Chair)	Mary Kay Robinson
Andrew Tyler Chambers	

#### Airport Commission

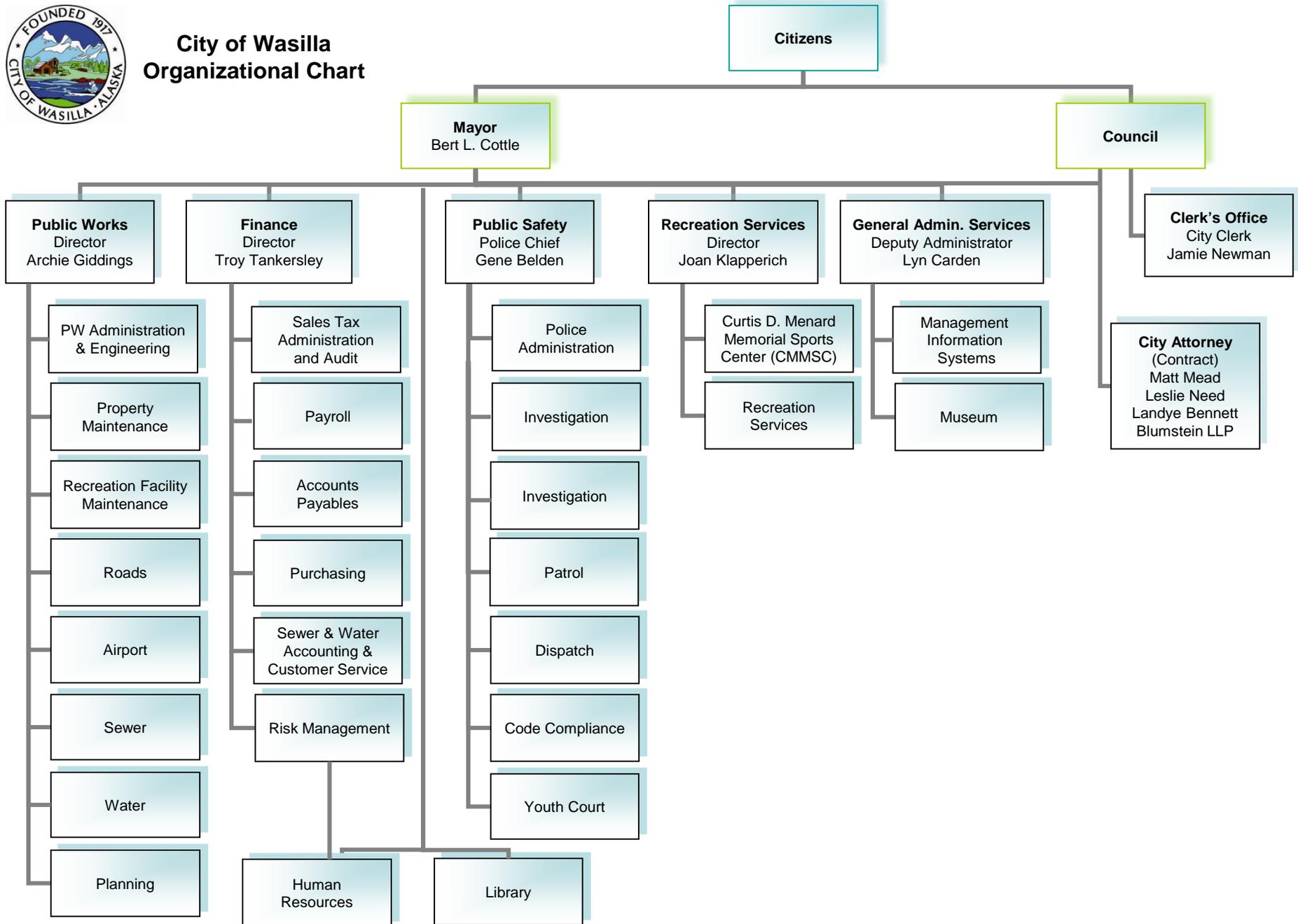
Noel Lowe	Adam Paulick (Chair)
Charles Morris	Cameron Sharick
John Popecki	Michael Lucas (Co-Chair)
Raymond Block	

### CONSULTANTS

City Attorney	Landye Bennett Blumstein, LLP
Auditors	BDO, LLP
Insurance Pool	Alaska Public Entity Joint Insurance
Insurance Broker	Association
	Michael Combs, Combs Insurance Agency, Inc.



# City of Wasilla Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Wasilla**  
**Alaska**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO

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[www.bdo.com](http://www.bdo.com)

3601 C Street, Suite 600  
Anchorage, AK 99503

## Independent Auditor's Report

Honorable Mayor and  
Members of the City Council  
City of Wasilla, Alaska

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Wasilla, Alaska (the City), as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Wasilla, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Emphasis of Matter*

As discussed in Note 2 to the financial statements, in 2018 the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 6 through 16, the budgetary comparison information on page 62, and the Schedules of the City's Information on the Net Pension and OPEB Liability and City Contributions to the Pension and OPEB Plans on pages 63 through 66, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit for the year ended June 30, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules for the year ended June 30, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City of Wasilla as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated November 20, 2017 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended June 30, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the June 30, 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2018 on our consideration of City of Wasilla's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Wasilla's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Wasilla's internal control over financial reporting and compliance.

*BDO USA, LLP*

Anchorage, Alaska  
November 9, 2018

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## Management's Discussion and Analysis

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**City of Wasilla, Alaska**  
**Management's Discussion and Analysis**  
**June 30, 2018**

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As management of the City of Wasilla, (the City) we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v.

**Financial Highlights**

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- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most current fiscal year by \$144,536,827 (total net position). Of this amount, \$18,346,621 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of business of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$24,634,570, an increase of \$2,099,881 in comparison with the prior year. Approximately 33% of this amount (\$8,080,284) is unassigned and available for spending at the government's discretion.
- The City's total outstanding debt decreased by \$569,194 to a year-end balance of \$1,406,444. The decrease is attributed to meeting required debt payments and financing capital projects through either grant funding or fund balance. The City's long-term debt information can be found on pages 43-44 of the notes to the basic financial statements.
- The City adopted provisions of Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. In relation to the adoption of GASB 75, the City recorded a net other postemployment benefits liability (OPEB) of \$1,967,539, deferred outflows of resources related to OPEB of \$356,861, and deferred inflows of resources related to OPEB of \$961,553. The City's retirement plan information can be found on pages 45-57 of the notes to the basic financial statements.

**Overview of the Financial Statements**

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This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner like a private sector business.

The statement of net position presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other

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functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include water, sewer, airport, and operation of the Curtis D. Menard Memorial Sports Center (sports center).

The government-wide financial statements can be found on pages 18-19 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Miscellaneous Capital Projects Fund, which are considered to be major funds. The other eight governmental funds are combined and shown as nonmajor governmental funds on the governmental funds balance sheet and governmental statement of revenues, expenditures, and changes in fund balances. Individual fund information for the eight nonmajor funds is presented in combining balance sheets for nonmajor governmental funds and combining statement of revenues, expenditures, and changes in fund balances for nonmajor funds, by fund type.

The City adopts annual appropriated budgets for its General Fund and special revenue funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

**Proprietary Funds.** The City maintains enterprise funds, a type of proprietary fund, to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, airport, and sports center operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, sports center, and airport, all of which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 24-28 of this report.

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**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-60 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary comparison schedule for the General Fund and progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 62-68 of this report.

***Government-wide Overall Financial Analysis***

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$144,536,827 at the close of the most recent fiscal year.

The largest portion of the City's net position (84%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to satisfy these liabilities.

**City of Wasilla's Net Position**

	Governmental Activities		Business-type Activities		Total Activities	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 27,658,672	\$ 24,153,676	\$ 14,253,213	\$ 12,409,466	\$ 41,911,885	\$ 36,563,142
Capital assets, net of depreciation	59,754,363	58,992,061	63,415,097	64,958,582	123,169,460	123,950,643
<b>Total assets</b>	<b>87,413,035</b>	<b>83,145,737</b>	<b>77,668,310</b>	<b>77,368,048</b>	<b>165,081,345</b>	<b>160,513,785</b>
Total deferred outflows of resources	1,533,046	2,876,496	278,451	489,604	1,811,497	3,366,100
Noncurrent liabilities	13,240,434	14,727,840	3,202,347	3,554,755	16,442,781	16,835,712
Other liabilities	1,492,406	1,620,995	494,875	457,544	1,987,281	3,525,422
<b>Total liabilities</b>	<b>14,732,840</b>	<b>16,348,835</b>	<b>3,697,222</b>	<b>4,012,299</b>	<b>18,430,062</b>	<b>20,361,134</b>
Total deferred inflows of resources	1,825,583	146,885	288,873	25,003	2,114,456	171,888
Net position:						
Net investment in capital assets	59,340,731	58,174,797	62,422,397	63,800,432	121,763,128	121,975,229

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Restricted for permanent fund principal	321,160	298,275	-	-	321,160	298,275
Restricted for federal and state drug enforcement	13,146	13,146	-	-	13,146	13,146
Restricted for new police station construction	3,232,572	-	-	-	3,232,572	-
Restricted for Main Street couplet construction	860,200	1,722,736	-	-	860,200	1,722,736
Unrestricted	7,086,803	9,317,559	11,259,818	10,019,918	18,346,621	19,337,477
<b>Total Net Position</b>	<b>\$ 70,854,612</b>	<b>\$ 69,526,513</b>	<b>\$ 73,682,215</b>	<b>\$ 73,820,350</b>	<b>\$ 144,536,827</b>	<b>\$ 143,346,863</b>

An additional portion of the City' net position, approximately 3%, represents resources that are subject to external restrictions on how they may be used. Certain restrictions or eligibility requirements related to grant funds makes up this balance. The remaining balance of unrestricted net position of \$18,346,621 may be used to meet the government's ongoing obligations to citizens and creditors. The City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

During the current fiscal year, the government's net position increased by \$3,873,675 compared to \$3,369,101 in the prior fiscal year. The City had increased sales tax revenue of approximately \$3.4M as the 1% sales tax dedicated to fund construction of a new police station commenced January 1, 2018. This increase was offset by a decrease in capital contributions related primarily to a significant road donated in the prior year.

**Governmental Activities**

During fiscal year 2018, the City's net position increased by \$3,647,269 for governmental activities. Highlights of governmental activities net position changes include contributions from state grantor agencies for upgrades to dispatch services and donated infrastructure, roads and right-of-way, from private and public sources.

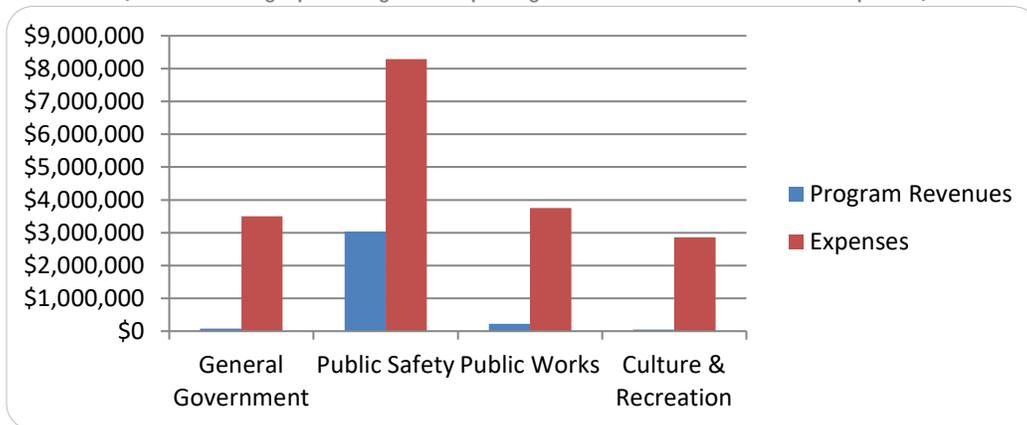
	Governmental Activities		Business-type Activities		Total Activities	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program revenues:						
Fees, fines, and charges for services	\$ 3,382,538	\$ 2,500,273	\$ 4,263,150	\$ 4,267,211	\$ 7,645,688	\$ 6,767,484
Operating grants and contributions	1,023,779	664,240	483,842	111,881	1,507,621	776,121
Capital grants and contributions	1,847,996	5,915,710	618,536	956,673	2,466,532	6,872,383
General revenues:						
Sales taxes	16,724,587	13,319,335	-	-	16,724,587	13,319,335
Vehicle taxes	60,920	59,270	-	-	60,920	59,270
Grants and entitlements not restricted to a specific purpose	540,979	567,868	-	-	540,979	567,868
Investment income	271,966	119,083	5,918	7,702	277,884	126,785
Loss on land held for resale	(862,536)	-	-	-	(862,536)	-
Other	147,091	219,742	47,386	55,124	194,477	274,866
<b>Total revenues</b>	<b>\$ 23,137,320</b>	<b>\$ 23,365,521</b>	<b>\$ 5,418,832</b>	<b>\$ 5,398,591</b>	<b>\$ 28,556,152</b>	<b>\$ 28,764,112</b>

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<b>Expenses</b>						
General government	\$ 3,501,793	\$ 3,689,430	\$ -	\$ -	\$ 3,501,793	\$ 3,689,430
Public safety	8,293,624	8,368,172	-	-	8,293,624	8,368,172
Public works	3,752,738	4,330,629	-	-	3,752,738	4,330,629
Culture and recreation	2,863,653	2,903,528	-	-	2,863,653	2,903,528
Interest on long-term debt	10,749	11,916	-	-	10,749	11,916
Water utility	-	-	1,644,995	1,731,372	1,644,995	1,731,372
Sewer utility	-	-	2,003,549	1,670,499	2,003,549	1,670,499
Municipal airport Curtis D. Menard Memorial Sports Center	-	-	946,906	988,841	946,906	988,841
	-	-	1,664,470	1,700,624	1,664,470	1,700,624
<b>Total expenses</b>	<b>\$ 18,422,557</b>	<b>\$ 19,303,675</b>	<b>\$ 6,259,920</b>	<b>\$ 6,091,336</b>	<b>\$ 24,682,477</b>	<b>\$ 25,395,011</b>
<b>Increase (Decrease) in net position before transfers</b>						
	\$ 4,714,763	\$ 4,061,846	(\$ 841,088)	(\$ 692,745)	\$ 3,876,675	\$ 3,369,101
<b>Transfers</b>						
	(1,067,494)	(1,043,500)	1,067,494	1,043,500	-	-
<b>Increase in net position</b>						
	3,647,269	3,018,346	226,406	350,755	3,873,675	3,369,101
<b>Net position- beginning, as restated</b>						
	67,207,343	66,508,167	73,455,809	73,469,595	140,663,152	139,977,762
<b>Net Position - Ending</b>						
	\$ 70,854,612	\$ 69,526,513	\$ 73,682,215	\$ 73,820,350	\$ 144,536,827	\$ 143,346,863

The following graph displays program revenues, not including operating and capital grants, and expenses dedicated to governmental activities. This shows the amount of revenues generated from these activities. Other revenues also support governmental activities but are general in nature and apply to all categories. These include sales taxes, grants and entitlements not restricted for a specific purpose, investment income, and other general revenues.

Program Revenues and Expenses - Governmental Activities  
 (Not including operating and capital grant revenues or interest expense)

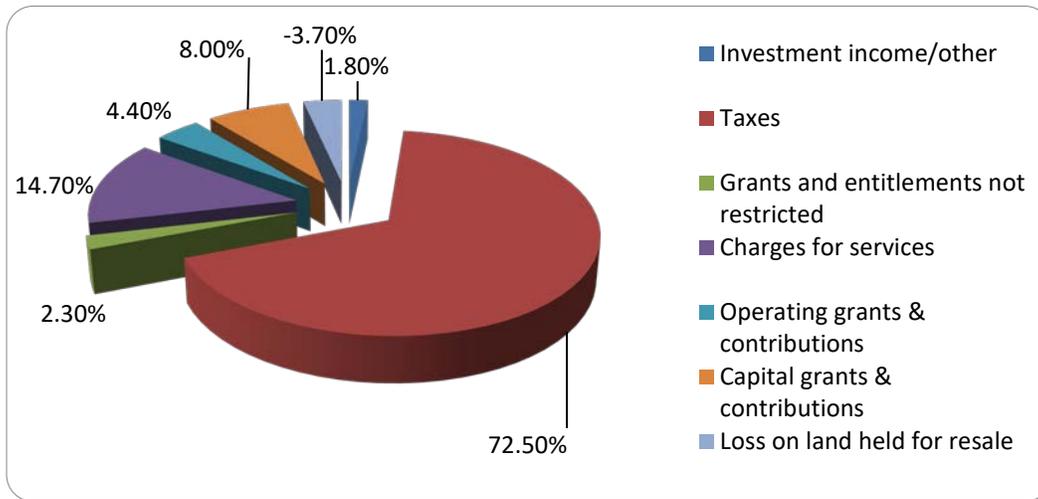


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Program Activities

The following graph shows the percentages of all revenue sources for governmental activities. Taxes are the largest revenue source for the City, followed in order by charges for services, capital grants and contributions, operating grants and contributions, grants and entitlements not restricted, and investment/other income. Tax revenue for governmental activities increased from 2017 to 2018 by \$3,406,902 or 25.4%. The increase is due to the 1% dedicated sales tax for construction of a new police station which commenced January 1, 2018.

Revenues by Source - Governmental Activities



Overall expenses for governmental activities decreased \$881,118 from the prior year which is primarily attributed to the public works department. In the prior year, public works had more capital expenditures on the waste water fallout study and that project currently does not meet the criteria for capitalization.

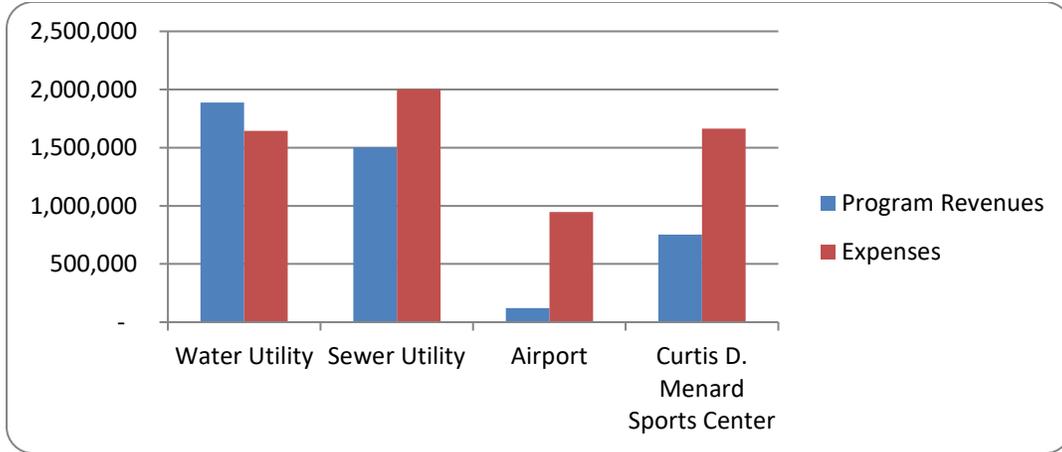
***Business-type Activities***

Business-type activities increased the City's net position by \$226,406. The increase in the water fund of \$796,394 and net transfers in of \$1,067,494 offset losses in the sewer, airport and sports center funds of \$ 17,086, \$823,523 and \$796,873, respectively. Increase in the water fund was largely due to contributions of state grant funding for construction of a new water reservoir (pumphouse) constructed with grant funding from the state. The decrease in net position for the sewer fund, airport fund and sports complex fund is due to depreciation and insufficient user fees and charges to cover operating costs.

The following graph illustrates program revenues and expenses for all business-type activities. Not included in the revenues are taxes, capital grants and contributions, investment earnings, transfers, and other miscellaneous revenues. As reflected in the graph, the water fund is the only business-type activities that reported program revenues exceeded expenses.

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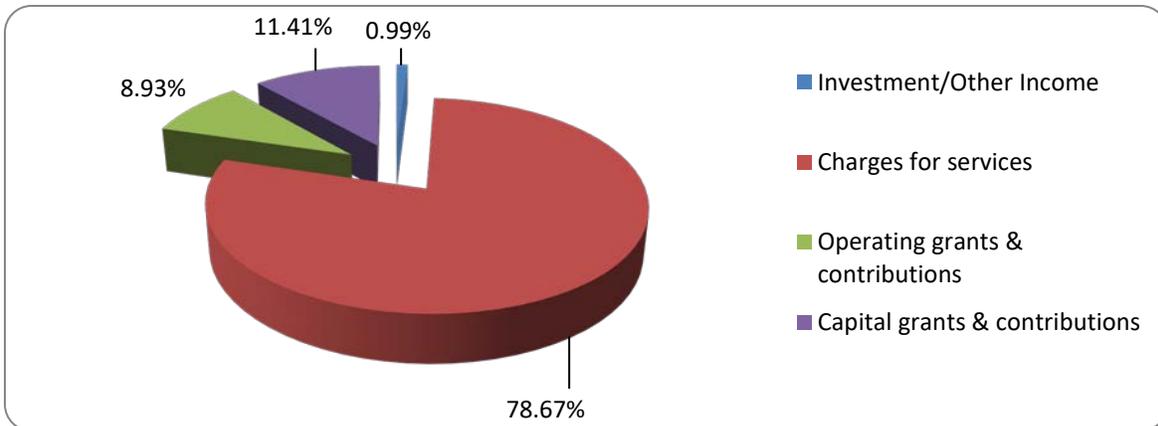
Program Revenues and Expenses - Business-Type Activities  
 (Not including operating and capital grant revenue or interest expense)



The water and sewer fund continue to provide reasonable program revenue to absorb all or most of the funds expenditures which attributed to the annual, five-year rate increase effective from 2010-2015. The airport fund continues to fall short due to the depreciation expense on infrastructure obtained through capital grants. The shortfall in revenue to expense for the Curtis D. Menard Memorial Sports Center includes depreciation, high minimum operating costs, and low user fees.

The following graph depicts the percentages of all revenue sources for business-type activities. Charges for services are the largest revenue source for the City, followed in order by capital grants and contributions, operating grants and contributions, and other revenue and investment income.

Revenues by Source - Business-type Activities



***Financial Analysis of the Governmental Funds***

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Particularly, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2018, the City's governmental funds reported combined ending fund balances of \$24,634,570, an increase of \$2,099,881 comparison with the prior year. The City's total fund balance is made up of the following components:

The first component is nonspendable, which indicates it is not in spendable form, or is legally or contractually required to remain intact. The nonspendable portion is 6.2% (\$1,534,162) of the total fund balance. The restricted classification includes amounts for which constraints have been placed by external parties (creditors, grantors, etc.) or enabling legislation. Restricted fund balance is 13.2% (\$3,245,718) of total fund balance. The committed classification can only be used for specific purposes by formal action of the City Council. The committed portion is 24.4% (\$6,010,411) of the total fund balance. The next component is assigned fund balance that includes amounts that are intended to be used for a specific purpose and have been expressly assigned by the person with designated authority. The assigned portion is 23.4% (\$5,763,995) of the total fund balance. Unassigned fund balance is the residual fund balance available for use for any purpose. The unassigned fund balance portion is 32.8% (\$8,080,284) of the total fund balance.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8,080,284 while total fund balance was \$15,577,607. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures for the year. Unassigned fund balance represents 51.2% of total General Fund expenditures, while total fund balance represents 98.7% of that same amount.

Fund balance of the City's General Fund decreased by \$1,000,639 during the current year and in the prior year decreased \$967,677. Similar to the prior year, the decrease in fund balance is attributed to transfers out of the General Fund totally \$3,929,467. The transfers out are largely offset by an excess of revenues over expenditures in the General Fund.

The Miscellaneous Capital Projects Fund has a total fund balance of \$6,588,500. This total amount is designated for future capital project construction expenditures. Fund balance increased by \$4,228,121 due to the one percent (1%) dedicated sales tax to fund construction of a new police station which became effective January 1, 2018. Capital outlay decreased by \$1,667,133 over the prior year due to completion of the new library.

**Proprietary Funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

The water utility's unrestricted net position is \$5,843,456, an increase of \$784,877 in comparison with the prior year. This increase is due to contributed revenue from a state grant to construct a new well and pumphouse.

The sewer utility's unrestricted net position is \$3,514,668, an increase of \$213,614 over prior year resulting primarily from a state grant to construct a building addition at the waste water treatment center.

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The airport's unrestricted net position is \$542,387, an increase of \$89,653 from prior year due entirely from transfer in from the General Fund. The airport operations continue to generate losses even before depreciation. The City has received significant federal and state grant funding in previous years to construct infrastructure necessary to allow for commercial use and development in the future. As such, the City will continue to offset operating losses with transfers from the General Fund to support development of the airport and the economic opportunities it may bring to the community in the future.

The Curtis D. Menard Memorial Sports Center's unrestricted net position is \$1,359,307 an increase of \$151,756 over prior year due largely from transfers in from the General Fund. The sports center continues to generate operating losses before depreciation and operations are supported by routine transfers from the General Fund. In the current year, the transfers in were \$750,000. The City will continue to offset operating losses with transfers from the General Fund to support development of the sports center, the service it provides to the community, and the economic opportunities it brings to the community in the future.

***General Fund Budgetary Highlights***

***Original budget compared to final budget.*** During the year the only significant amendments to increase the original estimated revenues and original budgeted appropriations was for intergovernmental revenues for approximately \$446,000. The increase related to a local government planning grant, contributions to the opiate task force program, and higher than anticipated revenue sharing from the State of Alaska.

***Final budget compared to actual results.*** The difference between estimated revenues and actual revenues was an unfavorable variance of \$531,406. Difference resulted from lower sales tax revenue likely generated by the state-wide recession and commercial development outside city limits. The decrease in sales tax was partially offset by the State of Alaska on-behalf pension payment which is not budgeted. The difference between estimated expenditures and actual expenditures was a favorable variance of \$1,619,326. The positive variance in public safety largely relates to unfilled officer and dispatch positions due to retirements and normal attrition. Additionally, these positions require a long recruitment process leaving positions unfilled for periods longer than normal as compared to other positions at the City.

***Capital Asset and Debt Administration***

***Capital Assets.*** The City's investment in capital assets for its governmental and business-type activities as of June 30, 2018 amounts to \$123,169,460 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery, equipment, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- E911 dispatch upgrade including consoles, software and equipment
- Generator and installation at the new library
- New water reservoir (pumphouse) at East Susitna
- Sewer treatment plant addition of office, breakroom and lavatory
- Police and property maintenance vehicles
- Roads equipment (marker, striper, towable manlift with trailer, and rotary cutter)

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**City of Wasilla's Capital Assets**  
**(Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total Activities	
	2018	2017	2018	2017	2018	2017
Land	\$ 14,456,200	\$ 14,280,961	\$ 4,429,707	\$ 4,429,707	\$ 18,885,907	\$ 18,710,668
Buildings	20,356,263	20,395,663	12,626,841	12,944,370	32,983,104	33,340,033
Land improvements	-	-	6,520,055	7,061,202	6,520,055	7,061,202
Infrastructure	19,833,150	20,877,289	37,406,193	37,860,958	57,239,343	58,738,247
Furniture and equipment	1,323,801	574,824	-	-	1,323,801	574,824
Vehicles and equipment	2,290,354	2,230,244	2,165,332	2,426,475	4,455,686	4,656,719
Construction in progress	1,494,595	633,080	266,969	235,870	1,761,564	868,950
<b>Total Capital Assets</b>	<b>\$ 59,754,363</b>	<b>\$ 58,992,061</b>	<b>\$ 63,415,097</b>	<b>\$ 64,958,582</b>	<b>\$123,169,460</b>	<b>\$123,950,643</b>

Additional information on the City's capital assets can be found in note 5 on pages 40-42 of this report.

**Long-term Debt.** At the end of the current fiscal year, the City had total long-term debt outstanding of \$1,406,444. Of this amount, \$413,744 comprises debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds and loans secured solely by specified revenue sources (i.e., special assessments levied against properties specifically benefited) in the amount of \$992,700.

**City of Wasilla's**  
**General Obligation Bonds, Loans and Other Long-term Debt**

	Governmental Activities		Business-type Activities		Total Activities	
	2018	2017	2018	2017	2018	2017
General obligation	\$ 413,744	\$ 817,488	\$ -	\$ -	\$ 413,744	\$ 817,488
Long-term loans	-	-	992,700	1,158,150	992,700	1,158,150
<b>Total Long-term Debt</b>	<b>\$ 413,744</b>	<b>\$ 817,488</b>	<b>\$ 992,700</b>	<b>\$ 1,158,150</b>	<b>\$ 1,406,444</b>	<b>\$ 1,975,638</b>

The City's total debt decreased by \$569,194 or 28.8%, during the current fiscal year. The decrease is attributed to the City meeting its required debt payments and not issuing new debt.

State statutes do not impose debt limits on the City; however, its Municipal Code 5.02.040 requires that annual general obligation debt service not exceed twenty percent (20%) of annual general fund revenue. Additional information on the City's long-term debt can be found on pages 43-44 of this report.

***Economic Factors and Next Year's Budgets and Rates***

In setting the budget for fiscal year 2019, the City considered a few issues with citywide impact. Among them are the following:

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- In FY 2019, sales tax revenues to the general fund are projected to decrease 4.93% from the budgeted sales tax revenue for FY2018 due to the state of the economy in Alaska related to low oil prices in the most recent past years, commercial development outside city limits and no annexations. Expected offsets include continued commercial development inside the city, population growth in the Matanuska Susitna Borough, and marginal inflation. Sales tax to the miscellaneous capital projects is projected to increase \$3M due to a voter-approved sales tax increase of 1% dedicated to fund construction of a new police station. The increase commenced January 1, 2018 so a full year of sales tax is expected to generate \$6M in revenues. The dedicated tax will terminate upon collection of \$12M or for two years; whichever comes first. At that point, the sales tax will be reduced by .5%, to a total of 2.5%. The remaining incremental .5% shall be available for operational expenditures.
- The property tax mil levy is expected to remain at zero.
- User fees and charges for business-type activities are expected to remain relatively flat. The city does intend to provide a reduction of service rates to its utility customers. In FY2010, a 5-year rate increase was implemented to create capital reserves for these funds. Having reached a reasonable reserve, a price reduction may be provided by simply reducing its overall current rate structure or establishing a lower minimum rate. The rate decrease will be partially offset by added utility service connections due to land development.
- The City continues to rely largely on state grant assistance to fund general, large-scale capital projects and federal funding for expansion of its airport. New grant awards declined significantly in FY2017-2018 given the budget constraints at the State level due to low oil prices. Intergovernmental revenues will continue strong into FY2019 as the City spends down reimbursement grants awarded previously to those fiscal years. Budgeted transfers to capital project funds from the General Fund in FY 2019 are \$1,589,000. Subsequent to fiscal year end and approval of the FY2019 budget, the city received and approved acceptance of a \$3.8M grant from the Federal Aviation Administration to construct additional lease lots. The grant requires a 6.25% local match which has already been met through engineering costs funded by the City for project design.
- On the expenditure side, personnel costs make up approximately 74% of the city's annual operational costs (excludes transfers, debt service and net capital projects). Personnel assumptions provide for an increase of .92% in FY2019 over FY2018 amended budget. The assumption presumes an 1.3% increase in overall wages for salary increases and cost of living. This increase is offset with a 2.44% decrease in expected health insurance expense. In FY2017, the city returned to a fully-insured health insurance model. Coverage is provided by three separate health benefit plans that are operated by the three unions present at the city. Having terminated the partially self-insured plan (including closeout of its IBNR reserve) and trending increases on the fully-insured plans, it was deemed reasonable to decrease the expected annual cost of health insurance. Additionally, the employer contributions to the Public Employees Retirement System (PERS) is projected to remain at 22% despite legislative discussions to increase that percentage.
- For more than a decade, the city has taken a forward-funded approach to discretionary capital projects. With that, no additional debt is anticipated in FY2019.

***Requests for Information***

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Wasilla, Attn: Finance Director, 290 E. Heming Ave. Wasilla, Alaska 99654.

## Basic Financial Statements

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**City of Wasilla, Alaska**  
**Statement of Net Position**

<i>June 30, 2018</i>	Governmental Activities	Business-type Activities	Total
<b>Assets and Deferred Outflows of Resources</b>			
<b>Assets</b>			
Cash and investments	\$ 22,125,733	\$ 12,981,309	\$ 35,107,042
Land held for resale	860,200	-	860,200
Receivables, net of allowance for uncollectible amounts:			
Accounts	60,167	340,928	401,095
Taxes	1,925,872	-	1,925,872
Grants	448,402	379,186	827,588
Shared revenues	352,450	-	352,450
Assessments	-	110,468	110,468
Prepaid items	352,802	50,115	402,917
Inventories	-	112,756	112,756
Capital assets not being depreciated	15,950,795	4,696,676	20,647,471
Other capital assets, net of accumulated depreciation	43,803,568	58,718,421	102,521,989
<b>Total Assets</b>	<b>85,879,989</b>	<b>77,389,859</b>	<b>163,269,848</b>
<b>Deferred Outflows of Resources</b>			
Related to pensions	1,224,548	229,976	1,454,524
Related to other postemployment benefits	308,386	48,475	356,861
Deferred charge on refunding	112	-	112
<b>Total Deferred Outflows of Resources</b>	<b>1,533,046</b>	<b>278,451</b>	<b>1,811,497</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 87,413,035</b>	<b>\$ 77,668,310</b>	<b>\$ 165,081,345</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>			
<b>Liabilities</b>			
Accounts payable	\$ 592,382	\$ 163,508	\$ 755,890
Accrued payroll and employee benefits	647,507	88,447	735,954
Customer deposits	16,001	35,850	51,851
Unearned revenue	235,166	202,256	437,422
Accrued interest	1,350	4,814	6,164
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable, including unamortized premium	413,744	165,450	579,194
Compensated absences	701,274	131,926	833,200
Due in more than one year:			
Notes payable	-	827,250	827,250
Net pension liability	10,425,137	1,810,461	12,235,598
Net other postemployment benefits liability	1,700,279	267,260	1,967,539
<b>Total Liabilities</b>	<b>14,732,840</b>	<b>3,697,222</b>	<b>18,430,062</b>
<b>Deferred Inflows of Resources</b>			
Related to pensions	994,643	158,260	1,152,903
Related to other postemployment benefits	830,940	130,613	961,553
<b>Total Deferred Inflows of Resources</b>	<b>1,825,583</b>	<b>288,873</b>	<b>2,114,456</b>
<b>Net Position</b>			
Net investment in capital assets	59,340,731	62,422,397	121,763,128
Restricted:			
Permanent Fund - Cemetery - nonexpendable	321,160	-	321,160
Federal and state drug enforcement	13,146	-	13,146
Main Street couplet	860,200	-	860,200
New police station construction	3,232,572	-	3,232,572
Unrestricted	7,086,803	11,259,818	18,346,621
<b>Total Net Position</b>	<b>70,854,612</b>	<b>73,682,215</b>	<b>144,536,827</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 87,413,035</b>	<b>\$ 77,668,310</b>	<b>\$ 165,081,345</b>

*See accompanying notes to basic financial statements.*

## City of Wasilla, Alaska

### Statement of Activities

Year Ended June 30, 2018	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Fees, Fines & Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Govern- mental Activities	Business- type Activities	Total
<b>Governmental Activities</b>							
General government	\$ 3,501,793	\$ 77,841	\$ 65,096	\$ -	\$ (3,358,856)	\$ -	\$ (3,358,856)
Public safety	8,293,624	3,033,037	875,411	666,166	(3,719,010)	-	(3,719,010)
Public works	3,752,738	225,171	39,155	1,154,705	(2,333,707)	-	(2,333,707)
Culture and recreation	2,863,653	46,489	44,117	27,125	(2,745,922)	-	(2,745,922)
Interest on long-term debt	10,749	-	-	-	(10,749)	-	(10,749)
<b>Total Governmental Activities</b>	<b>18,422,557</b>	<b>3,382,538</b>	<b>1,023,779</b>	<b>1,847,996</b>	<b>(12,168,244)</b>	<b>-</b>	<b>(12,168,244)</b>
<b>Business-Type Activities</b>							
Water utility	1,644,995	1,888,079	12,792	502,320	-	758,196	758,196
Sewer utility	2,003,549	1,501,942	454,629	26,884	-	(20,094)	(20,094)
Municipal airport	946,906	121,189	2,194	-	-	(823,523)	(823,523)
Sports center	1,664,470	751,940	14,227	89,332	-	(808,971)	(808,971)
<b>Total Business-Type Activities</b>	<b>6,259,920</b>	<b>4,263,150</b>	<b>483,842</b>	<b>618,536</b>	<b>-</b>	<b>(894,392)</b>	<b>(894,392)</b>
<b>Totals</b>	<b>\$ 24,682,477</b>	<b>\$ 7,645,688</b>	<b>\$ 1,507,621</b>	<b>\$ 2,466,532</b>	<b>(12,168,244)</b>	<b>(894,392)</b>	<b>(13,062,636)</b>
<b>General Revenues</b>							
Sales taxes					16,724,587	-	16,724,587
Vehicle taxes					60,920	-	60,920
Grants and entitlements not restricted to a specific purpose					540,979	-	540,979
Investment income					271,966	5,918	277,884
Loss on land held for resale					(862,536)	-	(862,536)
Other					147,091	47,386	194,477
<b>Transfers</b>					<b>(1,067,494)</b>	<b>1,067,494</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>					<b>15,815,513</b>	<b>1,120,798</b>	<b>16,936,311</b>
<b>Change in Net Position</b>					<b>3,647,269</b>	<b>226,406</b>	<b>3,873,675</b>
<b>Net Position, beginning, as restated (Note 2)</b>					<b>67,207,343</b>	<b>73,455,809</b>	<b>140,663,152</b>
<b>Net Position, ending</b>					<b>\$ 70,854,612</b>	<b>\$ 73,682,215</b>	<b>\$ 144,536,827</b>

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Governmental Funds**  
**Balance Sheet**

<i>June 30, 2018</i>	Major Funds			Total Governmental Funds
	General	Miscellaneous Capital Projects	Nonmajor Funds	
<b>Assets</b>				
Cash and investments	\$ 14,573,307	\$ 5,902,698	\$ 1,649,728	\$ 22,125,733
Land held for resale	-	-	860,200	860,200
Receivables, net of allowance for uncollectibles:				
Accounts	60,167	-	-	60,167
Taxes	1,285,031	640,841	-	1,925,872
Grants	15,151	410,859	22,392	448,402
Shared revenues	352,450	-	-	352,450
Prepaid items	227,785	123,816	1,201	352,802
<b>Total Assets</b>	<b>\$ 16,513,891</b>	<b>\$ 7,078,214</b>	<b>\$ 2,533,521</b>	<b>\$ 26,125,626</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 205,010	\$ 348,201	\$ 39,171	\$ 592,382
Accrued payroll and employee benefits	642,191	-	5,316	647,507
Customer deposits	16,001	-	-	16,001
Unearned revenue	73,082	141,513	20,571	235,166
<b>Total Liabilities</b>	<b>936,284</b>	<b>489,714</b>	<b>65,058</b>	<b>1,491,056</b>
<b>Fund Balances</b>				
Nonspendable:				
Prepaid items	227,785	123,816	1,201	352,802
Permanent fund - cemetery	-	-	321,160	321,160
Main Street couplet	-	-	860,200	860,200
Restricted:				
Federal and state drug enforcement	-	-	13,146	13,146
New police station construction	-	3,232,572	-	3,232,572
Committed:				
Capital improvements	6,010,411	-	-	6,010,411
Assigned:				
Land bank	462,000	-	-	462,000
Capital improvements	-	3,232,112	-	3,232,112
Compensated absences	701,274	-	-	701,274
Youth court	-	-	54,528	54,528
Road projects	-	-	87,067	87,067
Vehicle replacement	-	-	510,451	510,451
Right-of-way acquisition	-	-	125,205	125,205
Technology replacement	-	-	495,505	495,505
Sexual Assault Response Team (SART)	52,000	-	-	52,000
WPD K9 Unit	27,153	-	-	27,153
Other purposes	16,700	-	-	16,700
Unassigned	8,080,284	-	-	8,080,284
<b>Total Fund Balances</b>	<b>15,577,607</b>	<b>6,588,500</b>	<b>2,468,463</b>	<b>24,634,570</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 16,513,891</b>	<b>\$ 7,078,214</b>	<b>\$ 2,533,521</b>	<b>\$ 26,125,626</b>

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Reconciliation of Governmental Funds Balance Sheet**  
**to Statement of Net Position**  
**June 30, 2018**

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Total fund balances for governmental funds		\$ 24,634,570
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets (shown here, net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds.		59,754,363
Deferred outflows of resources for governmental activities are not financial resources and therefore are not reported in the funds:		
Deferred outflows of resources related to pensions	\$ 1,224,548	
Deferred outflows of resources related to other postemployment benefits	308,386	
Deferred charge on refunding	112	
Total deferred outflows of resources	1,533,046	1,533,046
Long-term liabilities, including bonds payable, net pension liability, and compensated absences are not due and payable in the current period and therefore, are not reported in the funds:		
General obligation bonds payable, including unamortized premium	(413,744)	
Net pension liability	(10,425,137)	
Net other postemployment benefits liability	(1,700,279)	
Compensated absences	(701,274)	
Accrued interest on bonds	(1,350)	
Total long-term liabilities	(13,241,784)	(13,241,784)
Deferred inflows of resources for governmental activities are not financial resources and therefore are not reported in the funds:		
Deferred inflows of resources related to pensions	(994,643)	
Deferred inflows of resources related to other postemployment benefits	(830,940)	
Total deferred inflows of resources	(1,825,583)	(1,825,583)
<b>Total Net Position of Governmental Activities</b>		<b>\$ 70,854,612</b>

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**

<i>Year Ended June 30, 2018</i>	Major Funds			Total Governmental Funds
	General	Miscellaneous Capital Projects	Nonmajor Funds	
<b>Revenues</b>				
Taxes	\$ 13,552,935	\$ 3,232,572	\$ -	\$ 16,785,507
Licenses and permits	49,580	-	-	49,580
Fines and forfeitures	190,013	-	2,055	192,068
Intergovernmental	1,383,331	1,409,090	219,593	3,012,014
Charges for services	3,106,906	-	-	3,106,906
Loss on land held for resale	-	-	(862,536)	(862,536)
Investment income	271,213	753	-	271,966
Other	125,857	4,129	33,984	163,970
<b>Total Revenues</b>	<b>18,679,835</b>	<b>4,646,544</b>	<b>(606,904)</b>	<b>22,719,475</b>
<b>Expenditures</b>				
Current:				
General government	3,062,835	-	-	3,062,835
Public safety	7,549,499	-	139,293	7,688,792
Public works	2,327,502	-	-	2,327,502
Culture and recreation	2,244,820	-	-	2,244,820
Nondepartmental	172,435	-	-	172,435
Debt service:				
Principal	395,000	-	-	395,000
Interest	20,150	-	-	20,150
Capital outlay	-	2,947,311	714,489	3,661,800
<b>Total Expenditures</b>	<b>15,772,241</b>	<b>2,947,311</b>	<b>853,782</b>	<b>19,573,334</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,907,594</b>	<b>1,699,233</b>	<b>(1,460,686)</b>	<b>3,146,141</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of assets	21,234	-	-	21,234
Transfers in	-	2,528,888	583,085	3,111,973
Transfers out	(3,929,467)	-	(250,000)	(4,179,467)
<b>Net Other Financing Sources (Uses)</b>	<b>(3,908,233)</b>	<b>2,528,888</b>	<b>333,085</b>	<b>(1,046,260)</b>
<b>Net Change in Fund Balances</b>	<b>(1,000,639)</b>	<b>4,228,121</b>	<b>(1,127,601)</b>	<b>2,099,881</b>
<b>Fund Balances, beginning</b>	<b>16,578,246</b>	<b>2,360,379</b>	<b>3,596,064</b>	<b>22,534,689</b>
<b>Fund Balances, ending</b>	<b>\$ 15,577,607</b>	<b>\$ 6,588,500</b>	<b>\$ 2,468,463</b>	<b>\$ 24,634,570</b>

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Reconciliation of the Change in Fund Balances of Governmental Funds**  
**to Statement of Activities**  
**Year Ended June 30, 2018**

Net change in fund balances - total governmental funds		\$ 2,099,881
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Governmental funds report capital outlays as expenditures. However, on the Statement of Activities, depreciation expense is recognized to allocate the cost of these items over their estimated useful lives and reported as depreciation expense:		
Capital outlays	\$ 3,157,740	
Depreciation expense	(2,685,590)	
Donated assets	315,330	
Other miscellaneous capital asset transactions	<u>(25,178)</u>	762,302
Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This is the amount of the decrease in accrued interest payable.		
		658
The issuance of long-term debt provides current financial resources to governmental funds while the repayment of principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:		
Principal repayment	395,000	
Net change in premium and deferred charge on refunding	<u>8,632</u>	403,632
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Decrease in compensated absences	31,639	
Decrease in net pension liability and related deferred outflows and inflows of resources	252,820	
Decrease in net other postemployment benefits liability and related deferred outflows and inflows of resources	<u>96,337</u>	380,796
<b>Change in Net Position of Governmental Activities</b>		<b><u>\$ 3,647,269</u></b>

*See accompanying notes to basic financial statements.*

## City of Wasilla, Alaska

Enterprise Funds  
Statement of Net Position

<i>June 30, 2018</i>	Water Utility	Sewer Utility	Municipal Airport	Curtis D. Menard Memorial Sports Center	Total Enterprise Funds
<b>Assets and Deferred Outflows of Resources</b>					
<b>Current Assets</b>					
Cash and investments	\$ 6,151,457	\$ 4,022,330	\$ 657,515	\$ 2,150,007	\$ 12,981,309
Receivables:					
Accounts	218,842	150,839	7,323	44,113	421,117
Allowance for doubtful accounts	(36,854)	(24,198)	-	(19,137)	(80,189)
Special assessments	6,703	19,396	-	-	26,099
Payment in lieu of assessments	84,369	-	-	-	84,369
Grants	97,209	275,538	425	6,014	379,186
Prepaid expenses	14,602	14,170	1,923	11,350	42,045
Inventory	48,699	64,057	-	-	112,756
<b>Total Current Assets</b>	<b>6,585,027</b>	<b>4,522,132</b>	<b>667,186</b>	<b>2,192,347</b>	<b>13,966,692</b>
<b>Noncurrent Assets</b>					
Prepaid expenses	8,070	-	-	-	8,070
Capital assets, net	27,477,495	12,848,354	9,482,654	13,606,594	63,415,097
<b>Total Noncurrent Assets</b>	<b>27,485,565</b>	<b>12,848,354</b>	<b>9,482,654</b>	<b>13,606,594</b>	<b>63,423,167</b>
<b>Total Assets</b>	<b>34,070,592</b>	<b>17,370,486</b>	<b>10,149,840</b>	<b>15,798,941</b>	<b>77,389,859</b>
<b>Deferred Outflows of Resources</b>					
Related to pensions	65,308	84,115	1,790	78,763	229,976
Related to other postemployment benefits	12,628	19,637	2,166	14,044	48,475
<b>Total Deferred Outflows of Resources</b>	<b>77,936</b>	<b>103,752</b>	<b>3,956</b>	<b>92,807</b>	<b>278,451</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 34,148,528</b>	<b>\$ 17,474,238</b>	<b>\$ 10,153,796</b>	<b>\$ 15,891,748</b>	<b>\$ 77,668,310</b>

See accompanying notes to basic financial statements.

**City of Wasilla, Alaska**  
**Enterprise Funds**  
**Statement of Net Position, continued**

<i>June 30, 2018</i>	Water Utility	Sewer Utility	Municipal Airport	Curtis D. Menard Memorial Sports Center	Total Enterprise Funds
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 12,310	\$ 83,357	\$ 47,082	\$ 20,759	\$ 163,508
Accrued payroll and employee benefits	21,810	33,554	2,336	30,747	88,447
Compensated absences	35,796	62,529	4,392	29,209	131,926
Customer deposits	15,000	15,000	-	5,850	35,850
Accrued interest	4,814	-	-	-	4,814
Unearned revenue	96,333	-	8,506	97,417	202,256
Current portion of notes payable	165,450	-	-	-	165,450
<b>Total Current Liabilities</b>	<b>351,513</b>	<b>194,440</b>	<b>62,316</b>	<b>183,982</b>	<b>792,251</b>
<b>Noncurrent Liabilities</b>					
Notes payable, net of current portion	827,250	-	-	-	827,250
Net pension liability	496,363	691,955	42,020	580,123	1,810,461
Net other postemployment benefits liability	69,623	108,264	11,943	77,430	267,260
<b>Total Noncurrent Liabilities</b>	<b>1,393,236</b>	<b>800,219</b>	<b>53,963</b>	<b>657,553</b>	<b>2,904,971</b>
<b>Total Liabilities</b>	<b>1,744,749</b>	<b>994,659</b>	<b>116,279</b>	<b>841,535</b>	<b>3,697,222</b>
<b>Deferred Inflows of Resources</b>					
Related to pensions	41,503	63,647	6,639	46,471	158,260
Related to other postemployment benefits	34,025	52,910	5,837	37,841	130,613
<b>Total Deferred Inflows of Resources</b>	<b>75,528</b>	<b>116,557</b>	<b>12,476</b>	<b>84,312</b>	<b>288,873</b>
<b>Net Position</b>					
Net investment in capital assets	26,484,795	12,848,354	9,482,654	13,606,594	62,422,397
Unrestricted	5,843,456	3,514,668	542,387	1,359,307	11,259,818
<b>Total Net Position</b>	<b>32,328,251</b>	<b>16,363,022</b>	<b>10,025,041</b>	<b>14,965,901</b>	<b>73,682,215</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 34,148,528</b>	<b>\$17,474,238</b>	<b>\$10,153,796</b>	<b>\$ 15,891,748</b>	<b>\$77,668,310</b>

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Enterprise Funds**  
**Statement of Revenues, Expenses and Changes in Net Position**

<i>Year Ended June 30, 2018</i>	Water Utility	Sewer Utility	Municipal Airport	Curtis D. Menard Memorial Sports Center	Total Enterprise Funds
<b>Operating Revenues</b>	\$ 1,888,079	\$ 1,501,942	\$ 121,189	\$ 751,940	\$ 4,263,150
<b>Operating Expenses</b>					
Salaries and employee benefits	467,284	720,827	47,174	661,447	1,896,732
Other operating expenses	334,146	782,987	124,181	493,643	1,734,957
Depreciation	826,995	499,735	783,466	509,380	2,619,576
<b>Total Operating Expenses</b>	1,628,425	2,003,549	954,821	1,664,470	6,251,265
Operating income (loss)	259,654	(501,607)	(833,632)	(912,530)	(1,988,115)
<b>Nonoperating Revenues (Expenses)</b>					
Payments in lieu of assessments	37,293	1,836	-	-	39,129
Interest expense	(16,570)	-	-	-	(16,570)
Investment income	-	-	-	5,918	5,918
Debt service assessments	905	1,172	-	-	2,077
Nonoperating grants	-	434,738	-	-	434,738
Plans and studies	-	-	7,915	-	7,915
State PERS relief	12,792	19,891	2,194	14,227	49,104
Other income	-	-	-	6,180	6,180
<b>Net Nonoperating Revenues (Expenses)</b>	34,420	457,637	10,109	26,325	528,491
Income (loss) before contributions and transfers	294,074	(43,970)	(823,523)	(886,205)	(1,459,624)
Capital contributions	502,320	26,884	-	89,332	618,536
Transfers in	-	-	359,994	750,000	1,109,994
Transfers out	(14,250)	(16,250)	(500)	(11,500)	(42,500)
Change in net position	782,144	(33,336)	(464,029)	(58,373)	226,406
<b>Net Position, beginning, as restated (Note 2)</b>	31,546,107	16,396,358	10,489,070	15,024,274	73,455,809
<b>Net Position, ending</b>	\$ 32,328,251	\$ 16,363,022	\$ 10,025,041	\$ 14,965,901	\$ 73,682,215

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Enterprise Funds**  
**Statement of Cash Flows**

<i>Year Ended June 30, 2018</i>	Water Utility	Sewer Utility	Municipal Airport	Curtis D. Menard Memorial Sports Center	Total Enterprise Funds
<b>Cash Flows from (for) Operating Activities</b>					
Receipts from customers and users	\$ 1,878,742	\$ 1,491,643	\$ 117,543	\$ 715,566	\$ 4,203,494
Payments to suppliers	(363,520)	(736,205)	(81,431)	(480,754)	(1,661,910)
Payments to employees	(468,955)	(746,681)	(52,168)	(660,453)	(1,928,257)
<b>Net cash flows from (for) operating activities</b>	<b>1,046,267</b>	<b>8,757</b>	<b>(16,056)</b>	<b>(425,641)</b>	<b>613,327</b>
<b>Cash Flows from (for) Noncapital Financing Activities</b>					
Nonoperating grants received	-	256,206	28,079	-	284,285
Transfers in	-	-	359,994	750,000	1,109,994
Transfers out	(14,250)	(16,250)	(500)	(11,500)	(42,500)
<b>Net cash flows for noncapital financing activities</b>	<b>(14,250)</b>	<b>239,956</b>	<b>387,573</b>	<b>738,500</b>	<b>1,351,779</b>
<b>Cash Flows from (for) Capital and Related Financing Activities</b>					
Principal paid on notes payable	(165,450)	-	-	-	(165,450)
Interest paid on notes payable	(17,372)	-	-	-	(17,372)
Special assessments received	5,595	6,461	-	-	12,056
Payments in lieu of assessments received	37,523	1,836	-	-	39,359
Acquisition and construction of capital assets	(563,848)	(105,114)	(213,493)	(193,637)	(1,076,092)
Capital contributions received	497,054	26,884	-	83,318	607,256
<b>Net cash flows from (for) capital and related financing activities</b>	<b>(206,498)</b>	<b>(69,933)</b>	<b>(213,493)</b>	<b>(110,319)</b>	<b>(600,243)</b>
<b>Cash Flows from Investing Activities</b>					
Investment income received	-	-	-	5,918	5,918
<b>Net Increase in Cash and Investments</b>	<b>825,519</b>	<b>178,780</b>	<b>158,024</b>	<b>208,458</b>	<b>1,370,781</b>
<b>Cash and Investments, beginning</b>	<b>5,325,938</b>	<b>3,843,550</b>	<b>499,491</b>	<b>1,941,549</b>	<b>11,610,528</b>
<b>Cash and Investments, ending</b>	<b>\$ 6,151,457</b>	<b>\$ 4,022,330</b>	<b>\$ 657,515</b>	<b>\$ 2,150,007</b>	<b>\$12,981,309</b>

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Enterprise Funds**  
**Statement of Cash Flows, continued**

<i>Year Ended June 30, 2018</i>	Water Utility	Sewer Utility	Municipal Airport	Curtis D Menard Memorial Sports Center	Total Enterprise Funds
<b>Reconciliation of Operating Income (Loss) to Net</b>					
<b>Cash Flows from (for) Operating Activities</b>					
Operating income (loss)	\$ 259,654	\$ (501,607)	\$ (833,632)	\$ (912,530)	\$ (1,988,115)
Adjustments to reconcile operating income (loss) to net cash flows from (for) operating activities:					
Depreciation	826,995	499,735	783,466	509,380	2,619,576
State of Alaska on-behalf payments - PERS relief	12,792	19,891	2,194	14,227	49,104
Nonoperating revenues	-	-	7,915	6,180	14,095
Changes in operating assets and liabilities that provided (used) cash:					
Accounts receivable and related allowance	(6,031)	(6,945)	(5,350)	(10,241)	(28,567)
Inventory	(2,989)	(35,492)	-	-	(38,481)
Prepaid expenses	5,195	9,861	396	8,606	24,058
Deferred outflows of resources related to pensions	67,634	105,172	11,602	75,220	259,628
Deferred outflows of resources related to other postemployment benefits	3,915	6,088	671	4,354	15,028
Accounts payable	(31,580)	72,413	42,354	4,283	87,470
Accrued payroll and employee benefits	(2,445)	(2,772)	103	961	(4,153)
Compensated absences	2,279	(20,741)	(4,838)	1,706	(21,594)
Customer deposits	(2,128)	(3,354)	-	(4,050)	(9,532)
Unearned revenue	(1,178)	-	(6,211)	(28,263)	(35,652)
Net pension liability	(112,700)	(175,251)	(19,333)	(125,340)	(432,624)
Net other postemployment benefits liability	(41,885)	(65,132)	(7,185)	(46,582)	(160,784)
Deferred inflows of resources related to pensions	34,714	53,981	5,955	38,607	133,257
Deferred inflows of resources related to other postemployment benefits	34,025	52,910	5,837	37,841	130,613
<b>Net Cash Flows from (for) Operating Activities</b>	<b>\$ 1,046,267</b>	<b>\$ 8,757</b>	<b>\$ (16,056)</b>	<b>\$ (425,641)</b>	<b>\$ 613,327</b>

*See accompanying notes to basic financial statements.*

# City of Wasilla, Alaska

## Notes to Basic Financial Statements June 30, 2018

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### 1. Summary of Significant Accounting Policies

#### *(a) General*

The accompanying financial statements include all activities of the City of Wasilla (the City), a municipal corporation operating as a first class city under the provisions of Alaska statutes. The City operates under a Mayor-Council form of government.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of these accounting policies are described below.

#### *(b) Reporting Entity*

The reporting entity consists of the City of Wasilla. There are no component units.

#### *(c) Basis of Presentation*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.
- The Miscellaneous Capital Projects Fund accounts for various capital project activities of the City.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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The City reports the following major proprietary funds:

- The Water Utility Enterprise Fund is used to account for the operations of the City water system.
- The Sewer Utility Enterprise Fund is used to account for the operations of the wastewater utility.
- The Municipal Airport Enterprise Fund is used to account for the operations of Wasilla Municipal Airport.
- The Curtis D. Menard Memorial Sports Center Enterprise Fund is used to account for the operations of the recreational sports complex facility.

### *(d) Measurement Focus and Basis of Accounting*

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues except reimbursement grants to be available if they are collected within 60 days after year-end. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on general long-term liabilities, claims and judgments, and compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue in the current period. All other revenue items are considered to be measurable and available only when received by the government.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are allocated administration fees and charges between the enterprise funds and the various other funds and departments. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### *(e) Budgets*

The annual City operating budget is prepared by management in the spring preceding the fiscal year to which it relates. All funds are budgeted on an annual basis encompassing a fiscal year, with the exception of the Cemetery Permanent Fund, for which no budget is prepared. The Capital Project Funds have project-length budgets. The budget is submitted to the City Council for review and approval. Legal enactment of the budget is obtained through passage of a City ordinance. Amendments to the budget can occur any time during the fiscal year through City Council action. The legal level of budgetary control for all funds is at the function or activity level. All appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered, except for capital projects.

Annual budgets for the General, Special Revenue, and Debt Service Funds are legally adopted on the same modified accrual basis used to reflect actual revenues and expenditures.

Annual budgets are also adopted for the Enterprise Funds. However, GAAP do not require the adoption of budgets for Enterprise Funds, and budgetary comparisons are not included for these funds since the measurement focus is on determination of net income and financial position.

### *(f) Assets and Liabilities*

#### **Deposits and Investments**

The City utilizes a central treasury that is available for use by all funds. Each fund's portion of the central treasury is displayed on the balance sheet as "Cash and investments," or is included in "Due to other funds," if negative.

The cash transactions of the City's funds are handled primarily in a single central treasury account. Realized investment earnings, when applicable, are allocated among the funds based on their respective equity in the central treasury.

For purposes of the statement of cash flows, the proprietary funds consider all cash and investments to be cash and cash equivalents. The central treasury, which holds cash and investments, is used essentially as a cash management pool by each fund.

Investments are reported at fair value, except for money market funds, which are reported at amortized cost. Fair value is determined based on quoted market prices.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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The City is authorized to invest in, and with maturities up to, the following:

- U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentality obligations, which have a liquid market with a readily determinable market value and are insured or guaranteed by the United States or agencies or instrumentalities of the United States - 5 years. Securities in these asset classes with maturities longer than five years would be permitted if they have coupon rates that adjust periodically.
- Repurchase agreements that are documented by a written agreement, and are fully collateralized by delivery of government-related obligations, to an independent third-party custodian, which meet a margin requirement of one hundred two percent (102%) of the principal and unpaid accrued interest - 2 years.
- Certificates of deposit and other deposits at banks and savings and loan associations collateralized between 100% and 107%, depending on collateralized type -3 years.
- Uncollateralized deposits at banks and savings and loan associations, to the extent that the deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation - 3 years.
- Bonds and notes which are issued by any state or political subdivision thereof, and which are rated A or higher by a nationally recognized statistical rating organization - 5 years.
- Prime commercial paper graded A1 or higher by Moody's Investor's Service, Inc., and A1 or higher by Standard and Poor's Corporation, or equivalent by a nationally recognized statistical rating organization - 270 days.
- Prime bankers' acceptances offered by the fifty (50) largest banks - 180 days.
- U.S. dollar denominated corporate obligations issued by corporations organized and operated within the United States - 5 years.

Corporate obligations shall be rated as follows:

- A. 1 year or less-A rated by two major nationally recognized statistical rating agencies;
  - B. 1-2 years-AA rated by at least one major nationally recognized statistical rating agency;
  - C. 2-4 years-AA rated by two major nationally recognized statistical rating agencies; and
  - D. 4-5 years-AAA rated by two major nationally recognized statistical rating agencies.
- Money market mutual funds that adhere to SEC rule 2a-7.
  - The Alaska Municipal League Investment Pool (AMLIP), Inc., made in accordance with the terms of that pool's "Common Investment Agreement."
  - Special assessments of the City authorized by Chapter 5.20. Total principal investment is not to exceed two hundred fifty thousand dollars (\$250,000) at the end of any fiscal year. The rate the City shall receive when investing in special assessments is the prime rate plus two percent on the date the ordinance confirming the assessment roll is enacted by the council.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." All amounts due to/from other funds are short term in nature.

Trade receivables for the Water, Sewer and Curtis D. Menard Memorial Sports Center Funds are shown along with an allowance for doubtful accounts. Trade accounts receivables in excess of 90 days outstanding are determined to be uncollectible and are included in the allowance for doubtful accounts.

### Inventories and Prepaid Items

Inventories in the enterprise funds consist of supplies and materials. All inventories are valued using the average cost method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The prepaid assets do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as nonspendable in the governmental fund financial statements. Prepaid items and expenses are based on the consumption method.

### Capital Assets

Capital assets, which includes, property, plant, equipment, system infrastructure (e.g., roads, streets, lighting, etc.), and sewer and water infrastructure (e.g., treatment centers, pipes, tanks, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized in 2018.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the useful life of the asset are not capitalized.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

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Buildings and improvements	15-50 years
System infrastructure	20-50 years
Sewer and water infrastructure and equipment	50-60 years
Machinery and equipment	5-10 years

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused annual leave benefits. All annual leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### Unearned Grant Revenue

Amounts received from grantor agencies that are restricted as to use and have not been expended for the intended use are shown as unearned revenue.

### Bond Premiums, Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the fund statements and as expenses in the government-wide and proprietary fund statements.

### *(g) Pensions and Other Postemployment Benefits (OPEB)*

For purposes of measuring the net pension and net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### *(h) Deferred Outflows of Resources and Deferred Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Generally, the City reports deferred charges on bond refunding and certain pension and OPEB related items as deferred outflows of resources. These items are amortized to expense over time.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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In addition to the liabilities, the financial statements may also present deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until later. The City reports certain pension and OPEB related items as deferred inflows of resources. These items are amortized as a reduction of expense over varying periods of time based on their nature.

### *(i) Equity*

#### **Fund Balance Components**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

#### ***Nonspendable***

Includes amounts either not in spendable form or legally or contractually required to be maintained intact. This would include inventory, prepaid items, corpus of endowments, and long-term loans and notes receivable.

#### ***Restricted***

Reflects the same definition as restricted net position: constraints placed on the use of amounts are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. This would generally include amounts in bonded capital projects funds and debt service funds.

#### ***Committed***

Includes amounts that are committed for specific purposes by approval of the City Council through ordinances. Amounts classified as committed are not subject to legal enforceability like restricted fund balance; however, those amounts cannot be used for any other purpose unless the Council rescinds or changes the limitation by approval through ordinance.

Included in committed are amounts in excess of stabilization of funds that are formally set aside by City ordinance for use in capital projects. The amounts in excess of stabilization of funds amount is determined based on the amount in the General Fund balance in excess of the maximum unassigned fund balance for the succeeding fiscal year, as defined.

#### ***Assigned***

Amounts that are intended by the City to be used for specific purposes, but are neither restricted nor limited, are reported as assigned fund balance. The finance director is given authority by Municipal Code to make the determination of assigned fund balances, including removal and modification of assigned amounts. This would include any activity reported in a fund other than the General Fund that is not otherwise restricted more narrowly by the above definitions.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Unassigned*

Includes any remaining amounts after applying the above definitions. Only the General Fund has unassigned fund balance.

### *Spending Policy*

The City's spending policy is to spend restricted fund balance first, followed by committed, assigned, and unassigned fund balance.

### *(j) Net Position*

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

#### **Net Investment in Capital Assets**

This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

#### **Restricted**

This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the City's policy to use restricted resources first, then unrestricted resources when they are needed.

#### **Unrestricted**

This consists of net position that does not meet the definition of restricted or net investment in capital assets.

### *(k) Revenues, Expenditures, and Expenses*

#### **Property Taxes**

Property taxes are levied on the assessed value of taxable property as of January 1 and are payable in two installments in August and February. An enforceable lien is attached on all taxable property as of January 1. The Matanuska-Susitna Borough bills and collects all property taxes for the City. The property tax for the fiscal years ended June 30, 2018 and 2017, held a zero mill rate.

#### **Grants and Other Intergovernmental Revenues**

Grants and other intergovernmental revenues are recognized as revenue as soon as all eligibility requirements have been met.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### 2. Change in Accounting Principle

As discussed in Note 8 to the financial statements, the City participates in the Alaska Public Employees Retirement System (PERS) plan. In 2018, the City adopted the provisions of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which, among other accounting and reporting criteria, requires the City to recognize its proportional share of the Net OPEB Liability (and related deferred inflows of resources and deferred outflows of resources), as of the beginning of the City's fiscal year. As a result of the implementation of this statement, the City has recorded an opening balance adjustment to reflect opening balance OPEB liabilities and related accounts and to decrease opening net position as follows:

	Opening Net Position, as Originally Presented	Change in Accounting Principle Adjustment	Opening Net Position (Deficit), as Restated
Governmental activities	\$ 69,526,513	\$ (2,319,170)	\$ 67,207,343
Business-type activities	73,820,350	(364,541)	73,455,809
Sewer Utility Fund	16,544,029	(147,671)	16,396,358
Water Utility Fund	31,641,072	(94,965)	31,546,107
Municipal Airport Fund	10,505,361	(16,291)	10,489,070
Curtis D. Menard Memorial Sports Center Fund	15,129,888	(105,614)	15,024,274

### 3. Deposits and Investments

#### (a) Investments

As of June 30, 2018, the City had the following investments:

Investment Type	Fair value	Investment Maturities		
		Less than 1 year	1-5 Years	More than 5 years
Money market funds	\$ 445,460	\$ 445,460	\$ -	\$ -
Certificates of deposit	1,247,936	1,247,936	-	-
U.S. treasuries	4,316,395	-	-	4,316,395
U.S. government agencies	11,981,623	509,894	3,611,562	7,860,167
Corporate bonds	2,899,286	2,899,286	-	-
AMLIP pooled investments	5,473,601	5,473,601	-	-
<b>Total Subject to Interest Rate Risk</b>	<b>\$ 26,364,301</b>	<b>\$ 10,576,177</b>	<b>\$ 3,611,562</b>	<b>\$ 12,176,562</b>

#### (b) Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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The City has the following recurring fair value measurements as of June 30, 2018:

U.S. treasury securities of \$4,316,395 are valued using models with various inputs such as but not limited to daily cash flow, snapshots of market indices and spread scales (Level 2 inputs)

U.S. government agency securities of \$11,981,623 are valued using models with various inputs such as but not limited to daily cash flow, snapshots of market indices and spread scales (Level 2 inputs)

Corporate bonds of \$2,899,286 are valued using models with various inputs such as but not limited to daily cash flow, snapshots of market indices and spread scales (Level 2 inputs)

The City has investments in money market funds and certificates of deposits totaling \$1,693,396 that are not held at fair value, but instead recorded at amortized cost, as of June 30, 2018. The City's investment in AMLIP of \$5,473,601 is measured at net asset value, as of June 30, 2018. Management believes these values approximate fair value.

### *(c) Interest Rate Risk*

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the duration of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City has no formal policy relating to interest rate risk.

### *(d) Credit Risk*

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Alaska State law does not have specific investment limitations. The City's policy does limit investments to specified ratings based on instrument type as defined in note 1(f).

At June 30, 2018, the City's corporate bond investments were rated as follows:

Investment	Standard and Poor's	Moody's Investor Service
Corporate bonds	AA- to A+	Aa3 to A2

The AMLIP is an external investment pool, which is rated AAAm for credit risk purposes. Alaska Statute 37.23 establishes regulatory oversight of the Pool. The law sets forth numerous requirements regarding authorized investments and reporting. The Pool is incorporated in the State of Alaska as a nonprofit corporation and reports to a board of directors. Alaska Statute 37.23.050 requires the retention of an investment manager.

The manager is required to produce monthly disclosure statements on the Pool. The Pool also has retained an investment adviser who monitors the performance of the investment manager to ensure compliance with investment policies. All participation in the Pool is voluntary. The Pool must maintain a dollar-weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 397 days or less. On a monthly basis, the investments in the Pool are reviewed for fair value by an independent pricing service. As of June 30, 2018, the fair value of the investments in the Pool approximates amortized cost and is equal to the value of Pool shares.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *(e) Concentration of Credit Risk*

The City places no limit on the amount it may invest in any one issuer. The City has no investments from any one issuer that represents 5% or more of total investments other than U.S. government securities.

### *(f) Custodial Credit Risk - Deposits*

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk is to collateralize its primary demand deposit account for 102% of the uninsured balance. As of June 30, 2018, the City's had no bank deposits that were not insured or collateralized.

### *(g) Custodial Credit Risk - Investments*

For an investment, this is a risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City had no debt securities exposed to custodial credit risk at June 30, 2018 because the investments were held by a custodian in the name of the City.

### *(h) Reconciliation to the Statement of Net Position*

Deposits and investments are reported as follows on the statement of net position, as of June 30, 2018:

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Cash and Investments	\$ 35,107,042
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Deposits and investments are comprised of the following as of June 30, 2018:

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Carrying value of bank deposits	\$ 8,741,141
Petty cash accounts	1,600
Investments	26,364,301
<b>Total Cash and Investments</b>	<b>\$ 35,107,042</b>

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## 4. Land Held for Resale

In 2016, the City acquired a large parcel of land for a capital project of which approximately 7 acres was deemed excess and planned to be resold to the private sector. Proceeds from the sale shall be used toward the project. The land was recorded as an asset held for resale. In 2018, the City had the land value reassessed which resulted in a significant write down to a book value of \$860,200, which approximates net realizable value.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### 5. Capital Assets

Capital asset activity for the year ended June 30, 2018 is as follows:

<b>Governmental Activities</b>	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ 14,280,961	\$ 175,239	\$ -	\$ 14,456,200
Construction in progress	633,080	2,492,583	(1,631,068)	1,494,595
<b>Total capital assets not being depreciated</b>	<b>14,914,041</b>	<b>2,667,822</b>	<b>(1,631,068)</b>	<b>15,950,795</b>
Capital assets being depreciated:				
Buildings	23,901,945	521,733	(44,740)	24,378,938
Office furniture and equipment	2,936,628	1,081,448	(626,407)	3,391,669
Vehicles and equipment	6,031,556	606,922	(57,023)	6,581,455
Infrastructure	37,391,572	226,213	-	37,617,785
<b>Total capital assets being depreciated</b>	<b>70,261,701</b>	<b>2,436,316</b>	<b>(728,170)</b>	<b>71,969,847</b>
Less accumulated depreciation for:				
Buildings	3,506,282	542,806	(26,413)	4,022,675
Office furniture and equipment	2,361,804	332,470	(626,406)	2,067,868
Vehicles and equipment	3,801,312	539,962	(50,173)	4,291,101
Infrastructure	16,514,283	1,270,352	-	17,784,635
<b>Total accumulated depreciation</b>	<b>26,183,681</b>	<b>2,685,590</b>	<b>(702,992)</b>	<b>28,166,279</b>
<b>Total capital assets being depreciated, net</b>	<b>44,078,020</b>	<b>(249,274)</b>	<b>(25,178)</b>	<b>43,803,568</b>
<b>Governmental Activity Capital Assets, net</b>	<b>\$ 58,992,061</b>	<b>\$ 2,418,548</b>	<b>\$ (1,656,246)</b>	<b>\$ 59,754,363</b>

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

Business-type Activities	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ 4,429,707	\$ -	\$ -	\$ 4,429,707
Construction in progress	235,870	1,076,090	(1,044,991)	266,969
<b>Total capital assets not being depreciated</b>	<b>4,665,577</b>	<b>1,076,090</b>	<b>(1,044,991)</b>	<b>4,696,676</b>
Capital assets being depreciated:				
Land improvements	16,190,028	27,140	-	16,217,168
Buildings	17,902,478	158,304	-	18,060,782
Treatment system	8,111,871	-	-	8,111,871
Collection/distribution	43,077,035	737,787	-	43,814,822
Water tank and fence	6,847,577	-	-	6,847,577
Wells/well house	1,325,146	-	-	1,325,146
Vehicles and equipment	7,922,595	121,761	-	8,044,356
<b>Total capital assets being depreciated</b>	<b>101,376,730</b>	<b>1,044,992</b>	<b>-</b>	<b>102,421,722</b>
Less accumulated depreciation for:				
Land improvements	9,128,826	568,287	-	9,697,113
Buildings	4,958,108	475,833	-	5,433,941
Treatment system	3,776,161	162,653	-	3,938,814
Collection/distribution	14,879,565	867,160	-	15,746,725
Water tank and fence	2,559,831	137,298	-	2,697,129
Wells/well house	285,114	25,441	-	310,555
Vehicles and equipment	5,496,120	382,904	-	5,879,024
<b>Total accumulated depreciation</b>	<b>41,083,725</b>	<b>2,619,576</b>	<b>-</b>	<b>43,703,301</b>
<b>Total capital assets being depreciated, net</b>	<b>60,293,005</b>	<b>(1,574,584)</b>	<b>-</b>	<b>58,718,421</b>
<b>Business-type Activities</b>				
<b>Capital Assets, net</b>	<b>\$ 64,958,582</b>	<b>\$ (498,494)</b>	<b>\$ (1,044,991)</b>	<b>\$ 63,415,097</b>

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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Depreciation expense was charged to the functions as follows for the year ended June 30, 2018:

### Governmental Activities

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General government	\$ 118,394
Public safety	461,604
Public works	1,505,026
Culture and recreation	600,566

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**Total Depreciation Expense - Governmental Activities** \$ 2,685,590

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### Business-type Activities

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Water utility	\$ 826,995
Sewer utility	499,735
Municipal airport	783,466
Curtis D. Menard Memorial Sports Center	509,380

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**Total Depreciation Expense - Business-type Activities** \$ 2,619,576

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## 6. Interfund Transfers

A schedule of interfund transfers for the year ended June 30, 2018, follows:

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From the General Fund to:	
Curtis D. Menard Memorial Sports Center Enterprise Fund to subsidize operations	\$ 750,000
Miscellaneous Capital Projects Fund for purchases of equipment, land and property improvements	2,278,888
Nonmajor governmental funds for road projects, vehicle and technology replacement	540,585
Municipal Airport Enterprise Fund to subsidize operations	359,994
From nonmajor governmental funds to	
Miscellaneous Capital Projects Fund for capital improvements	250,000
From the Water Utility Enterprise Fund to nonmajor governmental funds for vehicle and technology replacement	14,250
From the Sewer Utility Enterprise Fund to nonmajor governmental funds for vehicle and technology replacement	16,250
From the Municipal Airport Enterprise Fund to nonmajor governmental funds for technology replacement	500
From the Curtis D. Menard Memorial Sports Center Enterprise Fund to nonmajor governmental funds for technology replacement	11,500
<b>Total Transfers to Other Funds</b>	<b>\$ 4,221,967</b>

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### 7. Long-term Liabilities

#### (a) General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

	Bond Principal
\$815,000 2016 Series Three refunding bonds, due in final installment of \$405,000 on December 1, 2018, plus interest rates from 2.0% to 4.0%	\$ 405,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 405,000	\$ 8,100	\$ 413,100

#### (b) ADEC Loans

The City participates in the Alaska Drinking Water Fund, a federally sponsored loan program administered by the Alaska Department of Environmental Conservation (ADEC). The City borrowed under this program for various water projects, as follows:

	Loan Principal
\$3,309,000 Water loan payable, due in annual installments of \$165,450 through March 4, 2024, plus interest at 1.5%	\$ 992,700

Annual debt service requirements to maturity for the ADEC loan is as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 165,450	\$ 14,891	\$ 180,341
2020	165,450	12,409	177,859
2021	165,450	9,926	175,376
2022	165,450	7,445	172,895
2023	165,450	4,964	170,414
2024	165,450	2,482	167,932
	\$ 992,700	\$ 52,117	\$ 1,044,817

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

**(c) Changes in Long-term Liabilities**

Long-term liability activity for the year ended June 30, 2018 was as follows:

Governmental Activities	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
General obligation bonds	\$ 800,000	\$ -	\$ (395,000)	\$ 405,000	\$ 405,000
Issuance premiums	17,488	-	(8,744)	8,744	8,744
<b>Total bonds payable</b>	<b>817,488</b>	<b>-</b>	<b>(403,744)</b>	<b>413,744</b>	<b>413,744</b>
Compensated absences	732,913	812,479	(844,118)	701,274	701,274
<b>Total Governmental Activities</b>	<b>\$ 1,550,401</b>	<b>\$ 812,479</b>	<b>\$ (1,247,862)</b>	<b>\$ 1,115,018</b>	<b>\$ 1,115,018</b>

Business-type Activities	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
ADEC loans	\$ 1,158,150	\$ -	\$ (165,450)	\$ 992,700	\$ 165,450
Compensated absences	153,520	126,904	(148,498)	131,926	131,926
<b>Total Business-type Activities</b>	<b>\$ 1,311,670</b>	<b>\$ 126,904</b>	<b>\$ (313,948)</b>	<b>\$ 1,124,626</b>	<b>\$ 297,376</b>

For governmental activities, compensated absences are generally liquidated by the General Fund.

**(d) Conduit Revenue Bonds**

On November 27, 2000, the City Council authorized the issuance of nonrecourse revenue bonds for the purpose of providing funds to loan to the Southcentral Foundation to finance the construction of a facility. The bonds were issued in the amount of \$9,800,000. The outstanding balance at June 30, 2018 was \$2,253,066.

On October 27, 2014, the City Council authorized the issuance of nonrecourse revenue bonds for the purpose of providing funds to loan to the Southcentral Foundation to finance the construction of a facility. The bonds were issued in the amount of \$9,500,000. The outstanding balance at June 30, 2018 was \$8,489,478.

On February 13, 2017, the City Council authorized the issuance of nonrecourse revenue bonds for the purpose of providing funds to loan to the Southcentral Foundation to finance a facility. The bonds were issued in the amount not to exceed \$55,000,000. The outstanding balance at June 30, 2018 was \$341,202.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### 8. Retirement Plans

#### *(a) Defined Benefit (DB) Pension Plan*

##### *General Information About the Plan*

The City participates in the Alaska Public Employees' Retirement System (PERS). PERS is a cost-sharing multiple employer plan which covers eligible State and local government employees, other than teachers. The Plan was established and is administered by the State of Alaska Department of Administration. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

The Plan is included in a comprehensive annual financial report that includes financial statements and other required supplemental information. That report is available via the internet at <http://doa.alaska.gov/drb/pers>. Actuarial valuation reports, audited financial statements, and other detailed plan information are also available on this website.

The Plan provides for retirement, death and disability, and post-employment health care benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plan, full retirement benefits are generally calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. Police/Fire employees accrue benefits at an accelerated rate. The tiers within the Plan establish differing criteria regarding normal retirement age, early retirement age, and the criteria for calculation of AMS, COLA adjustments, and other OPEB benefits. A complete benefit comparison chart is available at the website noted above.

The PERS DB Plan was closed to new entrants effective June 30, 2006. New employees hired after that date participate in the PERS Defined Contribution (DC) Plan described later in these notes.

##### *Historical Context and Special Funding Situation*

In April 2008, the Alaska Legislature passed legislation converting the previously existing PERS plan from an agent-multiple employer plan to a cost-sharing plan with an effective date of July 1, 2008. In connection with this conversion, the State of Alaska passed additional legislation which statutorily capped the employer contribution rate, established a state funded "on-behalf" contribution (subject to funding availability), and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan described later in these notes.

Alaska Statute 39.35.255 requires the State of Alaska to contribute to the Plan an amount such that, when combined with the employer contribution, is sufficient to pay the Plan's past service liability contribution rate as adopted by the Alaska Retirement Management Board. As such, the Plan is considered to be in a special funding situation as defined by GASB, and management has recorded all pension related liabilities, deferred inflows/outflows of resources, and disclosures on this basis.

The City recorded the related on-behalf contributions as revenue and expense or expenditures as prescribed by GAAP, pursuant to the relevant basis of accounting based on fund type.

It is important to note that the Alaska Legislature has the power and authority to change the aforementioned statute through the legislative process.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Employee Contribution Rates*

Regular employees are required to contribute 6.75% of their annual covered salary. Police and firefighters are required to contribute 7.50% of their annual covered salary.

### *Employer and Other Contribution Rates*

There are several contribution rates associated with the pension and healthcare contributions and related liabilities. These amounts are calculated on an annual basis.

*Employer Effective Rate:* This is the contractual employer pay-in rate. Under current legislation, this rate is statutorily capped at 22% of eligible wages, subject to a wage floor, and other termination events. This 22% rate is calculated on all PERS participating wages, including those wages attributable to employees in the defined contribution plan. Contributions derived from the defined contribution employees are referred to as the Defined Benefit Unfunded Liability or DBUL contribution.

*ARM Board Adopted Rate:* This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This change results in lower ARM Board Rates than previously adopted.

*On-behalf Contribution Rate:* This is the rate paid in by the State as an on-behalf payment under the current statute. The statute requires the State to contribute, based on funding availability, an on-behalf amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as additional revenues and expenditures. In the enterprise fund and government-wide financial statements, the on-behalf amounts reflect revenue and expense only during the measurement period in which the Plan recognizes the payments, resulting in a significant timing difference between the cash transfers and revenue and expense recognition.

*GASB Rate:* This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes in accordance with generally accepted accounting principles as established by GASB. Certain actuarial methods and assumptions for this rate calculation are mandated by GASB. Additionally, the GASB Rate disregards all future Medicare Part D payments. For FY18, the rate uses an 8% pension discount rate and a 4.30% healthcare discount rate.

The GASB Rate and the ARM Board Adopted Rate differ significantly as a direct result of variances in the actuarial methods and assumptions used.

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

Contribution rates for the year ended June 30, 2018 were determined in the June 30, 2015 actuarial valuation.

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate	GASB Rate
Pension	17.12%	21.90%	3.01 %	29.07%
Other postemployment benefits (see Note 8)	4.88%	3.11%	0.00 %	66.85%
<b>Total Contribution Rates</b>	<b>22.00%</b>	<b>25.01%</b>	<b>3.01 %</b>	<b>95.92%</b>

In 2018, the City was credited with the following contributions to the pension plan.

	Measurement Period City FY17	City FY18
Employer contributions (including DBUL)	\$ 878,392	\$ 1,051,897
Nonemployer contributions (on-behalf)	343,698	267,728
<b>Total Contributions</b>	<b>\$ 1,222,090</b>	<b>\$ 1,319,625</b>

In addition, employee contributions to the Plan totaled \$248,506 during the City's fiscal year.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.***

At June 30, 2018, the City reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the City. The amount recognized by the City for its proportional share, the related State proportion, and the total were as follows:

	2018
City's proportionate share of NPL	\$ 12,235,598
State's proportionate share of NPL associated with the City	4,558,116
<b>Total Net Pension Liability</b>	<b>\$ 16,793,714</b>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, including the State, actuarially determined. At June 30, 2017, the City's proportion was 0.23669 percent, which was a decrease of 0.039190 from its proportion measured as of June 30, 2016.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

For the year ended June 30, 2018, the City recognized pension expense of \$759,337 and on-behalf revenue of \$361,785 for support provided by the State. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (219,984)
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	328,201	-
Changes in proportion and differences between City contributions and proportionate share of contributions	74,426	(932,919)
City contributions subsequent to the measurement date	1,051,897	-
<b>Total Deferred Outflows and Deferred Inflows of Resources Related to Pensions</b>	<b>\$ 1,454,524</b>	<b>\$ (1,152,903)</b>

The \$1,051,897 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

*Year Ending June 30,*

2019	\$ (1,055,581)
2020	341,757
2021	153,420
2022	(189,872)

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Actuarial Assumptions*

The total pension liability for the measurement period ended June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2017. The actuarial assumptions used in the June 30, 2016 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2009 to June 30, 2013, resulting in changes in actuarial assumptions adopted by the Alaska Retirement Management Board to better reflect expected future experience.

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Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level dollar, closed
Inflation	3.12%
Salary increases	Graded by service, from 9.66% to 4.92% for peace officer/ firefighter Graded by age and service, from 8.55% to 4.34% for all others
Allocation Methodology	Amounts for FY17 were allocated to employers based on the projected present value of contributions for FY2019-FY2039. The liability is expected to go to zero at 2039.
Investment Return / Discount Rate	8.00%, net of pension plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
Mortality	Pre-termination - Based on the 2010-2013 actual mortality experience, 60% of male and 65% of female post-termination rates. Deaths are assumed to be occupational 70% of the time for peace officers/firefighters, 50% of the time for others. Post-termination - 96% of all rates of the RP-2000 table, 2000 base year projected to 2018 with projection scale BB.

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class are summarized in the following table (note that the rates shown below exclude the inflation component):

<i>Asset Class</i>	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	26%	8.83%
Global ex-U.S. equity	22%	7.79%
Intermediate Treasuries	13%	1.29%
Opportunistic	5%	4.76%
Real assets	17%	4.94%
Absolute return	7%	4.76%
Private equity	9%	12.02%
Cash equivalents	1%	0.63%

### *Discount Rate*

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### *Discount Rate Sensitivity*

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 8.00 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate:

	Proportional Share	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	.23669%	\$ 16,072,587	\$ 12,235,598	\$ 8,995,409

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

### *(b) Defined Contribution (DC) Pension Plan*

Employees hired after July 1, 2006 participate in PERS Tier IV, a defined contribution plan. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plan are individual pension accounts, retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. This Plan is included in the comprehensive annual financial report for PERS, and at the following website, as noted above. <http://doa.alaska.gov/dr/pers>.

Contributions to the DC plan consist solely of employer and employee contributions with no special funding or other nonemployer contributions. In addition, actual remittances to the PERS system require that the City contribute at 22%. After deducting the DC plan contributions (and related OPEB contributions), the remaining remittance (the DBUL) is deposited into the DB plan as noted earlier.

### *Benefit Terms*

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service.

### *Employee Contribution Rate*

Employees are required to contribute 8% of their annual covered salary. This amount goes directly to the individual's account.

### *Employer Contribution Rate*

For the year ended June 30, 2018, the City was required to contribute 5% of covered salary into the Plan.

The City and employee contributions to PERS for pensions for the year ended June 30, 2018 were \$228,617 and \$365,786, respectively. The City contribution amount was recognized as pension expense/expenditures.

### *(c) Defined Benefit and Other Postemployment Benefit (OPEB) Plans*

As part of its participation in the PERS DB Plan (Tiers I, II, III), which is a cost-sharing multiple employer plan, the District participates in the Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD). The ARHCT is self-funded and provides major medical coverage to retirees of the DB Plan. Benefits vary by Tier level. The RMP provides major medical coverage to retirees of the PERS DC Plan (Tier IV). The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS. The Plans are administered by the State of Alaska, Department of Administration.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### *Employer Contribution Rate*

The City is required to contribute 8.75% of covered payroll into the OPEB plan. Employees do not contribute.

In 2018, the City was credited with the following contributions to the OPEB plan:

	Measurement Period City FY17	City FY18
Employer contributions	\$ 467,507	\$ 356,861
Nonemployer contributions (on-behalf)	-	-
<b>Total Contributions</b>	<b>\$ 467,507</b>	<b>\$ 356,861</b>

### *OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plans*

At June 30, 2018, the City reported a liability for its proportionate share of the net OPEB liabilities (NOL) that reflected a reduction for State OPEB support provided to the City. The amount recognized by the City for its proportional share, the related State proportion, and the total were as follows:

	2018
City's proportionate share of NOL - ARHCT	\$ 2,000,418
City's proportionate share of NOL - RMP	19,107
City's proportionate share of NOL - ODD	(51,986)
State's proportionate share of the NOL associated with the City	745,528
<b>Total Net OPEB Liabilities</b>	<b>\$ 2,713,067</b>

The total OPEB liabilities for the June 30, 2017 measurement date were determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 to calculate the net OPEB liabilities as of that date. The City's proportion of the net OPEB liabilities were based on a projection of the City's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

	June 30, 2016 Measurement Date Employer Proportion	June 30, 2017 Measurement Date Employer Proportion	Change
City's proportionate share of the net OPEB liabilities:			
ARHCT	0.27599%	0.23680%	(0.03919%)
RMP	0.35518%	0.36639%	0.01121%
ODD	0.35518%	0.36639%	0.01121%

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

As a result of its requirement to contribute to the Plan, the City recognized OPEB expense of \$244,460 and on-behalf revenue of \$117,142 for support provided by the State. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (109,560)
Net difference between projected and actual earnings on OPEB plan investments	-	(638,979)
Changes in proportion and differences between City contributions and proportionate share of contributions	-	(213,014)
City contributions subsequent to the measurement date	356,861	-
<b>Total Deferred Outflows and Deferred Inflows of Resources Related to OPEB Plans</b>	<b>\$ 356,861</b>	<b>\$ (961,553)</b>

The \$356,861 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

*Year Ending June 30,*

2019		\$ (338,893)
2020		(302,354)
2021		(159,877)
2022		(159,877)
2023		(133)
Thereafter		(419)

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Actuarial Assumptions*

The total OPEB liability for the measurement period ended June 30, 2017 (City fiscal year 2018) was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2017. The actuarial assumptions used in the June 30, 2016 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2009 to June 30, 2013, resulting in changes in actuarial assumptions adopted by the Alaska Retirement Management Board to better reflect expected future experience.

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Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level dollar, closed
Inflation	3.12%
Salary increases	Graded by service from 9.66% to 4.92% for peace officer/ firefighter Graded by service from 8.55% to 4.34% for all others
Allocation Methodology	Amounts for FY17 were allocated to employers based on the projected present value of contributions for FY2019-FY2039. The liability is expected to go to zero at 2039.
Investment Return / Discount Rate	8.00%, net of postemployment healthcare plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
Healthcare cost trend rates	Pre-65 medical; 8.8% grading down to 4.4% Post-65 medical; 5.8% grading down to 4.0% Prescription drug; 5.4% grading down to 4.0%
Mortality	Pre-termination - Based on the 2010-2013 actual mortality experience, 60% of male and 65% of female post-termination rates. Deaths are assumed to be occupational 70% of the time for peace officers/firefighters, 50% of the time for all others. Post-termination - 96% of all rates of the RP-2000 table, 2000 base year projected to 2018 with projection scale BB.

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized in the following table (note that the rates shown below exclude the inflation component):

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

<i>Asset Class</i>	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	26%	8.83%
Global ex-U.S. equity	22%	7.79%
Intermediate Treasuries	13%	1.29%
Opportunistic	5%	4.76%
Real assets	17%	4.94%
Absolute return	7%	4.76%
Private equity	9%	12.02%
Cash equivalents	1%	0.63%

### *Discount Rate*

The discount rate used to measure the total OPEB liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

### *Discount Rate Sensitivity*

The following presents the City's proportionate share of the net OPEB liabilities calculated using the discount rate of 8.00%, as well as what the City's proportionate share of the net OPEB liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	Proportional Share	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net OPEB liabilities:				
ARHCT	0.23680%	\$ 4,281,105	\$ 2,000,418	\$ 82,048
RMP	0.36639%	\$ 89,512	\$ 19,107	\$ (35,869)
ODD	0.36639%	\$ (46,930)	\$ (51,986)	\$ (56,119)

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### *Healthcare Cost Trend Rates Sensitivity*

The following presents the City's proportionate share of the net OPEB liabilities calculated using the healthcare cost trend rate, as well as what the City's proportionate share of the net OPEB liabilities would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Proportional Share	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liabilities:				
ARHCT	0.23680%	\$ (221,902)	\$ 2,000,418	\$ 4,672,180
RMP	0.36639%	\$ (47,297)	\$ 19,107	\$ 108,076
ODD	0.36639%	\$ -	\$ (51,986)	\$ -

### *OPEB Plan Fiduciary Net Position*

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERS financial report.

### *(d) Defined Contribution OPEB Plans*

Defined Contribution Pension Plan participants (PERS Tier IV) participate in the Occupational Death and Disability Plan (ODD), and the Retiree Medical Plan. Information on these plans is included in the comprehensive annual financial report for the PERS Plan noted above. These plans provide for death, disability, and post-employment health care benefits.

### *Employer Contribution Rates*

Employees do not contribute to the DC OPEB plans. Employer contribution rates for the year ended June 30, 2018 were as follows:

	Other Tier IV	Police/Fire Tier IV
Retiree medical plan	1.03%	1.03%
Occupational death and disability benefits	0.16%	0.43%
<b>Total Contribution Rates</b>	<b>1.19%</b>	<b>1.46%</b>

In addition, PERS defined contribution members also participate in the Health Reimbursement Arrangement. AS 39.30.370 establishes this contribution amount as "three percent of the average annual employee compensation of *all employees of all employers* in the plan". As of July 1, 2017, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,084 per year for each full-time employee, and \$1.34 per hour for part-time employees.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Annual Postemployment Healthcare Cost*

In 2018, the City contributed \$154,358 in DC OPEB costs. These amounts have been recognized as expense/expenditures.

### *(e) Deferred Compensation Plan*

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time City employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. In accordance with the Internal Revenue Code, all assets and income of the Plan are held in trust for the exclusive benefit of participants and their beneficiaries. The City does not report these assets and income in the financial statements. The City believes that the Plan does not meet the reporting criteria for inclusion as a fiduciary fund.

## 9. Risk Management

The City faces various risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensation; i.e., employee injuries, and (f) medical insurance costs of employees. Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for employee medical costs.

The City is a member of Alaska Public Entity Insurance (APEI), a governmental insurance pool. APEI provides the City coverage for property, including building and contents, automobiles, mobile equipment, and data processing equipment; casualty, including general liability, public officials and employees, liability, law enforcement professional liability, auto liability, and employee benefit liability; workers' compensation, including employers liability; and commercial blanket bond. The City also has boiler and machinery, and airport liability coverage. The City has no coverage for potential losses from environmental damages.

APEI is a public entity risk pool organized to share risks among its members. APEI's bylaws provide for the assessment of supplemental contributions from members in the event that losses and expenses for any coverage year exceed the annual contributions and income earned on such contributions for the year. Such supplemental contributions shall be based upon each member's annual deposit contribution in comparison to the aggregate annual deposit contributions of all members. APEI made no supplemental assessments during the year ended June 30, 2018. Coverage limits and the deductibles on the policies have stayed relatively constant for the past few years.

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### 10. Commitments and Contingencies

#### (a) Commitments

Encumbrances outstanding at year-end, including purchase orders, contracts and other commitments for the expenditure of moneys, are reported as assigned fund balances in the governmental funds. Outstanding encumbrances at June 30, 2018 were as follows:

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Governmental funds:		
General Fund	\$	16,700
Miscellaneous Capital Projects Fund		259,623
Nonmajor funds		56,562
<hr/>		
<b>Total Governmental Funds</b>	<b>\$</b>	<b>332,885</b>
<hr/>		
Proprietary funds:		
Water utility	\$	42,705
Sewer utility		930,365
Municipal airport		109,315
Curtis D. Menard Memorial Sports Center		27,698
<hr/>		
<b>Total Proprietary Funds</b>	<b>\$</b>	<b>1,110,083</b>

#### (b) Litigation

The City, in the normal course of its activities, is involved in various claims and pending litigation and has accrued amounts it considers sufficient to cover settlements that may be payable as a result of unfavorable outcomes. The City intends to vigorously defend actions against it and pursue claims in its favor, and in the opinion of management and legal counsel, the disposition of these matters is not expected to have a material effect on the City's financial statements.

#### (c) Grants

The City receives numerous grants, which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement for expenditures disallowed under the terms of the grants. Management believes that such disallowances, if any, would not be material.

#### (d) Arbitration

No grievances were filed against the City during the fiscal year ended June 30, 2018.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### 11. New Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates. Management has not fully evaluated the potential effects of these statements, and actual impacts have not yet been determined.

*GASB 83 - Certain Asset Retirement Obligations* - Effective for year-end June 30, 2019, with earlier application encouraged - This statement addresses accounting and financial reporting for certain asset retirement obligations that are legally enforceable liabilities associated with the retirement of a tangible capital asset.

*GASB 84 - Fiduciary Activities* - Effective for year-end June 30, 2020, with earlier application encouraged - This statement addresses criteria for identifying and reporting fiduciary activities.

*GASB 87 - Leases* - Effective for year-end June 30, 2021, with earlier application encouraged - This statement addresses accounting and financial reporting for certain lease assets and liabilities for leases that previously were classified as operating leases. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

*GASB 88 - Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* - Effective for year-end June 30, 2019, with earlier application encouraged - This statement addresses note disclosures related to debt, clarifies which liabilities to include when disclosing information related to debt, and defines debt for the purpose of disclosure. It requires additional essential information related to debt be disclosed in the notes, as well as information for direct borrowings and direct placements.

*GASB 89 - Accounting for Interest Cost Incurred before the End of a Construction Period* - Effective for year-end June 30, 2021, with earlier application encouraged - This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

*GASB 90 - Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61* - Effective for year-end June 30, 2020, with earlier application encouraged - This statement addresses accounting and financial reporting for a majority equity interest in a legally separate organization. It provides a definition of a majority equity interest and provides guidance for further presentation as either an investment or a component unit, based on specific criteria.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### 12. Subsequent Events

On August 15, 2018, the City purchased a 70-acre parcel of land adjacent to the Wasilla Airport for \$906,000. The acquisition aligns with the Wasilla Airport Master Plan and the property will be used to create additional lots.

On September 20, 2018, General Teamsters Local 959 provided notification to the City disclaiming all interest in further representing the Wasilla Police Department (WPD) employees and terminating any obligation under the expired collective bargaining agreement, or current proposed extension to it. Concurrently, the WPD employees held a decertification election on September 25, 2018 and voted to disband the General Teamsters Local 959 agreement and create a WPD Employees Association. A collective bargaining agreement with the new association is pending.

On September 20, 2018, the sale of the Meta Rose Square, a commercial property, closed with a sale price of \$975,000. The net book value of the asset at June 30, 2018 was \$1,226,240 in the government-wide financial statements.

On October 22, 2018, the City Council accepted and appropriated grant funding in the amount of \$3,735,100 from the Federal Aviation Administration. The grant requires a 6.25% local match which had already been met through engineering costs funded by the City for project design.

## Required Supplementary Information

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**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2018</i>	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 14,178,421	\$ 14,178,421	\$ 13,552,935	\$ (625,486)
Licenses and permits	36,225	36,225	49,580	13,355
Fines and forfeitures	295,000	295,000	190,013	(104,987)
Intergovernmental	745,544	1,287,306	1,383,331	96,025
Charges for services	3,233,053	3,109,700	3,106,906	(2,794)
Investment income	200,000	200,000	271,213	71,213
Other	76,625	104,589	125,857	21,268
<b>Total Revenues</b>	<b>18,764,868</b>	<b>19,211,241</b>	<b>18,679,835</b>	<b>(531,406)</b>
<b>Expenditures</b>				
Current:				
General government	3,317,369	3,262,798	3,062,835	199,963
Public safety	8,330,236	8,621,611	7,549,499	1,072,112
Public works	2,487,888	2,449,498	2,327,502	121,996
Culture and recreation	2,420,233	2,376,404	2,244,820	131,584
Nondepartmental	140,000	270,156	172,435	97,721
Debt service:				
Principal	395,000	395,000	395,000	-
Interest	16,100	16,100	20,150	(4,050)
<b>Total Expenditures</b>	<b>17,106,826</b>	<b>17,391,567</b>	<b>15,772,241</b>	<b>1,619,326</b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,658,042</b>	<b>1,819,674</b>	<b>2,907,594</b>	<b>1,087,920</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of assets	35,000	35,000	21,234	(13,766)
Transfers out	(3,181,953)	(3,929,467)	(3,929,467)	-
<b>Net Other Financing Sources (Uses)</b>	<b>(3,146,953)</b>	<b>(3,894,467)</b>	<b>(3,908,233)</b>	<b>(13,766)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,488,911)</b>	<b>\$ (2,074,793)</b>	<b>(1,000,639)</b>	<b>\$ 1,074,154</b>
Fund Balance, beginning			<u>16,578,246</u>	
Fund Balance, ending			<u>\$ 15,577,607</u>	

*See accompanying notes to Required Supplementary Information.*

**City of Wasilla, Alaska**  
**Public Employees Retirement System Pension Plan**  
**Schedule of the City's Information on the Net Pension Liability**

<i>Years Ended June 30,</i>	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2018	0.23669%	\$ 12,235,598	\$ 4,558,116	\$ 16,793,714	\$ 7,597,594	161.05%	63.37%
2017	0.27588%	\$ 15,420,525	\$ 1,941,651	\$ 17,362,176	\$ 7,169,357	215.09%	59.55%
2016	0.23878%	\$ 11,580,779	\$ 3,103,029	\$ 14,683,808	\$ 6,958,225	166.43%	63.96%
2015	0.16341%	\$ 7,621,647	\$ 6,726,524	\$ 14,348,171	\$ 6,711,285	113.56%	62.37%
2014	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2012	*	*	*	*	*	*	*
2011	*	*	*	*	*	*	*
2010	*	*	*	*	*	*	*
2009	*	*	*	*	*	*	*

\*Information for these years is not available.

*See accompanying notes to Required Supplementary Information.*

**City of Wasilla, Alaska**  
**Public Employees Retirement System Pension Plan**  
**Schedule of the City's Contributions**

<i>Years Ended June 30,</i>	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 1,051,897	\$ 1,051,897	\$ -	\$ 8,133,661	12.93%
2017	\$ 878,392	\$ 878,392	\$ -	\$ 7,597,594	11.56%
2016	\$ 732,714	\$ 732,714	\$ -	\$ 7,169,357	10.22%
2015	\$ 696,515	\$ 696,515	\$ -	\$ 6,958,225	10.01%
2014	*	*	*	*	*
2013	*	*	*	*	*
2012	*	*	*	*	*
2011	*	*	*	*	*
2010	*	*	*	*	*
2009	*	*	*	*	*

\*Information for these years is not available.

*See accompanying notes to Required Supplementary Information.*

**City of Wasilla, Alaska**  
**Public Employees Retirement System OPEB Plan**  
**Schedule of the City's Information on the Net OPEB Liability**

<i>Years Ended</i> <i>June 30,</i>	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	State of Alaska Proportionate Share of the Net OPEB Liability	Total Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2018	0.23680%	\$ 1,967,539	\$ 745,528	\$ 2,713,067	\$ 7,597,594	25.90%	89.68%
2017	*	*	*	*	*	*	*
2016	*	*	*	*	*	*	*
2015	*	*	*	*	*	*	*
2014	*	*	*	*	*	*	*
2013	*	*	*	*	*	*	*
2012	*	*	*	*	*	*	*
2011	*	*	*	*	*	*	*
2010	*	*	*	*	*	*	*
2009	*	*	*	*	*	*	*

\*Information for these years is not available.

*See accompanying notes to Required Supplementary Information.*

**City of Wasilla, Alaska**  
**Public Employees Retirement System OPEB Plan**  
**Schedule of the City's Contributions**

<i>Years Ended June 30,</i>	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 356,861	\$ 356,861	\$ -	\$ 8,133,661	4.93%
2017	*	*	*	*	*
2016	*	*	*	*	*
2015	*	*	*	*	*
2014	*	*	*	*	*
2013	*	*	*	*	*
2012	*	*	*	*	*
2011	*	*	*	*	*
2010	*	*	*	*	*
2009	*	*	*	*	*

\*Information for these years is not available.

*See accompanying notes to Required Supplementary Information.*

# City of Wasilla, Alaska

## Notes to Required Supplementary Information June 30, 2018

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### 1. Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

The City follows these procedures in establishing the budgetary data reflected in the fund financial statements:

- The financial director must submit to the City Council by May 30 a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the City Council to obtain citizen comments.
- By June 30, the budget is legally enacted through passage of an ordinance by City Council action.
- Amendments to the budget can occur anytime during the fiscal year through action by the City Council or administration. Generally, the following actions are required at the level of the particular change:
  - ✓ All new appropriations are authorized by an appropriating ordinance that amends the annual budget.
  - ✓ A resolution of the City Council is required to move (appropriate) amounts between funds, departments, and projects within the same funds.
  - ✓ The administration is authorized to transfer funds within a department without Council action.
  - ✓ The Mayor is authorized to make a transfer between departments or funds up to the amount of \$10,000 within one fiscal year.
- Expenditures may not legally exceed appropriations at the following levels: Capital Projects Funds - project level, all other funds - activity level.
- All funds, except the Cemetery Permanent Fund, are budgeted on an annual basis encompassing a fiscal year. The Capital Projects Funds have project-length budgets, which generally is greater than one year.
- Appropriations lapse at year end to the extent that they have not been expended for all funds, except Capital Projects Funds, which lapse at the lesser of project completion or years.
- Budgets adopted by the City Council are in accordance with accounting principles generally accepted in the United States of America.
- The City publishes a separate 2018 budget document. That document may be obtained from the City of Wasilla, Director of Finance, 290 E. Herning Avenue, Wasilla, Alaska 99654.

# City of Wasilla, Alaska

## Notes to Required Supplementary Information, continued

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### **2. Public Employees Retirement System Pension Plan - Schedule of the City's Information on the Net Pension Liability**

This table is presented based on the Plan measurement date. For June 30, 2018, the Plan measurement date is June 30, 2017.

There were no changes in benefit terms from the prior measurement period.

There were no changes in assumptions from the prior measurement period.

There were no changes in allocation methodology.

### **3. Public Employees Retirement System Pension Plan - Schedule of the City's Contributions**

This table is based on the City's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

### **4. Public Employees Retirement System OPEB Plan - Schedule of the City's Information on the Net OPEB Liability**

This table is presented based on the Plan measurement date. For June 30, 2018, the Plan measurement date is June 30, 2017.

There were no changes in benefit terms from the prior measurement period.

There were no changes in assumptions from the prior measurement period.

There were no changes in allocation methodology.

### **5. Public Employees Retirement System OPEB Plan - Schedule of the City's Contributions**

This table is based on the City's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

## Supplementary Information

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## General Fund

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The General Fund accounts for all transactions not recorded in other funds and receives financial support from such sources as taxes, licenses and permits, intergovernmental revenues, and charges for services. Expenditures are authorized in the budget for such functions as general administration, public safety, property and road maintenance, museum, library, parks, and other recreational services.

## City of Wasilla, Alaska

General Fund  
Balance Sheet

<i>June 30,</i>	2018	2017
<b>Assets</b>		
Cash and investments	\$ 14,573,307	\$ 15,620,390
Receivables:		
Accounts	60,167	57,690
Taxes	1,285,031	1,210,927
Grants	15,151	17,506
Shared revenues	352,450	32,053
<b>Total receivables</b>	<b>1,712,799</b>	<b>1,318,176</b>
Prepaid items	227,785	366,795
<b>Total Assets</b>	<b>\$ 16,513,891</b>	<b>\$ 17,305,361</b>
<b>Liabilities</b>		
Accounts payable	\$ 205,010	\$ 120,018
Accrued payroll and employee benefits	642,191	565,718
Customer deposits	16,001	18,641
Unearned revenue	73,082	22,738
<b>Total Liabilities</b>	<b>936,284</b>	<b>727,115</b>
<b>Fund Balance</b>		
Nonspendable - prepaid items	227,785	366,795
Committed - capital improvements	6,010,411	6,220,757
Assigned:		
Land bank	462,000	362,000
Compensated absences	701,274	732,913
Sexual Assault Response Team (SART)	52,000	49,500
WPD K9 Unit	27,153	4,635
Other purposes	16,700	11,894
Unassigned	8,080,284	8,829,752
<b>Total Fund Balance</b>	<b>15,577,607</b>	<b>16,578,246</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 16,513,891</b>	<b>\$ 17,305,361</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance**

<i>Years Ended June 30,</i>	2018	2017
<b>Revenues</b>		
Taxes	\$ 13,552,935	\$ 13,376,718
Licenses and permits	49,580	50,308
Fines and forfeitures	190,013	228,209
Intergovernmental	1,383,331	1,124,598
Charges for services	3,106,906	2,209,087
Investment income	271,213	118,674
Other	125,857	140,263
<b>Total Revenues</b>	<b>18,679,835</b>	<b>17,247,857</b>
<b>Expenditures</b>		
General government		
City clerk	403,996	383,809
City council	155,928	142,276
Administration	279,012	262,308
General administration services	712,314	680,912
Finance	1,218,723	1,133,144
Management information systems	292,862	237,197
<b>Total general government</b>	<b>3,062,835</b>	<b>2,839,646</b>
Public safety:		
Police	623,888	608,216
General investigation	503,204	467,418
Police patrol	2,872,900	2,800,127
COPS - school resource officer grant	109,734	123,211
Dispatch center	3,265,270	2,359,637
Code compliance	174,503	164,267
<b>Total public safety</b>	<b>7,549,499</b>	<b>6,522,876</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance, continued**

<i>Years Ended June 30,</i>	2018	2,017
<b>Expenditures, continued:</b>		
Public works:		
Administration	\$ 443,909	\$ 421,364
Road maintenance	1,225,605	1,159,650
Property maintenance	657,988	631,734
<b>Total public works</b>	<b>2,327,502</b>	<b>2,212,748</b>
Culture and recreation:		
Museum	226,158	218,655
Parks maintenance	715,089	692,767
Library	1,213,870	1,061,560
Recreation services	89,703	76,413
<b>Total culture and recreation</b>	<b>2,244,820</b>	<b>2,049,395</b>
Debt service:		
Principal	395,000	390,000
Interest	20,150	23,323
Bond issuance costs	-	12,333
<b>Total debt service</b>	<b>415,150</b>	<b>425,656</b>
Nondepartmental	172,435	55,701
<b>Total Expenditures</b>	<b>15,772,241</b>	<b>14,106,022</b>
<b>Excess of Revenues Over Expenditures</b>	<b>2,907,594</b>	<b>3,141,835</b>
<b>Other Financing Sources (Uses)</b>		
Proceeds from sale of assets	21,234	79,300
Refunding bonds issued	-	815,000
Premium on refunding	-	26,231
Payment to refunded bond escrow agent	-	(828,898)
Transfers in	-	6,000
Transfers out	(3,929,467)	(4,207,145)
<b>Net Other Financing Sources (Uses)</b>	<b>(3,908,233)</b>	<b>(4,109,512)</b>
<b>Net Change in Fund Balance</b>	<b>(1,000,639)</b>	<b>(967,677)</b>
<b>Fund Balance, beginning</b>	<b>16,578,246</b>	<b>17,545,923</b>
<b>Fund Balance, ending</b>	<b>\$ 15,577,607</b>	<b>\$ 16,578,246</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual**

<i>Years Ended June 30,</i>	2018		Variance	2017
	Budget	Actual		Actual
<b>Revenues</b>				
Taxes:				
Sales taxes, including penalty and interest	\$ 14,120,321	\$ 13,492,015	\$ (628,306)	\$ 13,317,448
Property and vehicle taxes	58,100	60,920	2,820	59,270
<b>Total taxes</b>	<b>14,178,421</b>	<b>13,552,935</b>	<b>(625,486)</b>	<b>13,376,718</b>
Licenses and permits:				
City business licenses	25,000	31,095	6,095	31,650
Land use permits	8,500	12,950	4,450	13,438
Other licenses and permits	2,725	5,535	2,810	5,220
<b>Total licenses and permits</b>	<b>36,225</b>	<b>49,580</b>	<b>13,355</b>	<b>50,308</b>
Fines and forfeitures	295,000	190,013	(104,987)	228,209
Intergovernmental:				
Electric and telephone co-op tax	225,000	219,465	(5,535)	220,486
Public safety grants	366,039	297,234	(68,805)	152,143
Library grants	10,516	8,396	(2,120)	8,150
Alcoholic beverage tax	30,000	29,150	(850)	30,300
Aviation fuel tax revenue sharing	1,500	1,723	223	1,653
Matanuska-Susitna Borough - Planning block grant	225,000	225,000	-	-
Matanuska-Susitna Borough - School resource officer	118,610	80,247	(38,363)	89,665
Fisheries tax	-	67	67	84
Community assistance	290,641	290,641	-	315,429
State PERS relief	-	228,989	228,989	289,020
Transportation grants	20,000	2,419	(17,581)	17,668
<b>Total intergovernmental</b>	<b>1,287,306</b>	<b>1,383,331</b>	<b>96,025</b>	<b>1,124,598</b>
Charges for services:				
Police dispatch services	2,853,475	2,853,474	(1)	1,972,552
Building rentals	208,450	212,221	3,771	196,002
Other charges for services	47,775	41,211	(6,564)	40,533
<b>Total charges for services</b>	<b>3,109,700</b>	<b>3,106,906</b>	<b>(2,794)</b>	<b>2,209,087</b>
Investment income	200,000	271,213	71,213	118,674
Other:				
Administration fee revenue	150	28	(122)	56
Special assessments	-	-	-	810
Donations	62,089	69,451	7,362	37,304
Miscellaneous	42,350	56,378	14,028	102,093
<b>Total other</b>	<b>104,589</b>	<b>125,857</b>	<b>21,268</b>	<b>140,263</b>
<b>Total Revenues</b>	<b>19,211,241</b>	<b>18,679,835</b>	<b>(531,406)</b>	<b>17,247,857</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, continued**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
<b>Expenditures</b>				
General government:				
City clerk:				
Salaries	\$ 221,034	\$ 219,538	\$ 1,496	\$ 216,240
Employee benefits	129,128	131,107	(1,979)	118,385
Professional and technical services	34,423	10,533	23,890	9,011
Property services	12,110	11,542	568	7,893
Other purchased services	37,632	25,902	11,730	28,295
Supplies	7,422	5,374	2,048	3,985
<b>Total city clerk</b>	<b>441,749</b>	<b>403,996</b>	<b>37,753</b>	<b>383,809</b>
City Council:				
Salaries	34,350	24,525	9,825	26,100
Employee benefits	4,038	3,034	1,004	3,791
Professional and technical services	106,604	87,648	18,956	87,104
Property services	6,020	3,631	2,389	2,848
Other purchased services	33,702	32,126	1,576	22,112
Supplies	5,150	4,964	186	321
<b>Total city council</b>	<b>189,864</b>	<b>155,928</b>	<b>33,936</b>	<b>142,276</b>
Administration:				
Salaries	183,983	183,983	-	170,357
Employee benefits	55,526	57,983	(2,457)	53,637
Professional and technical services	14,933	13,367	1,566	21,202
Property services	1,788	1,600	188	1,618
Other purchased services	17,215	16,026	1,189	12,539
Supplies	7,242	6,053	1,189	2,955
<b>Total administration</b>	<b>280,687</b>	<b>279,012</b>	<b>1,675</b>	<b>262,308</b>
General administration services:				
Salaries	409,316	395,670	13,646	382,237
Employee benefits	217,620	222,703	(5,083)	198,070
Professional and technical services	51,622	28,505	23,117	38,264
Property services	13,466	9,508	3,958	8,362
Other purchased services	58,664	45,235	13,429	39,757
Supplies	15,631	10,693	4,938	14,222
<b>Total general administration services</b>	<b>766,319</b>	<b>712,314</b>	<b>54,005</b>	<b>680,912</b>
Finance:				
Salaries	695,948	691,052	4,896	657,979
Employee benefits	403,455	417,037	(13,582)	367,281
Professional and technical services	57,375	46,825	10,550	50,988
Property services	15,426	14,022	1,404	15,553
Other purchased services	45,604	35,071	10,533	34,731
Supplies	15,046	14,716	330	6,612
<b>Total finance</b>	<b>1,232,854</b>	<b>1,218,723</b>	<b>14,131</b>	<b>1,133,144</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, continued**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
General government, continued:				
Management information systems:				
Salaries	\$ 114,271	\$ 107,939	\$ 6,332	\$ 83,580
Employee benefits	71,127	69,181	1,946	39,989
Professional and technical services	36,810	-	36,810	5,313
Property services	80,711	72,730	7,981	68,317
Other purchased services	42,906	39,805	3,101	37,314
Supplies	5,500	3,207	2,293	2,684
Total management information systems	351,325	292,862	58,463	237,197
Total general government	3,262,798	3,062,835	199,963	2,839,646
Public safety:				
Police:				
Salaries	264,284	249,166	15,118	243,588
Employee benefits	122,363	110,969	11,394	113,036
Professional and technical services	100,286	99,961	325	92,915
Property services	51,925	43,788	8,137	42,121
Other purchased services	45,871	43,286	2,585	42,786
Supplies	95,447	76,718	18,729	73,770
Total police	680,176	623,888	56,288	608,216
Investigation and drug enforcement:				
Salaries	423,732	308,367	115,365	276,606
Employee benefits	182,680	166,049	16,631	151,527
Professional and technical services	15,348	6,322	9,026	10,038
Property services	1,657	1,314	343	840
Other purchased services	21,148	13,989	7,159	23,174
Supplies	8,483	7,163	1,320	5,233
Total investigation and drug enforcement	653,048	503,204	149,844	467,418
Police patrol:				
Salaries	1,735,439	1,613,522	121,917	1,602,290
Employee benefits	1,043,602	937,238	106,364	952,754
Professional and technical services	8,746	8,746	-	11,050
Property services	43,250	38,102	5,148	35,861
Other purchased services	144,064	118,278	25,786	88,441
Supplies	179,453	127,342	52,111	109,731
Capital purchases	56,824	29,672	27,152	-
Total police patrol	3,211,378	2,872,900	338,478	2,800,127
School resource officer grant:				
Salaries	79,320	66,073	13,247	78,519
Employee benefits	49,378	35,245	14,133	38,442
Professional and technical services	820	688	132	46
Other purchased services	7,360	5,919	1,441	3,516
Supplies	2,867	1,809	1,058	2,688
Total school resource officer grant	139,745	109,734	30,011	123,211

**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, continued**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
<b>Public safety, continued:</b>				
Dispatch center:				
Salaries	\$ 1,982,513	\$ 1,809,583	\$ 172,930	\$ 1,366,370
Employee benefits	1,300,314	1,155,372	144,942	904,412
Professional and technical services	7,443	4,667	2,776	1,065
Property services	243,113	158,554	84,559	31,726
Other purchased services	188,855	122,435	66,420	40,970
Supplies	22,053	14,659	7,394	15,094
<b>Total dispatch center</b>	<b>3,744,291</b>	<b>3,265,270</b>	<b>479,021</b>	<b>2,359,637</b>
Code compliance:				
Salaries	106,043	94,838	11,205	94,354
Employee benefits	53,344	51,002	2,342	51,648
Property services	750	204	546	348
Other purchased services	26,116	24,962	1,154	14,902
Supplies	6,720	3,497	3,223	3,015
<b>Total code compliance</b>	<b>192,973</b>	<b>174,503</b>	<b>18,470</b>	<b>164,267</b>
<b>Total public safety</b>	<b>8,621,611</b>	<b>7,549,499</b>	<b>1,072,112</b>	<b>6,522,876</b>
<b>Public works:</b>				
Administration:				
Salaries	304,479	276,052	28,427	268,220
Employee benefits	153,896	143,407	10,489	131,964
Professional and technical services	5,350	4,519	831	5,006
Property services	9,620	5,685	3,935	6,116
Other purchased services	13,928	9,658	4,270	7,502
Supplies	4,830	4,588	242	2,556
<b>Total administration</b>	<b>492,103</b>	<b>443,909</b>	<b>48,194</b>	<b>421,364</b>
Road maintenance:				
Salaries	372,754	372,753	1	335,983
Employee benefits	204,062	217,144	(13,082)	189,821
Property services	313,346	302,313	11,033	307,439
Other purchased services	27,766	24,079	3,687	27,344
Supplies	303,335	299,766	3,569	294,614
Capital purchases	9,550	9,550	-	4,449
<b>Total road maintenance</b>	<b>1,230,813</b>	<b>1,225,605</b>	<b>5,208</b>	<b>1,159,650</b>
Property maintenance:				
Salaries	200,336	187,985	12,351	182,682
Employee benefits	121,999	121,095	904	108,584
Professional and technical services	2,250	864	1,386	298
Property services	177,014	155,320	21,694	137,601
Other purchased services	38,588	35,735	2,853	34,105
Supplies	162,395	135,333	27,062	146,221
Other expenditures	24,000	21,656	2,344	22,243
<b>Total property maintenance</b>	<b>726,582</b>	<b>657,988</b>	<b>68,594</b>	<b>631,734</b>
<b>Total public works</b>	<b>2,449,498</b>	<b>2,327,502</b>	<b>121,996</b>	<b>2,212,748</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, continued**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
<b>Culture and recreation:</b>				
<b>Museum:</b>				
Salaries	\$ 96,105	\$ 95,939	\$ 166	\$ 93,630
Employee benefits	45,632	46,623	(991)	41,627
Professional and technical services	200	152	48	598
Property services	22,647	17,508	5,139	15,575
Other purchased services	41,491	36,829	4,662	26,335
Supplies	35,984	29,107	6,877	25,890
Capital purchases	-	-	-	15,000
<b>Total museum</b>	<b>242,059</b>	<b>226,158</b>	<b>15,901</b>	<b>218,655</b>
<b>Parks maintenance:</b>				
Salaries	365,830	351,827	14,003	372,342
Employee benefits	162,895	159,662	3,233	149,172
Professional and technical services	450	450	-	1,735
Property services	57,776	54,502	3,274	37,210
Other purchased services	15,637	14,139	1,498	11,234
Supplies	124,895	123,587	1,308	111,079
Capital purchases	10,922	10,922	-	9,995
<b>Total parks maintenance</b>	<b>738,405</b>	<b>715,089</b>	<b>23,316</b>	<b>692,767</b>
<b>Library:</b>				
Salaries	579,306	557,502	21,804	513,596
Employee benefits	337,555	315,295	22,260	266,707
Professional and technical services	24,975	22,722	2,253	18,174
Property services	83,580	77,350	6,230	57,134
Other purchased services	53,206	47,004	6,202	39,675
Supplies	221,357	193,997	27,360	166,274
<b>Total library</b>	<b>1,299,979</b>	<b>1,213,870</b>	<b>86,109</b>	<b>1,061,560</b>
<b>Recreation services:</b>				
Salaries	37,353	34,964	2,389	34,397
Employee benefits	15,686	12,058	3,628	10,209
Other purchased services	40,922	40,882	40	30,147
Supplies	2,000	1,799	201	1,660
<b>Total recreation services</b>	<b>95,961</b>	<b>89,703</b>	<b>6,258</b>	<b>76,413</b>
<b>Total culture and recreation</b>	<b>2,376,404</b>	<b>2,244,820</b>	<b>131,584</b>	<b>2,049,395</b>

**City of Wasilla, Alaska**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, continued**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
Debt service:				
Principal	\$ 395,000	\$ 395,000	\$ -	\$ 390,000
Interest	16,100	20,150	(4,050)	23,323
Bond issuance costs	-	-	-	12,333
<b>Total debt service</b>	<b>411,100</b>	<b>415,150</b>	<b>(4,050)</b>	<b>425,656</b>
Nondepartmental:				
Insurance deductible	51,156	-	51,156	-
Property tax payments	7,500	699	6,801	1,143
Settlements	25,000	19,364	5,636	3,058
Other agreements	186,500	152,372	34,128	51,500
<b>Total nondepartmental</b>	<b>270,156</b>	<b>172,435</b>	<b>97,721</b>	<b>55,701</b>
<b>Total Expenditures</b>	<b>17,391,567</b>	<b>15,772,241</b>	<b>1,619,326</b>	<b>14,106,022</b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,819,674</b>	<b>2,907,594</b>	<b>1,087,920</b>	<b>3,141,835</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of assets	35,000	21,234	(13,766)	79,300
Refunding bonds issued	-	-	-	815,000
Premium on refunding	-	-	-	26,231
Payment to refunded bond escrow agent	-	-	-	(828,898)
Transfers in	-	-	-	6,000
Transfers out	(3,929,467)	(3,929,467)	-	(4,207,145)
<b>Net Other Financing Sources (Uses)</b>	<b>(3,894,467)</b>	<b>(3,908,233)</b>	<b>(13,766)</b>	<b>(4,109,512)</b>
<b>Net Change in Fund Balance</b>	<b><u>\$ (2,074,793)</u></b>	<b>(1,000,639)</b>	<b><u>\$ 1,074,154</u></b>	<b>(967,677)</b>
<b>Fund Balance, beginning</b>		<b><u>16,578,246</u></b>		<b><u>\$ 17,545,923</u></b>
<b>Fund Balance, ending</b>		<b><u>\$ 15,577,607</u></b>		<b><u>\$ 16,578,246</u></b>

**City of Wasilla, Alaska**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**

<i>June 30, 2018</i>	Special Revenue Funds	Capital Project Funds	Cemetery Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and investments	\$ 90,894	\$ 1,237,674	\$ 321,160	\$ 1,649,728
Land held for resale	-	860,200	-	860,200
Receivables - grants	2,760	19,632	-	22,392
Prepaid items	1,201	-	-	1,201
<b>Total Assets</b>	<b>\$ 94,855</b>	<b>\$ 2,117,506</b>	<b>\$ 321,160</b>	<b>\$ 2,533,521</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 93	\$ 39,078	\$ -	\$ 39,171
Accrued payroll and employee benefits	5,316	-	-	5,316
Unearned revenue	20,571	-	-	20,571
<b>Total Liabilities</b>	<b>25,980</b>	<b>39,078</b>	<b>-</b>	<b>65,058</b>
<b>Fund Balances</b>				
Nonspendable:				
Prepaid items	1,201	-	-	1,201
Permanent Fund principal	-	-	321,160	321,160
Main Street couplet	-	860,200	-	860,200
Restricted -				
Federal and State drug enforcement	13,146	-	-	13,146
Assigned:				
Youth court	54,528	-	-	54,528
Road projects	-	87,067	-	87,067
Vehicle replacement	-	510,451	-	510,451
Right-of-way acquisition	-	125,205	-	125,205
Technology replacement	-	495,505	-	495,505
<b>Total Fund Balances</b>	<b>68,875</b>	<b>2,078,428</b>	<b>321,160</b>	<b>2,468,463</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 94,855</b>	<b>\$ 2,117,506</b>	<b>\$ 321,160</b>	<b>\$ 2,533,521</b>

**City of Wasilla, Alaska**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**

<i>Year Ended June 30, 2018</i>	Special Revenue Funds	Capital Project Funds	Cemetery Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Fines and charges	\$ 2,055	\$ -	\$ -	\$ 2,055
Intergovernmental	100,146	119,447	-	219,593
Loss on land held for resale	-	(862,536)	-	(862,536)
Other	11,184	-	22,800	33,984
<b>Total Revenues</b>	<b>113,385</b>	<b>(743,089)</b>	<b>22,800</b>	<b>(606,904)</b>
<b>Expenditures</b>				
Public safety	139,293	-	-	139,293
Capital outlay	-	714,489	-	714,489
<b>Total Expenditures</b>	<b>139,293</b>	<b>714,489</b>	<b>-</b>	<b>853,782</b>
Excess of revenues over (under) expenditures	(25,908)	(1,457,578)	22,800	(1,460,686)
<b>Other Financing Sources (Uses)</b>				
Transfers in	25,000	558,000	85	583,085
Transfers out	-	(250,000)	-	(250,000)
<b>Net Other Financing Sources (Uses)</b>	<b>25,000</b>	<b>308,000</b>	<b>85</b>	<b>333,085</b>
Net change in fund balances	(908)	(1,149,578)	22,885	(1,127,601)
<b>Fund Balances, beginning</b>	<b>69,783</b>	<b>3,228,006</b>	<b>298,275</b>	<b>3,596,064</b>
<b>Fund Balances, ending</b>	<b>\$ 68,875</b>	<b>\$ 2,078,428</b>	<b>\$ 321,160</b>	<b>\$ 2,468,463</b>

## Special Revenue Funds

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Youth Court Fund - This fund is used to account for a diversion program focused on first-time juvenile offenders who have committed misdemeanors. The program is called Mat-Su Youth Court and serves the community at large.

Federal Asset Forfeiture Fund - This fund accounts for assets which have been seized by federal law enforcement and distributed to local agencies under the Department of Justice's equitable sharing program. Assets received are recorded into this fund and used for public safety purposes in accordance with the program guidelines.

State Asset Forfeiture Fund - This fund accounts for assets which have been seized by State and local law enforcement agencies. Assets received are recorded into this fund and used for public safety purposes in accordance with the program guidelines.

**City of Wasilla, Alaska**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**

<i>June 30, 2018</i>	Youth Court	Federal Asset Forfeiture	State Asset Forfeiture	Totals
<b>Assets</b>				
Cash and investments	\$ 57,687	\$ 4,369	\$ 28,838	\$ 90,894
Receivables - grants	2,760	-	-	2,760
Prepaid items	1,201	-	-	1,201
<b>Total Assets</b>	<b>\$ 61,648</b>	<b>\$ 4,369</b>	<b>\$ 28,838</b>	<b>\$ 94,855</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 93	\$ -	\$ -	\$ 93
Accrued payroll and employee benefits	5,316	-	-	5,316
Unearned revenue	510	1,501	18,560	20,571
<b>Total Liabilities</b>	<b>5,919</b>	<b>1,501</b>	<b>18,560</b>	<b>25,980</b>
<b>Fund Balances</b>				
Nonspendable - prepaid items	1,201	-	-	1,201
Restricted - federal and state drug enforcement	-	2,868	10,278	13,146
Assigned - youth court	54,528	-	-	54,528
<b>Total Fund Balances</b>	<b>55,729</b>	<b>2,868</b>	<b>10,278</b>	<b>68,875</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 61,648</b>	<b>\$ 4,369</b>	<b>\$ 28,838</b>	<b>\$ 94,855</b>

**City of Wasilla, Alaska**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**

<i>Year Ended June 30, 2018</i>	Youth Court	Federal Asset Forfeiture	State Asset Forfeiture	Totals
<b>Revenues</b>				
Fines and charges	\$ 2,055	\$ -	\$ -	\$ 2,055
Intergovernmental	63,731	26,698	9,717	100,146
Other	11,184	-	-	11,184
<b>Total Revenues</b>	<b>76,970</b>	<b>26,698</b>	<b>9,717</b>	<b>113,385</b>
<b>Expenditures</b>				
Salaries	56,515	-	-	56,515
Employee benefits	37,282	-	-	37,282
Professional and technical services	404	-	-	404
Other purchased services	7,099	26,698	9,717	43,514
Supplies	1,578	-	-	1,578
<b>Total Expenditures</b>	<b>102,878</b>	<b>26,698</b>	<b>9,717</b>	<b>139,293</b>
Excess of revenues over (under) expenditures	(25,908)	-	-	(25,908)
<b>Other Financing Sources - transfers in</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>
<b>Net Change in Fund Balances</b>	<b>(908)</b>	<b>-</b>	<b>-</b>	<b>(908)</b>
<b>Fund Balances, beginning</b>	<b>56,637</b>	<b>2,868</b>	<b>10,278</b>	<b>69,783</b>
<b>Fund Balances, ending</b>	<b>\$ 55,729</b>	<b>\$ 2,868</b>	<b>\$ 10,278</b>	<b>\$ 68,875</b>

**City of Wasilla, Alaska**  
**Youth Court Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
<b>Revenues</b>				
Fines and charges	\$ 3,500	\$ 2,055	\$ (1,445)	\$ 2,220
Intergovernmental	58,821	63,731	4,910	177,549
Other	2,095	11,184	9,089	3,228
<b>Total Revenues</b>	<b>64,416</b>	<b>76,970</b>	<b>12,554</b>	<b>182,997</b>
<b>Expenditures</b>				
Salaries	56,515	56,515	-	117,233
Employee benefits	35,270	37,282	(2,012)	66,483
Professional and technical services	404	404	-	720
Other purchased services	7,590	7,099	491	4,956
Supplies	2,584	1,578	1,006	1,888
<b>Total Expenditures</b>	<b>102,363</b>	<b>102,878</b>	<b>(515)</b>	<b>191,280</b>
Excess (deficiency) of revenues over (under) expenditures	(37,947)	(25,908)	12,039	(8,283)
<b>Other Financing Sources - transfers in</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>
Net change in fund balance	<u>\$ (12,947)</u>	(908)	<u>\$ 12,039</u>	(8,283)
Fund Balance, beginning		<u>56,637</u>		<u>64,920</u>
Fund Balance, ending		<u>\$ 55,729</u>		<u>\$ 56,637</u>

**City of Wasilla, Alaska**  
**Federal Asset Forfeiture Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
Revenues - intergovernmental	\$ 6,235	\$ 26,698	\$ 20,463	\$ -
Expenditures - other purchased services	28,199	26,698	1,501	-
Net change in fund balance	<u>\$ (21,964)</u>	-	<u>\$ 21,964</u>	-
Fund Balance, beginning		<u>2,868</u>		<u>2,868</u>
Fund Balance, ending		<u>\$ 2,868</u>		<u>\$ 2,868</u>

**City of Wasilla, Alaska**  
**State Asset Forfeiture Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Years Ended June 30,</i>	2018			2017
	Budget	Actual	Variance	Actual
Revenues - intergovernmental	\$ -	\$ 9,717	\$ 9,717	\$ -
Expenditures - other purchased services	-	9,717	(9,717)	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance, beginning		<u>10,278</u>		<u>10,278</u>
Fund Balance, ending		<u>\$ 10,278</u>		<u>\$ 10,278</u>

## Capital Project Funds

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Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

**City of Wasilla, Alaska**  
**Nonmajor Capital Project Funds**  
**Combining Balance Sheet**

<i>June 30, 2018</i>	Road Projects	Vehicle Replacement	Right-of-way Acquisition	Technology Replacement	Totals
<b>Assets</b>					
Cash and investments	\$ 106,281	\$ 510,683	\$ 125,205	\$ 495,505	\$ 1,237,674
Land held for resale	860,200	-	-	-	860,200
Grants receivable	19,632	-	-	-	19,632
<b>Total Assets</b>	<b>\$ 986,113</b>	<b>\$ 510,683</b>	<b>\$ 125,205</b>	<b>\$ 495,505</b>	<b>\$ 2,117,506</b>
<b>Liabilities and Fund Balances</b>					
Liabilities - accounts payable	\$ 38,846	\$ 232	\$ -	\$ -	\$ 39,078
<b>Fund Balances</b>					
Nonspendable	860,200	-	-	-	860,200
Assigned	87,067	510,451	125,205	495,505	1,218,228
<b>Total Fund Balances</b>	<b>947,267</b>	<b>510,451</b>	<b>125,205</b>	<b>495,505</b>	<b>2,078,428</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 986,113</b>	<b>\$ 510,683</b>	<b>\$ 125,205</b>	<b>\$ 495,505</b>	<b>\$ 2,117,506</b>

**City of Wasilla, Alaska**  
**Nonmajor Capital Project Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**

<i>Year Ended June 30, 2018</i>	Road Projects	Vehicle Replacement	Right-of-way Acquisition	Technology Replacement	Totals
<b>Revenues:</b>					
Intergovernmental	\$ 119,447	\$ -	\$ -	\$ -	\$ 119,447
Loss on land held for resale	(862,536)	-	-	-	(862,536)
<b>Total Revenues</b>	(743,089)	-	-	-	(743,089)
<b>Expenditures - capital outlay</b>	280,716	326,855	13,596	93,322	714,489
Excess of revenues (under) expenditures	(1,023,805)	(326,855)	(13,596)	(93,322)	(1,457,578)
<b>Other Financing Sources (Uses)</b>					
Transfers in	100,000	269,000	25,000	164,000	558,000
Transfers out	-	-	-	(250,000)	(250,000)
<b>Net Other Financing Sources (Uses)</b>	100,000	269,000	25,000	(86,000)	308,000
Net change in fund balances	(923,805)	(57,855)	11,404	(179,322)	(1,149,578)
<b>Fund Balances, beginning</b>	1,871,072	568,306	113,801	674,827	3,228,006
<b>Fund Balances, ending</b>	\$ 947,267	\$ 510,451	\$ 125,205	\$ 495,505	\$ 2,078,428

**City of Wasilla, Alaska**  
**Miscellaneous Capital Projects Fund**  
**Schedule of Expenditures by Project**

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*Year Ended June 30, 2018*

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**Expenditures**

Wireless communications network	\$ 931,246
E911 upgrades and software subscription	565,838
Museum relocation and improvements	358,518
Library improvements	342,434
Road equipment	223,593
Train station relocation	186,282
Software and hardware	122,308
Public safety software service	100,328
Park improvements	57,251
Road maintenance shop	39,359
Park equipment	13,499
Townsite restoration	6,655

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**Total Expenditures** **\$ 2,947,311**

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## Permanent Fund

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Cemetery - This fund is used to account for the lot sales at the cemetery.

**City of Wasilla, Alaska**  
**Cemetery Permanent Fund**  
**Balance Sheet**

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<i>June 30,</i>	2018	2017
<b>Assets</b>		
Cash and investments	\$ 321,160	\$ 298,275
<b>Fund Balance</b>		
Nonspendable - Permanent Fund principal	\$ 321,160	\$ 298,275

**City of Wasilla, Alaska**  
**Cemetery Permanent Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

<i>Years Ended June 30,</i>	2018	2017
Revenues - lot sales	\$ 22,800	\$ 7,400
Other Financing Sources - transfers in	85	260
Net change in fund balance	22,885	7,660
Fund Balance, beginning	298,275	290,615
Fund Balance, ending	\$ 321,160	\$ 298,275

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## Enterprise Funds

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Water Utility Fund - This fund is used to account for the provision of water services to the residents of the City.

Sewer Utility Fund - This fund is used to account for sewer services for local residents.

Municipal Airport Fund - This fund is used to account for the operations of the Wasilla Municipal Airport.

Curtis D. Menard Memorial Sports Center - This fund accounts for the operations of the recreational sports complex facility.

All activities necessary to provide such services are accounted for in these funds, including but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

**City of Wasilla, Alaska**  
**Water Utility Enterprise Fund**  
**Statement of Net Position**

<i>June 30,</i>	2018	2017
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets</b>		
Cash and investments	\$ 6,151,457	\$ 5,325,938
Receivables:		
Accounts	218,842	209,715
Allowance for doubtful accounts	(36,854)	(33,759)
Special assessments	6,703	11,393
Payment in lieu of assessments	84,369	84,599
Grants	97,209	91,943
Prepaid expenses	14,602	19,416
Inventory	48,699	45,710
<b>Total Current Assets</b>	<b>6,585,027</b>	<b>5,754,955</b>
<b>Noncurrent Assets</b>		
Prepaid expenses	8,070	8,451
Capital assets:		
Land	178,740	178,740
Collection/distribution system	32,224,960	31,487,173
Water tank and fence	6,847,577	6,847,577
Wells/well house	1,325,146	1,325,146
Equipment	377,352	377,352
Construction in progress	-	173,940
Total capital assets	40,953,775	40,389,928
Less accumulated depreciation	(13,476,280)	(12,649,285)
Net capital assets	27,477,495	27,740,643
<b>Total Noncurrent Assets</b>	<b>27,485,565</b>	<b>27,749,094</b>
<b>Total Assets</b>	<b>34,070,592</b>	<b>33,504,049</b>
<b>Deferred Outflows of Resources</b>		
Related to pensions	65,308	132,942
Related to other postemployment benefits	12,628	-
<b>Total Deferred Outflows of Resources</b>	<b>77,936</b>	<b>132,942</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 34,148,528</b>	<b>\$ 33,636,991</b>

**City of Wasilla, Alaska**  
**Water Utility Enterprise Fund**  
**Statement of Net Position, continued**

<i>June 30,</i>	2018	2017
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 12,310	\$ 43,890
Accrued payroll and employee benefits	21,810	24,255
Compensated absences	35,796	33,517
Customer deposits	15,000	17,128
Accrued interest	4,814	5,616
Unearned revenue	96,333	97,511
Current portion of notes payable	165,450	165,450
<b>Total Current Liabilities</b>	<b>351,513</b>	<b>387,367</b>
<b>Noncurrent Liabilities</b>		
Notes payable, net of current portion	827,250	992,700
Net pension liability	496,363	609,063
Net other postemployment benefits liability	69,623	-
<b>Total Noncurrent Liabilities</b>	<b>1,393,236</b>	<b>1,601,763</b>
<b>Total Liabilities</b>	<b>1,744,749</b>	<b>1,989,130</b>
<b>Deferred Inflows of Resources</b>		
Related to pensions	41,503	6,789
Related to other postemployment benefits	34,025	-
<b>Total Deferred Inflows of Resources</b>	<b>75,528</b>	<b>6,789</b>
<b>Net Position</b>		
Net investment in capital assets	26,484,795	26,582,493
Unrestricted	5,843,456	5,058,579
<b>Total Net Position</b>	<b>32,328,251</b>	<b>31,641,072</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 34,148,528</b>	<b>\$ 33,636,991</b>

**City of Wasilla, Alaska**  
**Water Utility Enterprise Fund**  
**Statement of Revenues, Expenses and**  
**Changes in Net Position**

<i>Years Ended June 30,</i>	2018	2017
<b>Operating Revenues</b>		
Sales and user charges	\$ 1,875,586	\$ 1,893,389
Water meters	12,493	13,336
<b>Total Operating Revenues</b>	<b>1,888,079</b>	<b>1,906,725</b>
<b>Operating Expenses</b>		
Salaries	295,336	311,152
Employee benefits	171,948	248,502
Professional and technical services	30,089	28,531
Repair and maintenance	57,273	81,975
Other purchased services	64,502	61,822
Supplies	182,282	167,230
<b>Total Operating Expenses</b>	<b>801,430</b>	<b>899,212</b>
Operating income before depreciation	1,086,649	1,007,513
<b>Depreciation</b>	<b>826,995</b>	<b>812,238</b>
Operating income	259,654	195,275
<b>Nonoperating Revenues (Expenses)</b>		
Payments in lieu of assessments	37,293	30,627
Interest expense	(16,570)	(20,532)
Other income	-	610
Debt service assessments	905	856
State PERS relief	12,792	10,355
<b>Net Nonoperating Revenues (Expenses)</b>	<b>34,420</b>	<b>21,916</b>
Income before transfers and contributions	294,074	217,191
Transfers out	(14,250)	(14,250)
Capital contributions	502,320	894,743
Change in net position	782,144	1,097,684
<b>Net Position, beginning, as restated (Note 2)</b>	<b>31,546,107</b>	<b>30,543,388</b>
<b>Net Position, ending</b>	<b>\$ 32,328,251</b>	<b>\$ 31,641,072</b>

**City of Wasilla, Alaska**  
**Water Utility Enterprise Fund**  
**Statement of Cash Flows**

<i>Years Ended June 30,</i>	2018	2017
<b>Cash Flows from Operating Activities</b>		
Receipts from customers and users	\$ 1,878,742	\$ 1,890,386
Payments to suppliers for goods and services	(363,520)	(360,296)
Payments to employees for services	(468,955)	(462,353)
<b>Net cash flows from operating activities</b>	<b>1,046,267</b>	<b>1,067,737</b>
<b>Cash Flows from (for) Noncapital Financing Activities</b>		
Nonoperating grants received	-	54,828
Transfers out	(14,250)	(14,250)
<b>Net cash flows from (for) noncapital financing activities</b>	<b>(14,250)</b>	<b>40,578</b>
<b>Cash Flows for Capital and Related Financing Activities</b>		
Principal paid on notes payable	(165,450)	(426,506)
Interest paid on notes payable	(17,372)	(23,770)
Special assessments received	5,595	3,377
Payments in lieu of assessments received	37,523	33,929
Acquisition and construction of capital assets	(563,848)	(117,571)
Capital contributions received	497,054	117,571
<b>Net cash flows for capital and related financing activities</b>	<b>(206,498)</b>	<b>(412,970)</b>
<b>Net Increase in Cash and Investments</b>	<b>825,519</b>	<b>695,345</b>
<b>Cash and Investments, beginning</b>	<b>5,325,938</b>	<b>4,630,593</b>
<b>Cash and Investments, ending</b>	<b>\$ 6,151,457</b>	<b>\$ 5,325,938</b>
<b>Reconciliation of Operating Income to Net Cash Flows from Operating Activities</b>		
Operating income	\$ 259,654	\$ 195,275
Adjustments to reconcile operating income to net cash flows from operating activities:		
Depreciation	826,995	812,238
State of Alaska on-behalf payments - PERS relief	12,792	10,355
Nonoperating revenues	-	610
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable and related allowance	(6,031)	9,930
Inventory	(2,989)	2,731
Prepaid expenses	5,195	(3,511)
Deferred outflows of resources related to pensions	67,634	(34,758)
Deferred outflows of resources related to other postemployment benefits	3,915	-
Accounts payable	(31,580)	(19,958)
Accrued payroll and employee benefits	(2,445)	485
Compensated absences	2,279	6,722
Customer deposits	(2,128)	(21,392)
Unearned revenue	(1,178)	(5,487)
Net pension liability	(112,700)	116,572
Net postemployment benefits liability	(41,885)	-
Deferred inflows of resources related to pensions	34,714	(2,075)
Deferred inflows of resources related to other postemployment benefits	34,025	-
<b>Net Cash Flows from Operating Activities</b>	<b>\$ 1,046,267</b>	<b>\$ 1,067,737</b>
<b>Noncash Noncapital Financing and Capital and Related Financing Activities</b>		
Water extensions contributed by developers	\$ -	\$ 777,172

**City of Wasilla, Alaska**  
**Sewer Utility Enterprise Fund**  
**Statement of Net Position**

<i>June 30,</i>	2018	2017
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets</b>		
Cash and investments	\$ 4,022,330	\$ 3,843,550
Receivables:		
Accounts	150,839	142,083
Allowance for doubtful accounts	(24,198)	(22,387)
Special assessments	19,396	24,685
Grants	275,538	97,006
Prepaid expenses	14,170	24,031
Inventory	64,057	28,565
<b>Total Current Assets</b>	<b>4,522,132</b>	<b>4,137,533</b>
<b>Noncurrent Assets - capital assets</b>		
Land	1,008,977	1,008,977
Building	301,760	143,456
Treatment system	8,111,871	8,111,871
Collection/distribution system	11,574,116	11,589,862
Equipment	5,380,897	5,359,231
Construction in progress	-	59,110
Total capital assets	26,377,621	26,272,507
Less accumulated depreciation	(13,529,267)	(13,029,532)
<b>Total Noncurrent Assets</b>	<b>12,848,354</b>	<b>13,242,975</b>
<b>Total Assets</b>	<b>17,370,486</b>	<b>17,380,508</b>
<b>Deferred Outflows of Resources</b>		
Related to pensions	84,115	189,287
Related to other postemployment benefits	19,637	-
<b>Total Deferred Outflows of Resources</b>	<b>103,752</b>	<b>189,287</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 17,474,238</b>	<b>\$ 17,569,795</b>

**City of Wasilla, Alaska**  
**Sewer Utility Enterprise Fund**  
**Statement of Net Position, continued**

<i>June 30,</i>	2018	2017
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 83,357	\$ 10,944
Accrued payroll and employee benefits	33,554	36,326
Compensated absences	62,529	83,270
Customer deposits	15,000	18,354
<b>Total Current Liabilities</b>	<b>194,440</b>	<b>148,894</b>
<b>Noncurrent Liabilities</b>		
Net pension liability	691,955	867,206
Net other postemployment benefits liability	108,264	-
<b>Total Noncurrent Liabilities</b>	<b>800,219</b>	<b>867,206</b>
<b>Total Liabilities</b>	<b>994,659</b>	<b>1,016,100</b>
<b>Deferred Inflows of Resources</b>		
Related to pensions	63,647	9,666
Related to other postemployment benefits	52,910	-
<b>Total Deferred Inflows of Resources</b>	<b>116,557</b>	<b>9,666</b>
<b>Net Position</b>		
Net investment in capital assets	12,848,354	13,242,975
Unrestricted	3,514,668	3,301,054
<b>Total Net Position</b>	<b>16,363,022</b>	<b>16,544,029</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 17,474,238</b>	<b>\$ 17,569,795</b>

**City of Wasilla, Alaska**  
**Sewer Utility Enterprise Fund**  
**Statement of Revenues, Expenses and**  
**Changes in Net Position**

<i>Years Ended June 30,</i>	2018	2017
<b>Operating Revenues - sales and user charges</b>	\$ 1,501,942	\$ 1,535,775
<b>Operating Expenses</b>		
Salaries	456,255	441,182
Employee benefits	264,572	353,148
Professional and technical services	9,347	7,193
Repair and maintenance	499,509	116,562
Other purchased services	46,043	44,968
Supplies	228,088	216,433
<b>Total Operating Expenses</b>	1,503,814	1,179,486
Operating income before (loss) depreciation	(1,872)	356,289
Depreciation	499,735	491,013
Operating loss	(501,607)	(134,724)
<b>Nonoperating Revenues (Expenses)</b>		
Payments in lieu of assessments	1,836	20,346
Other income	-	945
Nonoperating grants	434,738	73,746
Debt service assessments	1,172	2,350
State PERS relief	19,891	14,744
<b>Net Nonoperating Revenues (Expenses)</b>	457,637	112,131
Loss before transfers and contributions	(43,970)	(22,593)
Transfers out	(16,250)	(16,250)
Capital contributions	26,884	59,110
Change in net position	(33,336)	20,267
<b>Net Position, beginning, as restated (Note 2)</b>	16,396,358	16,523,762
<b>Net Position, ending</b>	\$ 16,363,022	\$ 16,544,029

**City of Wasilla, Alaska**  
**Sewer Utility Enterprise Fund**  
**Statement of Cash Flows**

<i>Years Ended June 30,</i>	2018	2017
<b>Cash Flows from Operating Activities</b>		
Receipts from customers and users	\$ 1,491,643	\$ 1,556,109
Payments to suppliers for goods and services	(736,205)	(383,690)
Payments to employees for services	(746,681)	(660,558)
<b>Net cash flows from operating activities</b>	<b>8,757</b>	<b>511,861</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Nonoperating grants received	256,206	140,562
Transfers out	(16,250)	(16,250)
<b>Net cash flows from noncapital financing activities</b>	<b>239,956</b>	<b>124,312</b>
<b>Cash Flows for Capital and Related Financing Activities</b>		
Special assessments received	6,461	20,677
Payments in lieu of assessments received	1,836	20,346
Acquisition and construction of capital assets	(105,114)	(235,980)
Capital contributions received	26,884	3,963
<b>Net cash flows for capital and related financing activities</b>	<b>(69,933)</b>	<b>(190,994)</b>
<b>Net Increase in Cash and Investments</b>	<b>178,780</b>	<b>445,179</b>
<b>Cash and Investments, beginning</b>	<b>3,843,550</b>	<b>3,398,371</b>
<b>Cash and Investments, ending</b>	<b>\$ 4,022,330</b>	<b>3,843,550</b>
<b>Reconciliation of Operating Loss to Net Cash Flows from Operating Activities</b>		
Operating loss	\$ (501,607)	\$ (134,724)
Adjustments to reconcile operating loss to net cash flows from operating activities:		
Depreciation	499,735	491,013
State of Alaska on-behalf payments - PERS relief	19,891	14,744
Nonoperating revenues	-	945
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable and related allowance	(6,945)	10,010
Inventory	(35,492)	45,975
Prepaid expenses	9,861	(10,240)
Deferred outflows of resources related to pensions	105,172	(49,497)
Deferred outflows of resources related to other postemployment benefits	6,088	-
Accounts payable	72,413	(34,269)
Accrued payroll and employee benefits	(2,772)	3,858
Accrued annual and sick leave	(20,741)	1,599
Customer deposits	(3,354)	9,379
Net pension liability	(175,251)	166,022
Net other postemployment benefits liability	(65,132)	-
Deferred inflows of resources related to pensions	53,981	(2,954)
Deferred inflows of resources related to other postemployment benefits	52,910	-
<b>Net Cash Flows from Operating Activities</b>	<b>\$ 8,757</b>	<b>\$ 511,861</b>

**City of Wasilla, Alaska**  
**Municipal Airport Enterprise Fund**  
**Statement of Net Position**

<i>June 30,</i>	2018	2017
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets</b>		
Cash and investments	\$ 657,515	\$ 499,491
Receivables:		
Accounts	7,323	1,973
Grants	425	28,504
Prepaid expenses	1,923	2,319
<b>Total Current Assets</b>	<b>667,186</b>	<b>532,287</b>
<b>Noncurrent Assets - capital assets</b>		
Land	1,470,000	1,470,000
Land improvements	16,217,167	16,190,028
Buildings	993,282	993,282
Equipment	1,478,665	1,470,118
Construction in progress	177,807	-
Total capital assets	20,336,921	20,123,428
Less accumulated depreciation	(10,854,267)	(10,070,801)
<b>Total Noncurrent Assets</b>	<b>9,482,654</b>	<b>10,052,627</b>
<b>Total Assets</b>	<b>10,149,840</b>	<b>10,584,914</b>
<b>Deferred Outflows of Resources</b>		
Related to pensions	1,790	13,392
Related to other postemployment benefits	2,166	-
<b>Total Deferred Outflows of Resources</b>	<b>3,956</b>	<b>13,392</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 10,153,796</b>	<b>\$ 10,598,306</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 47,082	\$ 4,728
Accrued payroll and employee benefits	2,336	2,233
Compensated absences	4,392	9,230
Unearned revenue	8,506	14,717
<b>Total Current Liabilities</b>	<b>62,316</b>	<b>30,908</b>
<b>Noncurrent Liabilities</b>		
Net pension liability	42,020	61,353
Net other postemployment benefits liability	11,943	-
<b>Total Noncurrent Liabilities</b>	<b>53,963</b>	<b>61,353</b>
<b>Total Liabilities</b>	<b>116,279</b>	<b>92,261</b>
<b>Deferred Inflows of Resources</b>		
Related to pensions	6,639	684
Related to other postemployment benefits	5,837	-
<b>Total Deferred Inflows of Resources</b>	<b>12,476</b>	<b>684</b>
<b>Net Position</b>		
Net investment in capital assets	9,482,654	10,052,627
Unrestricted	542,387	452,734
<b>Total Net Position</b>	<b>10,025,041</b>	<b>10,505,361</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 10,153,796</b>	<b>\$ 10,598,306</b>

**City of Wasilla, Alaska**  
**Municipal Airport Enterprise Fund**  
**Statement of Revenues, Expenses and Changes**  
**in Net Position**

<i>Years Ended June 30,</i>	2018	2017
<b>Operating Revenues - fees and rentals</b>	\$ 121,189	\$ 111,764
<b>Operating Expenses</b>		
Salaries	30,919	31,607
Employee benefits	16,255	27,476
Professional and technical services	216	1,287
Repair and maintenance	37,600	34,574
Other purchased services	28,785	27,050
Supplies	57,580	48,846
<b>Total Operating Expenses</b>	171,355	170,840
Operating loss before depreciation	(50,166)	(59,076)
<b>Depreciation</b>	783,466	779,778
Operating loss	(833,632)	(838,854)
<b>Nonoperating Revenues (Expenses)</b>		
State PERS relief	2,194	1,043
Plans and studies	7,915	(38,223)
<b>Net Nonoperating Revenues (Expenses)</b>	10,109	(37,180)
Loss before transfers	(823,523)	(876,034)
Transfers in	359,994	331,000
Transfers out	(500)	(500)
Change in net position	(464,029)	(545,534)
<b>Net Position, beginning, as restated (Note 2)</b>	10,489,070	11,050,895
<b>Net Position, ending</b>	\$ 10,025,041	\$ 10,505,361

**City of Wasilla, Alaska**  
**Municipal Airport Enterprise Fund**  
**Statement of Cash Flows**

<i>Years Ended June 30,</i>	2018	2017
<b>Cash Flows for Operating Activities</b>		
Receipts from customers and users	\$ 117,543	\$ 109,894
Payments to suppliers for goods and services	(81,431)	(162,015)
Payments to employees for services	(52,168)	(46,826)
<b>Net cash flows for operating activities</b>	<b>(16,056)</b>	<b>(98,947)</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Nonoperating grants received	28,079	23,461
Transfers in	359,994	331,000
Transfers out	(500)	(500)
<b>Net cash flows from noncapital financing activities</b>	<b>387,573</b>	<b>353,961</b>
<b>Cash Flows for Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(213,493)	(56,797)
<b>Net Increase in Cash and Investments</b>	<b>158,024</b>	<b>198,217</b>
<b>Cash and Investments, beginning</b>	<b>499,491</b>	<b>301,274</b>
<b>Cash and Investments, ending</b>	<b>\$ 657,515</b>	<b>\$ 499,491</b>
<b>Reconciliation of Operating Loss to Net Cash Flows for Operating Activities</b>		
Operating loss	\$ (833,632)	\$ (838,854)
Adjustments to reconcile operating loss to net cash flows for operating activities:		
Depreciation	783,466	779,778
State of Alaska on-behalf payments - PERS relief	2,194	1,043
Nonoperating revenues (expenses)	7,915	(38,223)
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	(5,350)	1,310
Accounts payable	42,354	(11,490)
Prepaid expenses	396	(545)
Deferred outflows of resources related to pensions	11,602	(4,132)
Deferred outflows of resources related to other postemployment benefits	671	-
Accrued payroll and employee benefits	103	(4)
Compensated absences	(4,838)	598
Unearned revenue	(6,211)	(3,180)
Net pension liability	(19,333)	14,904
Net other postemployment benefits liability	(7,185)	-
Deferred inflows of resources related to pensions	5,955	(152)
Deferred inflows of resources related to other postemployment benefits	5,837	-
<b>Net Cash Flows for Operating Activities</b>	<b>\$ (16,056)</b>	<b>\$ (98,947)</b>

**City of Wasilla, Alaska**  
**Curtis D. Menard Memorial Sports Center Enterprise Fund**  
**Statement of Net Position**

<i>June 30,</i>	2018	2017
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets</b>		
Cash and investments	\$ 2,150,007	\$ 1,941,549
Receivables:		
Accounts	44,113	28,897
Grants	6,014	-
Allowance for doubtful accounts	(19,137)	(14,162)
Prepaid expenses	11,350	19,956
<b>Total Current Assets</b>	<b>2,192,347</b>	<b>1,976,240</b>
<b>Noncurrent Assets - capital assets</b>		
Land	1,771,990	1,771,990
Construction in progress	89,162	2,820
Buildings	16,765,740	16,765,740
Equipment	823,186	715,891
Total capital assets	19,450,078	19,256,441
Less accumulated depreciation	(5,843,484)	(5,334,104)
<b>Total Noncurrent Assets</b>	<b>13,606,594</b>	<b>13,922,337</b>
<b>Total Assets</b>	<b>15,798,941</b>	<b>15,898,577</b>
<b>Deferred Outflows of Resources</b>		
Related to pensions	78,763	153,983
Related to other postemployment benefits	14,044	-
<b>Total Deferred Outflows of Resources</b>	<b>92,807</b>	<b>153,983</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 15,891,748</b>	<b>\$ 16,052,560</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 20,759	\$ 16,476
Accrued payroll and employee benefits	30,747	29,786
Compensated absences	29,209	27,503
Customer deposits	5,850	9,900
Unearned revenue	97,417	125,680
<b>Total Current Liabilities</b>	<b>183,982</b>	<b>209,345</b>
<b>Noncurrent Liabilities</b>		
Net pension liability	580,123	705,463
Net other postemployment benefits liability	77,430	-
<b>Total Noncurrent Liabilities</b>	<b>657,553</b>	<b>705,463</b>
<b>Total Liabilities</b>	<b>841,535</b>	<b>914,808</b>
<b>Deferred Inflows of Resources</b>		
Related to pensions	46,471	7,864
Related to other postemployment benefits	37,841	-
<b>Total Deferred Inflows of Resources</b>	<b>84,312</b>	<b>7,864</b>
<b>Net Position</b>		
Net investment in capital assets	13,606,594	13,922,337
Unrestricted	1,359,307	1,207,551
<b>Total Net Position</b>	<b>14,965,901</b>	<b>15,129,888</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 15,891,748</b>	<b>\$ 16,052,560</b>

## City of Wasilla, Alaska

Curtis D. Menard Memorial Sports Center Enterprise Fund  
Statement of Revenues, Expenses and Changes  
in Net Position

<i>Years Ended June 30,</i>	2018	2017
<b>Operating Revenues - fees and rentals</b>	\$ 751,940	\$ 712,947
<b>Operating Expenses</b>		
Salaries	419,332	404,745
Employee benefits	242,115	296,632
Professional and technical services	3,312	1,619
Repair and maintenance	90,939	134,748
Other purchased services	76,193	63,050
Supplies	323,199	303,074
<b>Total Operating Expenses</b>	1,155,090	1,203,868
Operating loss before depreciation	(403,150)	(490,921)
<b>Depreciation</b>	509,380	496,756
Operating loss	(912,530)	(987,677)
<b>Nonoperating Revenues</b>		
Investment income	5,918	1,350
Other income	6,180	6,352
State PERS relief	14,227	11,993
<b>Total Nonoperating Revenues</b>	26,325	19,695
Loss before contributions and transfers	(886,205)	(967,982)
Transfers in	750,000	750,000
Transfers out	(11,500)	(6,500)
Capital contributions	89,332	2,820
Change in net position	(58,373)	(221,662)
<b>Net Position, beginning, as restated (Note 2)</b>	15,024,274	15,351,550
<b>Net Position, ending</b>	\$ 14,965,901	\$ 15,129,888

**City of Wasilla, Alaska**  
**Curtis D. Menard Memorial Sports Center Enterprise Fund**  
**Statement of Cash Flows**

<i>Years Ended June 30,</i>	2018	2017
<b>Cash Flows for Operating Activities</b>		
Receipts from customers and users	\$ 715,566	\$ 787,285
Payments to suppliers for goods and services	(480,754)	(508,866)
Payments to employees for services	(660,453)	(603,193)
<b>Net cash flows for operating activities</b>	<b>(425,641)</b>	<b>(324,774)</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Transfers in	750,000	750,000
Transfers out	(11,500)	(6,500)
<b>Net cash flows from noncapital financing activities</b>	<b>738,500</b>	<b>743,500</b>
<b>Cash Flows for Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(193,637)	(2,820)
Capital contributions received	83,318	2,820
<b>Net cash flows for capital and related financing activities</b>	<b>(110,319)</b>	<b>-</b>
<b>Cash Flows from Investing Activities - investment income received</b>	<b>5,918</b>	<b>1,350</b>
<b>Net Increase in Cash and Investments</b>	<b>208,458</b>	<b>420,076</b>
<b>Cash and Investments, beginning</b>	<b>1,941,549</b>	<b>1,521,473</b>
<b>Cash and Investments, ending</b>	<b>\$ 2,150,007</b>	<b>\$ 1,941,549</b>
<b>Reconciliation of Operating Loss to Net Cash Flows for Operating Activities</b>		
Operating loss	\$ (912,530)	\$ (987,677)
Adjustments to reconcile operating loss to net cash flows for operating activities:		
Depreciation	509,380	496,756
State of Alaska on-behalf payments - PERS relief	14,227	11,993
Nonoperating revenues	6,180	6,352
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable and related allowances	(10,241)	(3,239)
Prepaid expenses	8,606	(8,770)
Deferred outflows of resources related to pensions	75,220	(38,341)
Deferred outflows of resources related to other postemployment benefits	4,354	-
Accounts payable	4,283	2,395
Accrued payroll and employee benefits	961	1,069
Compensated absences	1,706	636
Customer deposits	(4,050)	3,500
Unearned revenue	(28,263)	67,725
Net pension liability	(125,340)	125,403
Net other postemployment benefits liability	(46,582)	-
Deferred inflows of resources related to pensions	38,607	(2,576)
Deferred inflows of resources related to other postemployment benefits	37,841	-
<b>Net Cash Flows for Operating Activities</b>	<b>\$ (425,641)</b>	<b>\$ (324,774)</b>

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## Statistical Section

This part of the City of Wasilla's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

### Context

Page

### Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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### Revenue Capacity

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### Debt Capacity

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### Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. Information pertaining to principal employers is considered proprietary information and is no longer available. Therefore, this schedule will no longer be presented.

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### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

## City of Wasilla, Alaska

Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 24,398,858	\$ 26,352,274	\$ 27,061,059	\$ 27,866,382	\$ 27,146,916	\$ 31,959,213	\$ 39,126,772	\$ 50,741,890	\$ 58,174,797	\$ 59,340,731
Restricted	-	210,573	222,722	248,818	266,891	3,256,647	7,720,055	5,055,457	2,034,157	4,427,078
Unrestricted	9,971,248	9,178,588	10,583,663	11,650,704	13,214,102	14,351,166	10,721,131	10,710,820	9,317,559	7,086,803
<b>Total governmental activities net position</b>	<b>34,370,106</b>	<b>35,741,435</b>	<b>37,867,444</b>	<b>39,765,904</b>	<b>40,627,909</b>	<b>49,567,026</b>	<b>57,567,958</b>	<b>66,508,167</b>	<b>69,526,513</b>	<b>70,854,612</b>
<b>Business-type activities:</b>										
Net investment in capital assets	58,196,431	59,488,483	61,667,398	68,715,514	69,269,258	67,433,798	66,616,428	64,763,372	63,800,432	62,422,397
Restricted	1,477,737	2,071,844	-	-	-	-	-	-	-	-
Unrestricted	2,711,915	3,674,997	4,775,904	5,326,572	6,343,898	7,973,193	7,910,326	8,706,223	10,019,918	11,259,818
<b>Total business-type activities net position</b>	<b>62,386,083</b>	<b>65,235,324</b>	<b>66,443,302</b>	<b>74,042,086</b>	<b>75,613,156</b>	<b>75,406,991</b>	<b>74,526,754</b>	<b>73,469,595</b>	<b>73,820,350</b>	<b>73,682,215</b>
<b>Total activities:</b>										
Net Investment in capital assets	82,595,289	85,840,757	88,728,457	89,540,999	96,416,174	99,393,011	105,743,200	115,505,262	121,975,229	121,763,128
Restricted	1,477,737	2,071,844	222,722	248,818	266,891	3,256,647	7,720,055	5,055,457	2,034,157	4,427,078
Unrestricted	12,683,163	12,853,585	15,339,567	16,977,276	19,558,000	22,324,359	18,631,457	19,417,043	19,337,477	18,346,621
<b>Total Net Position</b>	<b>\$ 96,756,189</b>	<b>\$ 100,766,186</b>	<b>\$ 104,290,746</b>	<b>\$ 106,767,093</b>	<b>\$ 116,241,065</b>	<b>\$ 124,974,017</b>	<b>\$ 132,094,712</b>	<b>\$ 139,977,762</b>	<b>\$ 143,346,863</b>	<b>\$ 144,536,827</b>

## City of Wasilla, Alaska

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
Governmental activities:										
General government	\$ 2,808,593	\$ 2,949,299	\$ 2,678,667	\$ 2,994,569	\$ 3,215,470	\$ 3,340,921	\$ 3,038,869	\$ 3,466,671	\$ 3,689,430	\$ 3,501,793
Public safety	6,290,577	6,469,113	6,585,810	6,920,691	7,108,991	7,075,807	7,418,375	7,621,942	8,368,172	8,293,624
Public works	3,609,023	3,473,727	3,949,216	3,852,249	4,029,730	4,431,710	4,033,097	5,681,096	4,330,629	3,752,738
Cultural and recreation	1,846,153	1,908,613	1,734,297	1,907,136	2,086,325	2,043,477	2,021,445	2,288,903	2,903,528	2,863,653
Interest on long-term debt	162,172	169,873	113,014	125,108	113,071	85,651	76,516	59,559	11,916	10,749
<b>Total governmental activities expenses</b>	<b>14,716,518</b>	<b>14,970,625</b>	<b>15,061,004</b>	<b>15,799,753</b>	<b>16,553,587</b>	<b>16,977,566</b>	<b>16,588,302</b>	<b>19,118,171</b>	<b>19,303,675</b>	<b>18,422,557</b>
Business-type activities:										
Water Utility	1,160,186	1,354,805	1,347,403	1,364,302	1,522,151	1,601,031	1,628,907	2,024,454	1,731,372	1,644,995
Sewer Utility	1,398,732	1,248,782	1,254,787	1,424,799	1,490,873	1,557,178	1,635,212	1,902,514	1,670,499	2,003,549
Municipal Airport	819,103	1,081,269	1,046,550	1,647,280	833,245	859,904	1,103,297	976,676	988,841	946,906
Curtis D. Menard Memorial Sports Center	1,717,698	1,622,562	1,491,371	1,584,802	1,725,391	1,716,810	1,699,787	1,835,765	1,700,624	1,664,470
<b>Total business-type activities expenses</b>	<b>5,095,719</b>	<b>5,307,418</b>	<b>5,140,111</b>	<b>6,021,183</b>	<b>5,571,660</b>	<b>5,734,923</b>	<b>6,067,203</b>	<b>6,739,409</b>	<b>6,091,336</b>	<b>6,259,920</b>
<b>Total expenses</b>	<b>19,812,237</b>	<b>20,278,043</b>	<b>20,201,115</b>	<b>21,820,936</b>	<b>22,125,247</b>	<b>22,712,489</b>	<b>22,655,505</b>	<b>25,857,580</b>	<b>25,395,011</b>	<b>24,682,477</b>
<b>Program Revenues</b>										
Governmental activities:										
Fees, fines & charges for services:										
General government	36,509	38,397	33,588	32,842	31,055	39,781	65,334	74,509	77,403	77,841
Public safety	1,583,265	1,564,989	1,544,398	1,722,970	1,710,651	1,779,073	1,883,808	1,916,013	2,178,985	3,033,037
Public works	328	141,022	191,833	210,329	221,723	148,579	190,078	187,385	209,440	225,171
Cultural and recreation	62,522	76,145	54,340	63,691	64,789	87,724	30,255	25,022	34,445	46,489
Operating grants and contributions	970,880	901,746	633,479	691,402	731,335	594,799	1,295,063	1,166,891	664,240	1,023,779
Capital grants and contributions	323,666	1,724,791	2,650,118	1,779,393	1,034,593	4,577,040	7,974,785	7,170,916	5,915,710	1,847,996
<b>Total governmental activities program revenues</b>	<b>2,977,170</b>	<b>4,447,090</b>	<b>5,107,756</b>	<b>4,500,627</b>	<b>3,794,146</b>	<b>7,226,996</b>	<b>11,439,323</b>	<b>10,540,736</b>	<b>9,080,223</b>	<b>6,254,313</b>
Business-type activities:										
Water Utility	818,318	1,148,297	1,312,070	1,476,682	1,537,994	1,805,376	1,839,517	1,964,369	1,906,725	1,888,079
Sewer Utility	694,702	1,024,400	1,159,179	1,235,814	1,308,737	1,447,990	1,511,553	1,549,405	1,535,775	1,501,942
Municipal Airport	58,178	67,221	64,082	65,849	69,522	72,121	85,669	86,581	111,764	121,189
Curtis D. Menard Memorial Sports Center	698,333	735,723	544,627	585,634	651,344	732,704	728,688	695,112	712,947	751,940
Operating grants and contributions	-	216,869	320,593	395,857	160,748	181,441	91,294	506,656	111,881	483,842
Capital grants and contributions	5,426,008	1,231,514	1,893,891	2,254,264	2,641,162	2,284,514	1,388,429	234,831	956,673	618,536
<b>Total business-type activities program revenues</b>	<b>7,695,539</b>	<b>4,424,024</b>	<b>5,294,442</b>	<b>6,014,100</b>	<b>6,369,507</b>	<b>6,524,146</b>	<b>5,645,150</b>	<b>5,036,954</b>	<b>5,335,765</b>	<b>5,365,528</b>
<b>Total primary government program revenues</b>	<b>10,672,709</b>	<b>8,871,114</b>	<b>10,402,198</b>	<b>10,514,727</b>	<b>10,163,653</b>	<b>13,751,142</b>	<b>17,084,473</b>	<b>15,577,690</b>	<b>14,415,988</b>	<b>11,619,841</b>
Net (expenses)/revenue:										
Governmental activities	(11,739,348)	(10,523,535)	(9,953,248)	(11,299,126)	(12,759,441)	(9,750,570)	(5,148,979)	(8,577,435)	(10,223,452)	(12,168,244)
Business-type activities	2,599,820	(883,394)	154,331	(7,083)	797,847	789,223	(422,053)	(1,702,455)	(755,571)	(894,392)
<b>Total primary government net expenses</b>	<b>\$ (9,139,528)</b>	<b>\$ (11,406,929)</b>	<b>\$ (9,798,917)</b>	<b>\$ (11,306,209)</b>	<b>\$ (11,961,594)</b>	<b>\$ (8,961,347)</b>	<b>\$ (5,571,032)</b>	<b>\$ (10,279,890)</b>	<b>\$ (10,979,023)</b>	<b>\$ (13,062,636)</b>

## City of Wasilla, Alaska

Changes in Net Position, continued  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Sales taxes	\$ 11,070,859	\$ 11,185,917	\$ 11,681,721	\$ 11,911,716	\$ 12,346,152	\$ 15,481,431	\$ 19,579,568	\$ 16,975,061	\$ 13,319,335	\$ 16,724,587
Property taxes	289	92	-	2	-	-	-	-	-	-
Vehicle taxes	105,419	107,640	108,670	117,460	120,969	57,441	58,550	57,920	59,270	60,920
Grants and entitlements not restricted to a specific purpose	1,359,374	1,220,956	1,158,757	1,564,089	1,798,256	1,745,300	744,130	720,520	567,868	540,979
Investment earnings	373,798	235,941	121,725	67,015	85,725	83,197	103,799	169,528	119,083	271,966
Loss on land held for resale	-	-	-	-	-	-	-	-	-	(862,536)
Other	13,654	57,143	31,540	81,304	35,261	92,719	105,843	123,683	219,742	147,091
Transfers	(845,500)	(912,825)	(1,023,156)	(544,000)	(741,215)	1,229,599	(662,348)	(529,068)	(1,043,500)	(1,067,494)
Special item - write off NPO/OPEB	321,267	-	-	-	-	-	-	-	-	-
<b>Total governmental activities</b>	<b>12,399,160</b>	<b>11,894,864</b>	<b>12,079,257</b>	<b>13,197,586</b>	<b>13,645,148</b>	<b>18,689,687</b>	<b>19,929,542</b>	<b>17,517,644</b>	<b>13,241,798</b>	<b>15,815,513</b>
Business-type activities:										
Taxes	2,776,152	2,813,929	-	-	-	-	-	-	-	-
Grants and entitlements not restricted to a specific purpose	100,518	-	-	-	-	-	-	-	-	-
Investment earnings	36,052	5,881	2,836	4,574	6,542	3,479	3,453	1,166	7,702	5,918
Other	2,518	-	7,655	36,396	25,466	230,732	77,265	115,062	55,124	47,386
Transfers	845,500	912,825	1,023,156	544,000	741,215	(1,229,599)	662,348	529,068	1,043,500	1,067,494
Special item - write off NPO/OPEB	66,303	-	-	-	-	-	-	-	-	-
<b>Total business-type activities</b>	<b>3,827,043</b>	<b>3,732,635</b>	<b>1,033,647</b>	<b>584,970</b>	<b>773,223</b>	<b>(995,388)</b>	<b>743,066</b>	<b>645,296</b>	<b>1,106,326</b>	<b>1,120,798</b>
<b>Total primary government</b>	<b>16,226,203</b>	<b>15,627,499</b>	<b>13,112,904</b>	<b>13,782,556</b>	<b>14,418,371</b>	<b>17,694,299</b>	<b>20,672,608</b>	<b>18,162,940</b>	<b>14,348,124</b>	<b>16,936,311</b>
<b>Changes in Net Position</b>										
Governmental activities	659,812	1,371,329	2,126,009	1,898,460	885,707	8,939,117	10,178,972	8,940,209	3,018,346	3,647,269
Business-type activities	6,426,863	2,849,241	1,187,978	577,887	1,571,070	(206,165)	1,532,289	(1,057,159)	350,755	226,406
<b>Total Primary Government</b>	<b>\$ 7,086,675</b>	<b>\$ 4,220,570</b>	<b>\$ 3,313,987</b>	<b>\$ 2,476,347</b>	<b>\$ 2,456,777</b>	<b>\$ 8,732,952</b>	<b>\$ 11,711,261</b>	<b>\$ 7,883,050</b>	<b>\$ 3,369,101</b>	<b>\$ 3,873,675</b>

## City of Wasilla, Alaska

Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund:</b>										
Nonspendable	\$ 70,125	\$ 74,596	\$ 78,953	\$ 118,443	\$ 96,268	\$ 88,911	\$ 54,514	\$ 285,279	\$ 366,795	\$ 227,785
Committed	1,332,106	-	1,001,579	2,502,183	3,636,891	4,041,840	5,075,895	7,907,835	6,220,757	6,010,411
Assigned	92,771	129,694	312,990	639,840	675,829	747,179	1,614,659	1,275,939	1,160,942	1,259,127
Unassigned	5,639,118	6,273,841	7,293,632	7,149,076	7,539,574	8,064,088	8,366,493	8,076,870	8,829,752	8,080,284
<b>Total General Fund</b>	<b>7,134,120</b>	<b>6,478,131</b>	<b>8,687,154</b>	<b>10,409,542</b>	<b>11,948,562</b>	<b>12,942,018</b>	<b>15,111,561</b>	<b>17,545,923</b>	<b>16,578,246</b>	<b>15,577,607</b>
<b>All Other Governmental Funds:</b>										
<b>Nonspendable:</b>										
Permanent fund	204,055	210,573	222,722	235,672	253,745	285,734	289,215	290,615	298,275	321,160
Special revenue funds	-	-	-	14	14	13	13	-	-	860,200
Capital projects funds	-	-	-	12,845	5,819	-	-	-	-	123,816
Prepaid items	-	-	-	-	-	-	-	7,017	4,804	1,201
<b>Restricted for:</b>										
Debt service funds	306,327	227,968	-	-	-	-	-	-	-	-
Special revenue funds	-	-	-	13,146	13,146	13,146	13,146	13,146	13,146	13,146
New library construction	-	-	-	-	-	2,957,767	7,417,694	3,028,960	-	-
New police station construction	-	-	-	-	-	-	-	-	-	3,232,572
Capital projects funds	-	-	-	-	-	-	-	1,722,736	1,722,736	3,232,112
<b>Assigned to:</b>										
Special revenue funds	176,949	302,982	48,078	43,025	93,560	60,572	65,551	57,903	51,833	54,528
Debt service funds	373,904	354,460	-	-	-	-	-	-	-	-
Capital projects funds	2,140,726	2,190,737	2,278,206	1,640,295	1,750,832	1,984,955	2,807,235	1,750,651	3,865,649	1,218,228
<b>Total all other governmental funds</b>	<b>\$ 3,201,961</b>	<b>\$ 3,286,720</b>	<b>\$ 2,549,006</b>	<b>\$ 1,944,997</b>	<b>\$ 2,117,116</b>	<b>\$ 5,302,187</b>	<b>\$ 10,592,854</b>	<b>\$ 6,871,028</b>	<b>\$ 5,956,443</b>	<b>\$ 9,056,963</b>

## City of Wasilla, Alaska

Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Sales taxes	\$ 11,070,858	\$ 11,185,917	\$ 11,681,721	\$ 11,911,716	\$ 12,346,152	\$ 15,481,431	\$ 19,579,568	\$ 16,975,061	\$ 13,319,335	\$ 16,724,587
Property and vehicle taxes	105,709	107,732	108,670	117,462	120,969	57,441	58,550	57,920	59,270	60,920
Intergovernmental	2,629,049	3,876,409	2,702,239	3,664,535	3,556,911	4,184,465	8,406,454	8,231,625	1,899,617	3,012,014
Investment earnings	373,798	235,941	121,725	67,015	85,725	83,197	103,799	169,528	119,083	271,996
Loss on land held for resale	-	-	-	-	-	-	-	-	-	(862,536)
Other revenues	1,758,514	1,870,786	1,897,065	2,089,290	2,114,907	2,147,361	2,275,749	2,819,905	3,135,509	3,512,494
<b>Total Revenues</b>	<b>\$ 15,937,928</b>	<b>\$ 17,276,785</b>	<b>\$ 16,511,420</b>	<b>\$ 17,850,018</b>	<b>\$ 18,224,664</b>	<b>\$ 21,953,895</b>	<b>\$ 30,424,120</b>	<b>\$ 28,254,039</b>	<b>\$ 18,532,814</b>	<b>\$ 22,719,475</b>
<b>Expenditures</b>										
Current:										
General government	\$ 2,667,010	\$ 2,672,437	\$ 2,554,172	\$ 2,790,919	\$ 2,815,187	\$ 2,913,068	\$ 3,148,955	\$ 2,921,203	\$ 2,839,646	\$ 3,062,835
Public safety	5,726,540	5,619,041	5,772,067	6,161,011	6,292,968	6,303,802	7,531,076	6,230,856	6,522,876	7,688,792
Public works	2,145,522	2,163,887	2,064,098	2,171,962	2,208,004	2,241,846	2,418,483	2,090,240	2,212,748	2,327,502
Culture and recreation	1,728,673	1,681,948	1,670,474	1,834,867	1,917,983	1,929,493	2,186,076	1,913,045	2,049,395	2,244,820
Non-departmental	22,500	102,000	54,486	64,567	139,725	205,565	97,983	53,171	55,701	172,435
Youth court	152,415	146,501	148,540	161,932	173,429	190,111	217,417	171,912	191,280	-
Capital outlay	1,102,536	4,087,063	1,349,794	2,608,221	1,805,060	2,789,674	6,317,946	15,220,960	5,165,907	3,661,800
Debt service:										
Principal	317,210	400,080	349,659	325,197	320,505	320,000	340,000	355,000	390,000	395,000
Interest	171,254	158,780	136,863	124,844	112,744	97,744	82,263	65,819	23,323	20,150
Other debt service costs	-	-	-	-	-	-	-	-	12,333	-
<b>Total Expenditures</b>	<b>14,033,660</b>	<b>17,031,737</b>	<b>14,100,153</b>	<b>16,243,520</b>	<b>15,785,605</b>	<b>16,991,303</b>	<b>22,340,199</b>	<b>29,022,206</b>	<b>19,463,209</b>	<b>19,573,334</b>
Excess of revenues over (under) expenditures	1,904,268	245,048	2,411,267	1,606,498	2,439,059	4,962,592	8,083,921	(768,167)	(930,395)	3,146,141
<b>Other Financing Sources (Uses)</b>										
Refunding bonds issued	-	-	-	-	-	-	-	-	815,000	-
Premium on refunding	-	-	-	-	-	-	-	-	26,231	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	(828,898)	-
Proceeds from sale of assets	-	8,035	4,279	55,881	13,295	56,495	38,637	9,771	79,300	21,234
Transfers in	2,234,437	5,275,203	728,932	655,084	947,273	1,146,054	859,968	959,643	3,169,645	3,111,973
Transfers out	(3,079,937)	(6,188,028)	(1,673,169)	(1,199,084)	(1,688,488)	(1,986,617)	(1,522,316)	(1,488,711)	(4,213,145)	(4,179,467)
Proceeds from capital lease	-	88,512	-	-	-	-	-	-	-	-
<b>Net other financing sources (uses)</b>	<b>(845,500)</b>	<b>(816,278)</b>	<b>(939,958)</b>	<b>(488,119)</b>	<b>(727,920)</b>	<b>(784,068)</b>	<b>(623,711)</b>	<b>(519,297)</b>	<b>(951,867)</b>	<b>(1,046,260)</b>
<b>Net change in fund balances</b>	<b>1,058,768</b>	<b>(571,230)</b>	<b>1,471,309</b>	<b>1,118,379</b>	<b>1,711,139</b>	<b>4,178,524</b>	<b>7,460,210</b>	<b>(1,287,464)</b>	<b>(1,882,262)</b>	<b>2,099,881</b>
Debt service as a percentage of noncapital expenditures	3.60%	4.09%	2.57%	3.17%	2.94%	2.94%	2.43%	2.57%	2.79%	2.58%
<b>Total non-capital expenditures</b>	<b>\$ 13,555,405</b>	<b>\$ 13,652,773</b>	<b>\$ 13,609,341</b>	<b>\$ 14,211,961</b>	<b>\$ 14,715,904</b>	<b>\$ 15,370,471</b>	<b>\$ 17,386,845</b>	<b>\$ 16,360,208</b>	<b>\$ 14,793,861</b>	<b>\$ 16,100,264</b>

## City of Wasilla, Alaska

### Governmental Activities Tax Revenues by Source Last Ten Fiscal Years (modified accrual basis of accounting)

Fiscal Year Ended June 30	Total Taxes	Property Taxes	Sales Taxes	Vehicle Taxes
2009	\$ 11,176,567	\$ 289	\$ 11,070,859	\$ 105,419
2010	11,293,649	92	11,185,917	107,640
2011	11,790,391	-	11,681,721	108,670
2012	12,029,178	2	11,911,716	117,460
2013	12,467,121	-	12,346,152	120,969
2014	15,538,872	-	15,481,431	57,441
2015	19,638,118	-	19,579,568	58,550
2016	17,032,981	-	16,975,061	57,920
2017	13,378,605	-	13,319,335	59,270
2018	16,785,507	-	16,724,587	60,920

Source: City of Wasilla Finance Department

- (1) In October 2017, voters approved a ballot initiative to increase sales tax 1.0% effective January 1, 2018. The 1.0% increase was dedicated to fund construction of a new police station. The rate shall remain at 3% for a period of two years or until twelve million is collected, whichever is earlier. At that time, the rate shall decrease to 2.5% thereafter.
- (2) Property taxes were reduced to 0.00 Mills July 1, 2006 and have remained at this rate.

## City of Wasilla, Alaska

### General Government Sales Tax Revenue By Category June 30, 2018

Category	2018		2009	
	Total Sales Tax Revenue	Percentage of Total	Total Sales Tax Revenue	Percentage of Total
Trade Retail & Wholesale	\$ 12,126,998	72.51%	\$ 6,973,534	62.99%
Entertainment, Recreation & Food Service	2,364,857	14.14%	835,851	7.55%
Utilities & Information	789,401	4.72%	733,998	6.63%
Real Estate, Rental, Leasing & Transportation	269,265	1.61%	-	
Manufacturing (primarily construction related)	153,866	0.92%	1,100,443	9.94%
All Other Services	1,020,200	6.10%	1,427,033	12.89%
	<u>\$ 16,724,587</u>	<u>100.00%</u>	<u>\$ 11,070,859</u>	<u>100.00%</u>

Source: City of Wasilla Finance Department

(1) Wasilla Municipal Code restricts the publication of sales tax collection information identifiable to a particular seller. Sales tax revenue by category is presented in lieu of disclosing principal sales tax revenue payers.

## City of Wasilla, Alaska

### Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year Ended June 30	Real	Total Assessed Value Net of Exemptions	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2009	\$ 1,126,882,939	\$ 904,686,770	11.890	\$ 912,805,200	99.11%
2010	1,158,678,913	929,324,347	11.700	951,043,600	97.72%
2011	1,153,237,856	926,268,943	11.790	956,288,200	96.86%
2012	1,195,173,600	966,009,946	11.970	1,002,502,500	96.36%
2013	1,208,834,305	941,218,804	11.661	1,100,867,900	85.50%
2014	1,239,337,767	961,267,991	11.842	1,011,551,400	95.03%
2015	1,315,952,264	1,014,495,688	11.652	1,048,765,200	96.73%
2016	1,383,706,145	1,037,570,889	11.974	1,042,965,600	99.48%
2017	1,382,275,564	1,040,857,140	12.134	1,105,396,100	94.16%
2018	1,425,430,134	1,067,253,677	12.290	1,150,313,049	92.78%

Source: Matanuska-Susitna Borough and State of Alaska, Assessors Office.

(1) Effective with Fiscal Year 1999, Personal Property was exempted from property tax.

## City of Wasilla, Alaska

### Sales and Property Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years

Fiscal Year Ended June 30	Sales Tax	Property Tax			
	City of Wasilla	Mat-Su Borough	Wasilla Fire Service Area	City of Wasilla	Total
2009	2.50	10.330	1.56	0.00	11.890
2010	2.00	9.980	1.72	0.00	11.700
2011	2.00	9.960	1.83	0.00	11.790
2012	2.00	10.050	1.92	0.00	11.970
2013	2.00	9.691	1.97	0.00	11.661
2014	3.00	9.852	1.99	0.00	11.842
2015	3.00	9.662	1.99	0.00	11.652
2016	2.00	9.984	1.99	0.00	11.974
2017	2.00	9.984	2.15	0.00	12.134
2018	3.00	10.140	2.15	0.00	12.290

Source: Matanuska-Susitna Borough and City of Wasilla Finance Department

- (1) Sales tax rate may be increased to three percent (3%) by City Council through ordinances as established by voter approval at the time of the City's incorporation. Increases in excess of three percent (3%) would require approval by referendum in accordance with Alaska State Statute Title 29.
- (2) Property tax millage rate is \$1,000 per assessed value. Millage rate for the City of Wasilla is approved by City Council through ordinance.

## City of Wasilla, Alaska

Principal Property Taxpayers  
June 30, 2018

Taxpayer	Nature of Business	2018			2009		
		Taxable assessed Value (1)	Rank	Percentage of total taxable assessed value	Taxable assessed Value (1)	Rank	Percentage of total taxable assessed value
Fred Meyer Stores	Retail Store	\$ 19,138,000	1	1.79%	\$ 18,198,000	2	2.01%
Wal-Mart Stores Inc.	Retail Store	18,607,200	2	1.74%	20,892,500	1	2.31%
DBC LLC	Property Development and Retail Mall	18,456,400	3	1.73%	17,599,700	3	1.95%
Schweiger John Loving TR	Entertainment	16,993,500	4	1.59%			
Gary Lundgren	Individual	12,536,300	5	1.17%			0.00%
Wasilla LLC	Property Development and Retail Mall	12,215,600	6	1.14%	6,418,800	10	0.71%
BDC Wasilla LP	Real Estate Rental and Leasing	11,798,300	7	1.11%			
Primrose Senior Holdings		11,421,200	8				
Global Finance & Investment Co.	Real Estate Rental and Leasing	11,033,900	9	1.03%			0.00%
Lowe's HIW Inc.	Retail Store	10,723,100	10	1.00%	12,875,100	4	1.42%
Shadowoods LLC	Property Development and Retail Mall				9,862,200	6	
Wasilla Center Dev LLC	Property Development and Retail Mall				6,891,000	9	
Mat-Su Valley Medical Center	Medical Facilities				10,263,500	5	1.13%
Home Depot USA, Inc.	Retail Store				9,621,500	7	1.06%
Newcomb Family Trust	Family Trust				8,593,400	8	0.95%
<b>Total</b>		<b>\$ 142,923,500</b>		<b>12.30%</b>	<b>\$ 121,215,700</b>		<b>11.54%</b>

Source: Matanuska-Susitna Borough, property tax assessment roll.

**City of Wasilla, Alaska**  
Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year Ended <u>June 30</u>	Governmental Activities			Business-Type Activities			Total General Obligation <u>Bonds</u>	Percentage of Personal Income (2)	Percentage of Assessed Value (3)	Per Capita (2)
	General Obligation <u>Bonds</u>	Retired Principal	<u>Total</u>	General Obligation <u>Bonds</u>	Retired Principal	<u>Total</u>				
2009	\$ 3,685,956	\$ 269,632	\$ 3,416,324	\$ 7,662,367	\$ 3,840,789	\$ 3,821,578	\$ 7,237,902	2.54%	0.78%	1,009
2010	3,416,324	279,633	3,136,691	3,821,578	1,820,789	2,000,789	5,137,480	1.80%	0.55%	716
2011	3,136,691	294,633	2,842,058	2,000,789	2,000,789	-	2,842,058	0.85%	0.29%	363
2012	2,842,058	299,633	2,542,425	-	-	-	2,542,425	0.72%	0.27%	315
2013	2,542,425	263,627	2,278,798	-	-	-	2,278,798	0.01%	0.24%	278
2014	2,278,798	333,133	1,945,665	-	-	-	1,945,665	0.51%	0.19%	233
2015	1,945,665	353,133	1,592,532	-	-	-	1,592,532	0.41%	0.15%	192
2016	1,592,532	368,133	1,224,399	-	-	-	1,224,399	0.32%	0.12%	145
2017	1,224,399	406,912	817,487	-	-	-	817,487	0.21%	0.08%	94
2018	817,487	403,744	413,743	-	-	-	413,743	0.10%	0.04%	47

(1) Population and personal income data can be found in Table 13.

(2) Property value data can be found in Table 7.

## City of Wasilla, Alaska

### Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Percentage of Assessed Value (3)	Per Capita (2)
	General Obligation Bonds	Special Assessment Bonds	Capital Lease	General Obligation Bonds	Special Assessment Bonds	Loans Payable				
2009	\$3,416,324	\$ 136,851	\$ 88,512	\$ 3,821,578	\$ 7,111	\$3,364,353	\$ 10,834,729	3.80%	1.20%	1,510
2010	3,136,691	29,387	70,898	2,000,789	-	3,218,743	8,456,508	2.96%	0.91%	1,178
2011	2,842,058	-	40,701	-	-	-	2,882,759	0.86%	0.31%	368
2012	2,542,425	-	10,504	-	-	-	2,552,929	0.72%	0.26%	317
2013	2,278,798	-	-	-	-	-	2,278,798	0.64%	0.24%	278
2014	1,945,665	-	-	-	-	-	1,945,665	0.51%	0.20%	233
2015	1,592,532	-	-	-	-	1,925,189	3,517,721	0.91%	0.35%	425
2016	1,224,399	-	-	-	-	1,584,656	2,809,055	0.74%	0.27%	332
2017	817,487	-	-	-	-	1,158,150	1,975,637	0.51%	0.19%	227
2018	413,743	-	-	-	-	992,700	1,406,443	0.36%	0.13%	160

(1) Details regarding the City of Wasilla's outstanding debt can be found in the notes to the financial statements.

(2) Population and personal income data can be found in Schedule 13.

(3) Property value data can be found in Table 7.

## City of Wasilla, Alaska

### Computation of Direct and Overlapping General Obligation Debt June 30, 2018

Name of Governmental Unit	Net Debt Outstanding	Percentage Applicable to this Governmental Unit	City of Wasilla's Share of Debt
City of Wasilla	\$ 413,743	100.00%	\$ 413,743
Matanuska Susitna Borough	290,020,000	11.74%	34,048,348
<b>Total Direct and Overlapping</b>	<b>\$ 290,433,743</b>		<b>\$ 34,462,091</b>

Source: Matanuska-Susitna Borough and City of Wasilla Finance Department

(1) There is no debt limit mandated by law. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Matanuska-Susitna Borough's taxable assessed value that is within the City of Wasilla's boundaries and dividing it by the Matanuska-Susitna Borough's total taxable assessed value.

## City of Wasilla, Alaska

### Demographic and Economic Statistics Last Ten Fiscal Years

City of Wasilla			Matanuska Susitna Borough				
Fiscal Year	Population	School Enrollment	Population	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate (Annual %)
2009	7,176	3,905	85,319	\$ 39,784	34.4	16,468	9.4
2010	7,176	3,932	85,319	39,820	34.7	16,653	8.6
2011	7,831	3,905	88,995	42,575	34.7	17,079	9.0
2012	8,064	4,068	91,697	43,670	34.7	17,338	8.9
2013	8,207	4,126	93,801	43,466	35.0	17,247	7.2
2014	8,365	4,158	96,074	45,352	35.0	17,843	7.4
2015	8,275	4,143	98,063	46,700	35.0	18,037	8.3
2016	8,468	3,829	100,178	44,880	35.0	18,745	8.3
2017	8,704	3,866	102,598	44,880	35.0	18,721	8.6
2018	8,797	3,975	104,166	44,880	35.0	19,369	8.0

Source	(2) State of Alaska and US Census	State of Alaska Dept of Education & Early Development	(2) State of Alaska and US Census	(1) Bureau of Economic Analysis	(1) State of Alaska	State of Alaska Dept of Education & Early Development	(1) State of Alaska
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(1) If information is not available from source or alternate source, the most recent year's data is used as an estimate. Previous years' numbers are revised as information becomes available.

(2) Population is first sourced from the U.S. Census when current data is available. The alternate source for population data includes estimates from the Alaska Division of Regional Affairs for those years between censuses.

## City of Wasilla, Alaska

### Full-Time Equivalent Employees By Function Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
City Clerk	2.00	2.00	2.00	2.00	3.00	3.00	2.00	3.00	3.00	3.00
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
General Admin Services	2.00	6.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00
Finance/MIS	9.00	11.00	11.00	11.00	10.00	10.00	10.00	11.00	13.00	14.00
Community & Econ Development	4.00	-	-	-	-	-	-	-	-	-
Police	50.00	50.00	48.00	48.00	49.00	49.00	49.00	50.00	60.00	62.00
Youth Court	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	0.75
Public Works	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	21.00	21.00
Museum	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Recreation Facilities Maintenance	2.55	2.55	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Sports Center/Recreation Services	8.66	10.66	9.50	8.00	7.00	7.00	7.00	7.00	7.00	7.00
Library	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	10.00
<b>Total</b>	<b>115.71</b>	<b>119.71</b>	<b>117.00</b>	<b>115.50</b>	<b>115.50</b>	<b>114.50</b>	<b>113.50</b>	<b>116.50</b>	<b>126.50</b>	<b>129.25</b>

Source: City of Wasilla Finance Department

(1) This schedule reflects the number of full-time equivalent positions that are authorized, not necessarily funded or filled.

## City of Wasilla, Alaska

### Operating Indicators by Function Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
Public Safety:										
Police Services:										
Police requests for service	17,821	16,658	19,800	20,526	20,856	24,374	26,758	26,026	27,451	26,823
Criminal arrests	751	712	847	883	1,006	1,315	1,484	1,448	1,292	1,252
Water and Wastewater:										
Water production average										
gallons per day average										
July readings	819,178	813,377	724,687	615,959	779,454	909,806	758,613	705,253	696,907	823,830
Wastewater treatment avg.										
gallons per day average										
July readings	358,904	361,648	381,229	327,194	324,100	445,483	375,767	345,733	331,767	343,073

Source: Various City of Wasilla Departments

(1) Public safety is reported on a calendar year as the data is available in that format. Water and wastewater are reported on a fiscal year.

## City of Wasilla, Alaska

### Capital Asset Statistics By Function Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Miles of streets	66.37	66.37	69.82	70.24	70.24	71.28	73.29	73.65	75.36	76.49
Miles of water lines	41.34	41.50	41.67	42.35	43.64	44.93	46.50	46.82	47.49	47.49
Miles of sewer lines	26.22	26.36	26.53	26.57	26.78	26.89	26.89	26.89	26.89	26.89
Police protection - Number of stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Recreation: Number of facilities:										
Parks	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	7.00
Ball fields	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Fitness trails	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Soccer fields	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Campground		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Multi-purpose facility	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: Various City of Wasilla Departments