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**CITY OF WASILLA**  
ALASKA

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*Annual Comprehensive Financial Report*

*For the Fiscal Year Ended*

*June 30, 2022*



# **City of Wasilla, Alaska**

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## **Annual Comprehensive Financial Report Year Ended June 30, 2022**

**Glenda Ledford  
Mayor**

**Prepared by  
Finance Department**

**Joan Miller  
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

December 11, 2023

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, 2022.

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, 2022. 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, federally mandated "Single Audit" designed to meet the special needs of 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 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 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 9,227. It also serves as a central commercial district to the Matanuska Susitna Borough residents of an estimated 108,805. 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. Currently there are no annexation projects under review.

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 2.5% sales tax, charges for services, grants, state revenue sharing and other sources.

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 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 due to lower land values. Additionally, significant improvements to the Glenn Highway make daily commuting to Anchorage faster and safer. An estimated 38% of workers on the North Slope commute from the Matanuska-Susitna Borough.

The service-oriented economy of the City continues to remain stable. From FY2021 to FY2022, sales tax revenues increased approximately 6%. The increase was driven by commercial expansion, tax on internet sales, and significant increases in the cost of living. With sales tax as the City's only primary source of revenues, the development of businesses outside the City, growth in internet sales, and the general state-wide dependency on oil production remain a concern.

The current local unemployment rate decreased from 7.2% to 5.3% and the national average decreased from 4.8% to 3.5%, signaling an economic reopening. Separate from the COVID relief funding and the American Rescue Plan Act funds passed through the State of Alaska, the State has not offered any significant grant awards since FY2016 and the City has budgeted minimal revenue sharing funds in FY2023.



In FY2019, a private retail development began construction of the Shoppes at Sun Mountain. The space continues to attract new and expanding businesses, some national chains. Projects of this nature will enable the City to maintain its foothold as the leading service and trade center of the Matanuska-Susitna Valley. In addition to the service industries, petroleum exploration and production 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 still 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 Hatcher's 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. A downhill ski lift was opened in November 2020. Additionally, the Matanuska Susitna Borough continues to fund unprecedented levels of road construction which supports the local economy 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 \$695,200 relates to excess 'land held for resale'. Proceeds from its sale will go back into the project. As part of this project, the train stop will need to be relocated and significant land improvements were made toward this task. The DOT's design work continues and is estimated to be 95% complete by 2023. Total project cost is estimated at \$36M with construction expected to begin in FY2025. The timing of this project has been impacted by the redesign of Knik-Goose Bay Road (KGB) project. KGB is a major arterial road feeding into downtown Wasilla. Due to the impact on traffic, the KGB project will need to be completed first before construction begins on the Main Street Couplet.

The City has invested approximately \$500,000 over a three-year period to renovate and expand the Wasilla Museum. In FY2020, the City demolished an old fire station and constructed a parking lot which was completed with landscaping and lighting in the current year. The parking lot and museum are in downtown proper, so these projects align 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. Effective December 1, 2019, the funding goal had been reached. Construction of the new police building was largely completed in FY2020. In FY2022, further completion of the garage and garage equipment were added.

In the past decade, the City has committed time and resources to increasing the quality of Lake Lucile, one of its two most prominent bodies of water within City limits. 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. The City also operates an aquatic harvester to manage the presence of invasive weeds. In FY2020 a water quality study was completed. Land was acquired to build a retention pond to control stormwater runoff. This further demonstrates the City's commitment to sustaining the property values of this core neighborhood and recreational area.

With the cost of healthcare in Alaska, a focus on health insurance remains a priority. In July 2016, the City returned to a fully insured model. Currently, the City's non-represented employees, members of Wasilla Police Department Employees Association, and members of Local 302 bargaining unit are covered under Local 302 Healthcare Trust for an agreed upon rate with the City. Health insurance expenses increased ~7% year over year due to rate increases and positions being filled. In FY2022 and FY2021 health insurance costs were \$2.5M and \$2.3M, respectively.

In FY2022, the City made its final payment on a water loan from the Alaska Department of Environmental Conservation. With this final payment, the City holds no debt.

In the current fiscal year, the City implemented Governmental Accounting Standards Board No. 87 which provided a change in the accounting of leases. Implementation of this pronouncement resulted in the recording of a lease receivable of \$907,915 and a lease payable of \$133,395.

### ***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 FY2022, the unrestricted net position of the general fund exceeded the calculated maximum by approximately \$31.3M. 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 this cap on contributions. This has been a point of discussion in the most recent legislative sessions due to the fiscal uncertainty with the State budget. 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 on June 30, 2022, and 2021 was \$12,347,185 and \$15,774,228, respectively or a decrease of \$3,427,043. 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.

GASB Statement No. 75 requires 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 on June 30, 2022, and 2021 was \$0 and \$30,424, respectively or a decrease of \$30,424. For additional detail, reference footnote 7 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, 2021. This was the twenty-sixth consecutive year that the government has received this prestigious award. 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, 2022. 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.

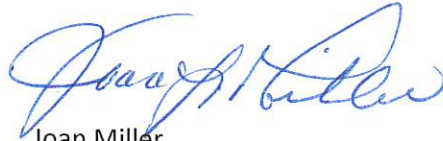
The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance department and Administration. We wish to thank all government

departments for their assistance in providing the data necessary to prepare this report. Credit is also due to the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Wasilla's finances.

Respectfully submitted,



Glenda Ledford  
Mayor



Joan Miller  
Finance Director

# City of Wasilla, Alaska

## City Officials Year Ended June 30, 2022

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### ELECTED OFFICIALS

|                       |                          |
|-----------------------|--------------------------|
| Mayor                 | Glenda D. Ledford        |
| City Council - Seat A | Colleen Sullivan-Leonard |
| City Council - Seat B | Stuart "Stu" R. Graham   |
| City Council - Seat C | Timothy V. Johnson       |
| City Council - Seat D | Simon Brown II           |
| City Council - Seat E | Nikki Velock             |
| City Council - Seat F | Alina R. Rubeo           |

### APPOINTED OFFICIALS

#### Staff

|                              |                |
|------------------------------|----------------|
| Public Works Director        | Vacant         |
| City Clerk                   | Jamie Newman   |
| Finance Director             | Joan Miller    |
| Recreation Services Director | Scott Bell     |
| Police Chief                 | Billy Rapson   |
| Deputy Administrator         | Crystal Nygard |

#### Planning Commission

|                       |                |
|-----------------------|----------------|
| Eric Bushnell (Chair) | Timothy Burney |
| David Seals           | Todd Stafford  |
| Melvin Sage-EL        |                |

#### Parks and Recreation Commission

|                     |               |
|---------------------|---------------|
| Mary Shampine       | Vacant        |
| Dave Tuttle (Chair) | Reese Clayton |
| Kristin Shea        |               |

#### Airport Commission

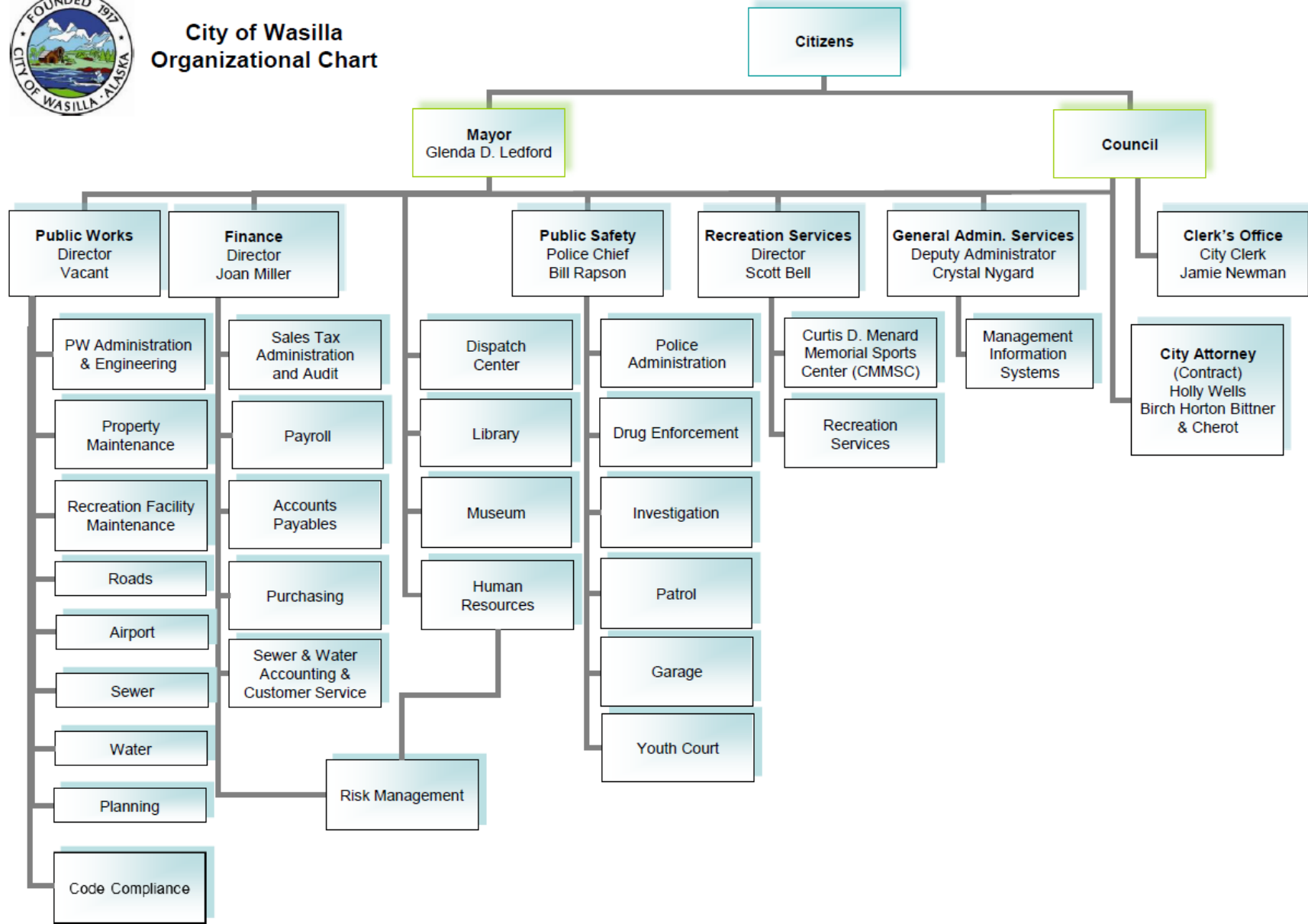
|                 |                 |
|-----------------|-----------------|
| Jeffrey Schultz | Kevin J. McCabe |
| Charles Morris  | Michael Lucas   |
| James Grogan    |                 |

### CONSULTANTS

|                  |  |
|------------------|--|
| City Attorney    | Birch Horton Bittner & Cherot                    |
| Auditors         | BDO USA, P.C.                                    |
| Insurance Pool   | Alaska Public Entity Joint Insurance Association |
| Insurance Broker | 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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

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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 Audit of the Financial Statements**

#### ***Opinions***

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 the City, as of June 30, 2022, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 14 to the financial statements, in 2022 the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement Number 87, Leases. Our opinions are not modified with respect to these matters.



### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, budgetary comparison information and the schedules of the City's proportionate share of the net pension and OPEB liability or asset and City contributions on pages 6 through 16 and 66 through 70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information***

Our audit for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules for the year ended June 30, 2022, 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 basic financial statements. The 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 GAAS. 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 for the year ended June 30, 2022.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated November 24, 2021, 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, 2021 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 related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 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, 2021.



### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon.

Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2023, on our consideration of the City'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'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 the City's internal control over financial reporting and compliance.

*BDO USA, P.C.*

Anchorage, Alaska  
December 11, 2023

## **Management's Discussion and Analysis**

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**City of Wasilla, Alaska**  
**Management's Discussion and Analysis**  
**June 30, 2022**

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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, 2022. 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-vi.

**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 \$185,149,680 (total net position). Of this amount, \$55,774,300 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased \$7,625,414. The governmental activities net position increased \$7,836,640 (7.9%) and the business-type activities net position decreased \$211,226 (.27%).
- As of the close of business of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$51,184,540, an increase of \$7,429,149 in comparison with the prior year. Approximately 11.7% of this amount, \$5,982,494 is unassigned and available for spending at the government's discretion.
- The City's total outstanding debt decreased by \$496,350 to a year-end balance of \$0. 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 45-46 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 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).

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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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 11 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, CARES Act Special Revenue 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, except for the CARES Act Special Revenue Fund. 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.

**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 29-63 of this report.

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

**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 65-73 of this report.

**Government-wide Overall Financial Analysis**

As noted earlier, net position over time may serve 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 \$185,149,680 at the close of the most recent fiscal year.

**City of Wasilla's Net Position**

|   | Governmental Activities |                      | Business-type Activities |                      | Total Activities      |                       |
|---|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|   | 2022                    | 2021                 | 2022                     | 2021                 | 2022                  | 2021                  |
| Current and other assets                        | \$ 61,489,318           | \$ 51,984,236        | \$ 20,799,106            | \$ 17,267,650        | \$ 82,288,424         | \$ 69,251,886         |
| Capital assets, net of depreciation             | 66,245,875              | 67,011,488           | 62,409,468               | 64,323,384           | 128,655,343           | 131,334,872           |
| <b>Total assets</b>                             | <b>127,735,193</b>      | <b>118,995,724</b>   | <b>83,208,574</b>        | <b>81,591,034</b>    | <b>210,943,767</b>    | <b>200,586,758</b>    |
| Total deferred outflows of resources            | 1,914,646               | 2,655,384            | 288,473                  | 455,391              | 2,203,119             | 3,110,775             |
| Noncurrent liabilities                          | 11,653,112              | 13,503,697           | 1,790,239                | 2,300,955            | 13,443,351            | 15,804,652            |
| Other liabilities                               | 1,912,882               | 8,015,357            | 1,999,527                | 1,270,820            | 3,912,409             | 9,286,177             |
| <b>Total liabilities</b>                        | <b>13,565,994</b>       | <b>21,519,054</b>    | <b>3,789,766</b>         | <b>3,571,775</b>     | <b>17,355,760</b>     | <b>25,090,829</b>     |
| Total deferred inflows of resources             | 9,050,425               | 935,274              | 1,591,021                | 147,164              | 10,641,446            | 1,082,438             |
| Net position:                                   |                         |                      |                          |                      |                       |                       |
| Net investment in capital assets                | 65,824,505              | 67,011,488           | 62,379,101               | 63,792,511           | 128,203,606           | 130,803,999           |
| Restricted for permanent fund principal         | 335,078                 | 335,178              | -                        | -                    | 335,078               | 335,178               |
| Restricted for Main Street couplet construction | 695,200                 | 695,200              | -                        | -                    | 695,200               | 695,200               |
| Restricted for Capital improvements             | 141,496                 | -                    | -                        | -                    | 141,496               | -                     |
| Unrestricted                                    | 40,037,141              | 31,154,914           | 15,737,159               | 14,534,975           | 55,774,300            | 45,689,889            |
| <b>Total Net Position</b>                       | <b>\$107,033,420</b>    | <b>\$ 99,196,780</b> | <b>\$ 78,116,260</b>     | <b>\$ 78,327,486</b> | <b>\$ 185,149,680</b> | <b>\$ 177,524,266</b> |

The largest portion of the City's net position (69.2%) 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, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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An additional portion of the City's net position, approximately .63%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$55,774,300 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City reported 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 \$7,625,414 compared to \$9,582,169 in the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

**Governmental Activities**

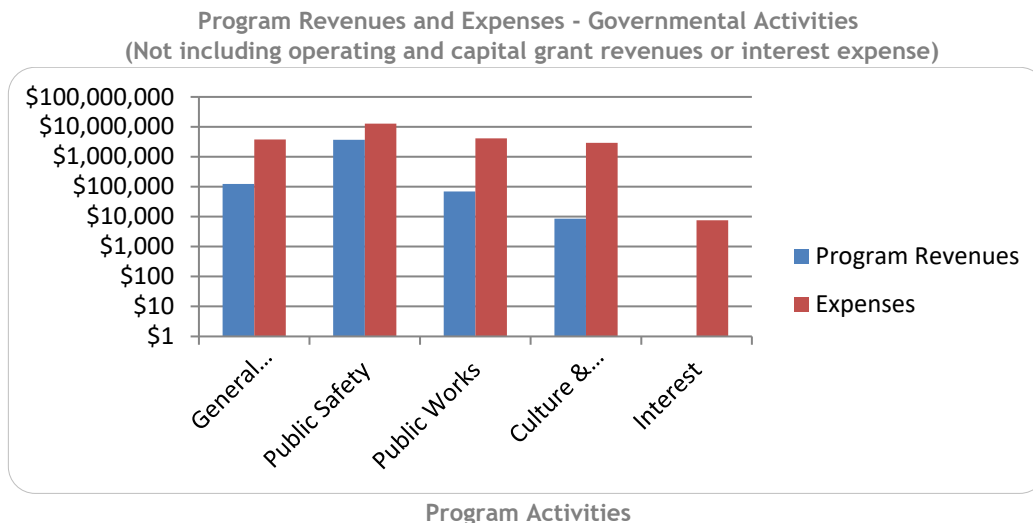
During fiscal year 2022, the City's net position increased by \$7,836,640 for governmental activities. Highlights of governmental activities net position changes include the reimbursement of public safety costs under a federal grant provided by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) along with the incremental .5% sales tax rate that was retained in December 2019 after funding goals were reached for construction of the new police department.

|  | Governmental Activities |                      | Business-type Activities |                     | Total Activities     |                      |
|--|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|  | 2022                    | 2021                 | 2022                     | 2021                | 2022                 | 2021                 |
| <b>Revenues</b>  |                         |                      |                          |                     |                      |                      |
| Program revenues:  |                         |                      |                          |                     |                      |                      |
| Fees, fines, and charges for services                        | \$ 3,884,843            | \$ 3,819,084         | \$ 4,777,628             | \$ 4,307,203        | \$ 8,662,471         | \$ 8,126,287         |
| Operating grants and contributions                           | 6,528,247               | 12,510,999           | 123,952                  | 357,599             | 6,652,199            | 12,868,598           |
| Capital grants and contributions                             | 102,668                 | 847,870              | 326,682                  | 171,534             | 429,350              | 1,019,404            |
| General revenues:  |                         |                      |                          |                     |                      |                      |
| Sales taxes  | 22,079,350              | 20,834,132           | -                        | -                   | 22,079,350           | 20,834,132           |
| Vehicle taxes  | 180,130                 | 178,030              | -                        | -                   | 180,130              | 178,030              |
| Grants and entitlements not restricted to a specific purpose | 364,021                 | 293,207              | -                        | -                   | 364,021              | 293,207              |
| Investment income  | (813,447)               | 93,114               | 1,710                    | 3                   | (811,737)            | 93,117               |
| Other  | 218,057                 | 68,994               | 62,541                   | 77,493              | 280,598              | 146,487              |
| <b>Total revenues</b>  | <b>\$ 32,543,869</b>    | <b>\$ 38,645,430</b> | <b>\$ 5,292,513</b>      | <b>\$ 4,913,832</b> | <b>\$ 37,836,382</b> | <b>\$ 43,559,262</b> |

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

|   | Governmental Activities |                      | Business-type Activities |                      | Total Activities      |                       |
|---|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|   | 2022                    | 2021                 | 2022                     | 2021                 | 2022                  | 2021                  |
| <b>Expenses</b>   |                         |                      |                          |                      |                       |                       |
| General government  | \$ 3,784,912            | \$ 8,749,832         | \$ -                     | \$ -                 | \$ 3,784,912          | \$ 8,749,832          |
| Public safety   | 12,716,847              | 10,975,731           | -                        | -                    | 12,716,847            | 10,975,731            |
| Public works  | 4,106,578               | 4,010,392            | -                        | -                    | 4,106,578             | 4,010,392             |
| Culture and recreation                                      | 2,917,546               | 3,198,720            | -                        | -                    | 2,917,546             | 3,198,720             |
| Interest  | 7,546                   | -                    | -                        | -                    | 7,546                 | -                     |
| Water utility   | -                       | -                    | 1,965,824                | 2,110,834            | 1,965,824             | 2,110,834             |
| Sewer utility   | -                       | -                    | 1,726,991                | 1,926,320            | 1,726,991             | 1,926,320             |
| Municipal airport   | -                       | -                    | 1,478,805                | 1,130,185            | 1,478,805             | 1,130,185             |
| Curtis D. Menard<br>Memorial Sports<br>Center               | -                       | -                    | 1,505,919                | 1,875,079            | 1,505,919             | 1,875,079             |
| <b>Total expenses</b>                                       | <b>\$ 23,533,429</b>    | <b>\$ 26,934,675</b> | <b>\$ 6,677,539</b>      | <b>\$ 7,042,418</b>  | <b>\$ 30,210,968</b>  | <b>\$ 33,977,093</b>  |
| <b>Increase (decrease) in net position before transfers</b> |                         |                      |                          |                      |                       |                       |
|   | \$ 9,010,440            | \$ 11,710,755        | \$ 1,385,026             | \$ (2,128,586)       | \$ 10,395,466         | \$ 9,582,169          |
| <b>Transfers</b>  | <b>(1,173,800)</b>      | <b>(823,800)</b>     | <b>1,173,800</b>         | <b>823,800</b>       | <b>-</b>              | <b>-</b>              |
| <b>Increase in net position</b>                             | <b>7,836,640</b>        | <b>10,886,955</b>    | <b>(211,226)</b>         | <b>(1,304,786)</b>   | <b>7,625,414</b>      | <b>9,582,169</b>      |
| <b>Net position- beginning</b>                              | <b>99,196,780</b>       | <b>88,309,825</b>    | <b>78,327,486</b>        | <b>79,632,272</b>    | <b>177,524,266</b>    | <b>167,942,097</b>    |
| <b>Net Position- Ending</b>                                 | <b>\$ 107,033,420</b>   | <b>\$ 99,196,780</b> | <b>\$ 78,116,260</b>     | <b>\$ 78,327,486</b> | <b>\$ 185,149,680</b> | <b>\$ 177,524,266</b> |

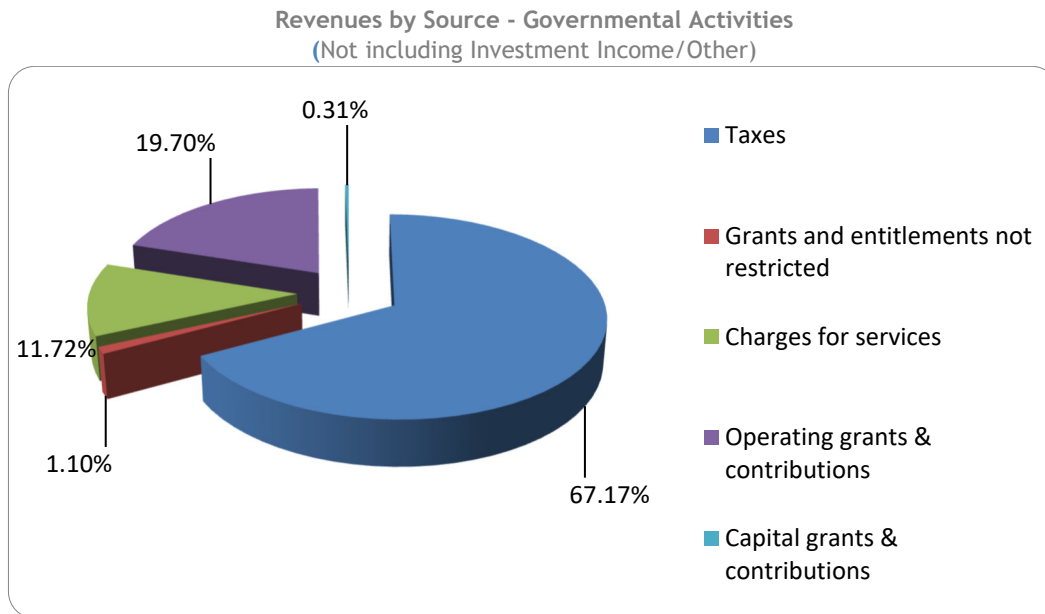
The following graph displays program revenues, not including operating and capital grants, and expenses dedicated to governmental activities. This shows the amount of revenues generated from these activities. Other revenues also support governmental activities but are general in nature and apply to all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



**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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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 operating grants and contributions, charges for services, capital grants and contributions, grants and entitlements not restricted, and investment income and other. Tax revenue for governmental activities increased from FY 2021 to FY 2022 by \$1,247,318 or 5.9%. The increase is partially due to the incremental .5% sales tax rate that was retained in December 2019 after funding goals were reached for construction of the new police department.



Overall expenses for governmental activities decreased \$3,401,246 from the prior year, which is mainly attributed to expenditures under the CARES Act grant.

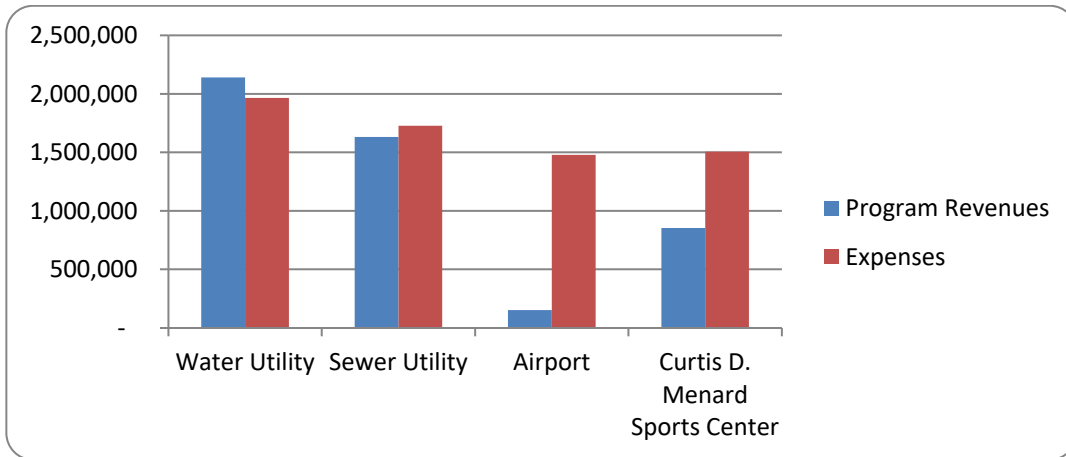
***Business-type Activities***

Business-type activities decreased the City's net position by (\$211,226). The decrease in the prior year to net position was (\$1,304,786). The difference in the decrease of \$1,093,560 is attributable to increased operating revenue, transfers and decreases in pension expenses.

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 Utility Fund is the only business-type activity that reported program revenue exceeded expenses.

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

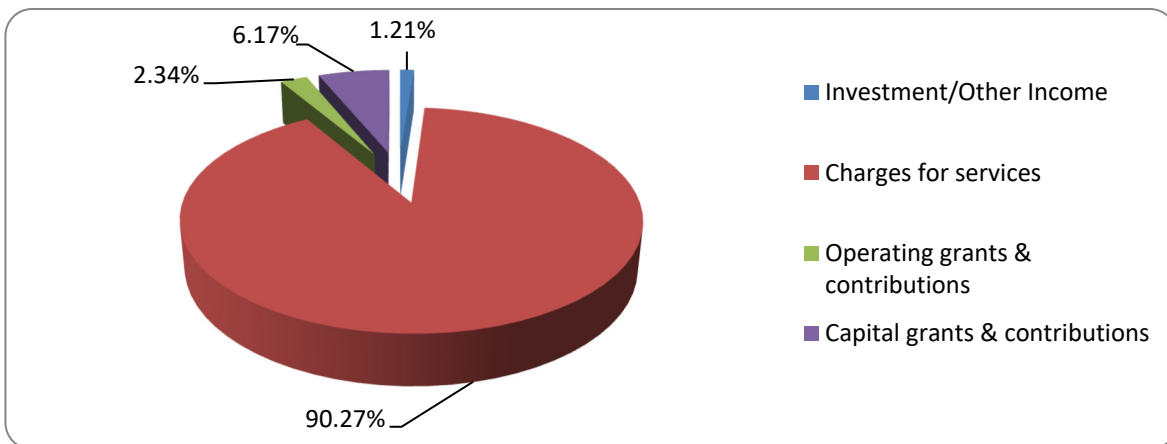
Program Revenues and Expenses - Business-Type Activities  
 (Not including operating and capital grant revenue or interest expense)



The Water Utility Fund continues to provide reasonable program revenue to absorb all or a significant portion of the funds' expenditures, including depreciation. This is attributed to the annual rate increases from 2010-2015. The Sewer Utility Fund and Municipal Airport Fund continue to fall short due to the depreciation expense on infrastructure obtained through capital grants and low user fees. The shortfall in revenue to expense for the Curtis D. Menard Memorial Sports Center Fund 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, investment/other income, 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.

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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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, 2022, the City's governmental funds reported combined ending fund balances of \$51,184,540, an increase of \$7,429,149 in 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 2.6% \$1,358,894 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 .3% \$141,496 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 70.1% \$35,873,393 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 15.3% \$7,828,263 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 11.7% \$5,982,494 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 \$5,982,494 while total fund balance was \$51,184,540. 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 37.6% of total General Fund expenditures, while total fund balance represents 274.3% of that same amount.

Fund balance of the City's General Fund increased by \$7,339,597 during the current year and in the prior year increased \$12,123,854. The increase is due to higher sales tax collections and a reduction in personnel costs as public safety personnel costs were charged to the CARES Act grant.

The CARES Act Special Revenue Fund was created in FY 2020 to record activity relating to the federal CARES Act grant. It had no ending fund balance in the current or prior year as revenues equaled eligible expenditures.

The Miscellaneous Capital Projects Fund has a total fund balance of \$3,773,259. The restricted portion of \$141,496 relates to restricted capital improvements. The remaining \$3,631,763 is assigned for future capital project construction expenditures.

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

Unrestricted net position of the water utility fund is \$7,921,050. The increase in overall net position of \$169,659 is mainly attributed to user fees being able to support general operations which includes depreciation.

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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The unrestricted net position of the sewer utility fund is \$5,210,040. The increase in overall net position of \$20,434 is due to operating revenues and nonoperating grants being able to support general operations which includes depreciation.

The unrestricted net position of the airport is \$763,321. The decrease in overall net position of \$(650,211) is due to low user fees and depreciation which was offset by transfers in and contributions.

Unrestricted net position of the Curtis D. Menard Memorial Sports Center's is \$1,842,748. The increase in overall net position of \$248,892 is due to an increased transfer in from the General Fund. The sports center continues to generate operating losses before depreciation and operations are largely supported by routine transfers from the General Fund. 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 ancillary economic opportunities it brings to the community.

***General Fund Budgetary Highlights***

***Final budget compared to actual results.*** The actual to final budgeted change in fund balance was a favorable increase of \$8,577,921. A favorable difference in budgeted revenues to actual revenues of \$3,505,168 was attributed to increased sales tax from additional commercial expansion in the community along with additional local spending. A favorable difference in budgeted expenditures to actual expenditures of \$4,874,541 resulted largely as public safety expenditures were allocated to the CARES Act Fund for reimbursement under this grant.

***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, 2022, amounts to \$128,655,343 (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:

- Road and parks equipment
- Police vehicles
- Land acquisition/parking lots
- Public Works vehicles
- Police Department modifications

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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

|                               | Governmental Activities |                      | Business-type Activities |                      | Total Activities      |                       |
|-------------------------------|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|                               | 2022                    | 2021                 | 2022                     | 2021                 | 2022                  | 2021                  |
| Land                          | \$ 14,883,572           | \$ 14,815,668        | \$ 5,290,341             | \$ 5,290,341         | \$ 20,173,913         | \$ 20,106,009         |
| Buildings                     | 30,650,175              | 31,255,503           | 11,344,291               | 11,688,758           | 41,994,466            | 42,944,261            |
| Land improvements             |                         | -                    | 8,245,980                | 8,986,800            | 8,245,980             | 8,986,800             |
| Infrastructure                | 16,580,921              | 16,711,765           | 35,344,529               | 36,593,778           | 51,925,450            | 53,305,543            |
| Furniture and equipment       | 1,188,355               | 1,696,885            | -                        | -                    | 1,188,355             | 1,696,885             |
| Vehicles and equipment        | 2,617,669               | 2,336,683            | 1,339,155                | 1,508,503            | 3,956,824             | 3,845,186             |
| Construction in progress      | 194,984                 | 194,984              | 845,172                  | 255,204              | 1,040,156             | 450,188               |
| Right-to-use leased equipment | 130,199                 | -                    | -                        | -                    | 130,199               | -                     |
| <b>Total Capital Assets</b>   | <b>\$ 66,245,875</b>    | <b>\$ 67,011,488</b> | <b>\$ 62,409,468</b>     | <b>\$ 64,323,384</b> | <b>\$ 128,655,343</b> | <b>\$ 131,334,872</b> |

Additional information on the City's capital assets can be found in Note 4 on pages 41-43 of this report.

**Long-term Debt.** At the end of the current fiscal year, the City had no outstanding debt. The City's total debt decreased by \$496,350 or 100%, 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 45-46 of this report.

**Leases.** GASB 87 was implemented in 2022 which resulted in the change in accounting for the land and office space leased by the City to third parties for terms ranging from 2 to 26 years and change in the accounting for equipment leased by the City from third parties. For leases to third parties this has resulted in the General Fund, and Curtis D. Menard Sports Center and Airport Enterprise funds recording lease receivable and deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources is \$566,037, \$309,545, and \$34,175, and receivables of \$583,821, \$318,068 and \$36,191 in the General fund, and Airport and Curtis D. Menard Sports Center Enterprise Funds, respectively. For leases from third parties this has resulted in Governmental Activities of a right-to-use-asset and lease payable. As of June 30, 2022 the balance of the right-to-use-asset, net of accumulated amortization, was \$130,199, and payable of \$133,395.

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

In setting the budget for fiscal year 2023, the City considered a few issues with city-wide impact. Among them are the following:

- The Matanuska Susitna Borough's population will continue to grow due to the quality of life offered and the amount of affordable land available for development.
- No annexations are planned.

**City of Wasilla, Alaska**  
**Management's Discussion and Analysis, continued**  
**June 30, 2022**

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- The City of Wasilla will continue to serve as a primary retail trade center for residents of the Matanuska Susitna Borough. To ensure we retain this position, the City will continue to promote healthy economic development through use of strategic plans, comprehensive plans, zoning districts and roadway plans.
- Sales tax revenues to the general fund are projected to increase 7.58% or \$1,382,046 over the FY 2022 budgeted amount. The anticipated increase is based on historical sales tax revenue trends.

Additionally, in FY 2020, the City became a member of the Alaska Remote Sellers Sales Tax Commission (ARSSTC) which was created following the U.S. Supreme Court ruling in *South Dakota v. Wayfair*. The ruling and the formation of ARSSTC allows the City to mandate that businesses without a physical presence be required to collect and remit sales tax on transactions in the City, such as internet sales.

- The property tax mil levy is expected to remain at zero.
- User fees and charges for business-type activities are expected to increase slightly (5.92%) due to higher projections for the sports center which provides a venue for large sporting and commercial events.
- Intergovernmental revenue consists of grants from local, state and federal agencies. The State of Alaska continues to lack a fiscal plan to address its budget shortfalls derived from low oil prices. Grant awards from the State of Alaska declined significantly in FY 2017 and no new grant awards are projected in FY 2023.
- The City intends to fund 3,505,000 in capital projects in Fiscal Year 2023.
- Personnel costs make up approximately 71.84% of the city's annual operational costs (excludes transfers, debt service and net capital projects). Personnel assumptions provide for an increase of \$1,032,858 or 5.88% over FY 2022 amended budget. Increases relate to CPI, regular advancement on the pay scales, and the increase of 3 FTE positions. Health insurance premiums are projected to increase 10.26% or \$295,708 over FY 2022 amended budget.
- Employer contributions to the Public Employees Retirement System (PERS) is projected to remain at 22% despite legislative discussions to increase that percentage.
- For over a decade, the city has taken a forward-funded approach to discretionary capital projects. No additional debt is anticipated in FY 2023.

***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. Herning Ave. Wasilla, Alaska 99654.



## Basic Financial Statements

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## City of Wasilla, Alaska Statement of Net Position

| June 30, 2022  | Governmental<br>Activities | Business-type<br>Activities | Total                 |
|--|----------------------------|-----------------------------|-----------------------|
| <b>Assets and Deferred Outflows of Resources</b>                         |                            |                             |                       |
| <b>Assets</b>  |                            |                             |                       |
| Cash and investments   | \$ 49,258,670              | \$ 18,552,297               | \$ 67,810,967         |
| Receivables, net of allowance for uncollectible amounts:                 |                            |                             |                       |
| Accounts   | 108,612                    | 447,885                     | 556,497               |
| Taxes  | 2,206,747                  | -                           | 2,206,747             |
| Grants   | 67,160                     | 139,195                     | 206,355               |
| Leases   | 583,821                    | 354,259                     | 938,080               |
| Shared revenues  | 414,633                    | -                           | 414,633               |
| Assessments  | -                          | 6,990                       | 6,990                 |
| Prepaid items  | 328,616                    | 55,141                      | 383,757               |
| Inventories  | -                          | 94,409                      | 94,409                |
| Land held for resale   | 695,200                    | -                           | 695,200               |
| Net other postemployment benefits asset                                  | 7,825,859                  | 1,179,095                   | 9,004,954             |
| Capital assets not being depreciated                                     | 15,078,556                 | 6,135,513                   | 21,214,069            |
| Other capital assets, net of accumulated depreciation                    | 51,167,319                 | 56,273,955                  | 107,441,274           |
| <b>Total Assets</b>  | <b>127,735,193</b>         | <b>83,238,739</b>           | <b>210,973,932</b>    |
| <b>Deferred Outflows of Resources</b>                                    |                            |                             |                       |
| Related to pensions  | 1,631,792                  | 245,856                     | 1,877,648             |
| Related to other postemployment benefits                                 | 282,854                    | 42,617                      | 325,471               |
| <b>Total Deferred Outflows of Resources</b>                              | <b>1,914,646</b>           | <b>288,473</b>              | <b>2,203,119</b>      |
| <b>Total Assets and Deferred Outflows of Resources</b>                   | <b>\$ 129,649,839</b>      | <b>\$ 83,527,212</b>        | <b>\$ 213,177,051</b> |
| <b>Liabilities, Deferred Inflows of Resources and Net Position</b>       |                            |                             |                       |
| <b>Liabilities</b>   |                            |                             |                       |
| Accounts payable   | \$ 305,116                 | \$ 383,703                  | \$ 688,819            |
| Accounts payable - capital   | 287,975                    | 30,367                      | 318,342               |
| Accrued payroll and employee benefits                                    | 811,397                    | 116,136                     | 927,533               |
| Customer deposits  | 10,570                     | 108,134                     | 118,704               |
| Unearned revenue   | 497,824                    | 1,361,187                   | 1,859,011             |
| Noncurrent liabilities:  |                            |                             |                       |
| Due within one year:   |                            |                             |                       |
| Compensated absences   | 789,254                    | 173,517                     | 962,771               |
| Lease payable  | 30,872                     | -                           | 30,872                |
| Due in more than one year:   |                            |                             |                       |
| Lease payable  | 102,523                    | -                           | 102,523               |
| Net pension liability  | 10,730,463                 | 1,616,722                   | 12,347,185            |
| <b>Total Liabilities</b>   | <b>13,565,994</b>          | <b>3,789,766</b>            | <b>17,355,760</b>     |
| <b>Deferred Inflows of Resources</b>                                     |                            |                             |                       |
| Related to leases  | 566,037                    | 343,720                     | 909,757               |
| Related to pensions  | 4,279,069                  | 644,712                     | 4,923,781             |
| Related to other postemployment benefits                                 | 4,205,319                  | 633,601                     | 4,838,920             |
| <b>Total Deferred Inflows of Resources</b>                               | <b>9,050,425</b>           | <b>1,622,033</b>            | <b>10,672,458</b>     |
| <b>Net Position</b>  |                            |                             |                       |
| Net investment in capital assets   | 65,824,505                 | 62,379,101                  | 128,203,606           |
| Restricted:  |                            |                             |                       |
| Permanent Fund - Cemetery - nonexpendable                                | 335,078                    | -                           | 335,078               |
| Land held for resale - Main Street couplet                               | 695,200                    | -                           | 695,200               |
| Capital improvements   | 141,496                    | -                           | 141,496               |
| Unrestricted   | 40,037,141                 | 15,736,312                  | 55,773,453            |
| <b>Total Net Position</b>  | <b>107,033,420</b>         | <b>78,115,413</b>           | <b>185,148,833</b>    |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b> | <b>\$ 129,649,839</b>      | <b>\$ 83,527,212</b>        | <b>\$ 213,177,051</b> |

*See accompanying notes to basic financial statements.*

**City of Wasilla, Alaska**  
**Statement of Activities**

| Year Ended June 30, 2022  | Expenses            | Program Revenues                            |   |   | Net (Expense) Revenue and<br>Changes in Net Position |                                 | Total                 |
|---|---------------------|---|---|---|--|---------------------------------|-----------------------|
|   |                     | Fees,<br>Fines &<br>Charges for<br>Services | Operating<br>Grants &<br>Contri-<br>butions | Capital<br>Grants &<br>Contri-<br>butions | Govern-<br>mental<br>Activities                      | Business-<br>type<br>Activities |                       |
| <b>Governmental Activities</b>                                  |                     |   |   |   |  |                                 |                       |
| General government  | \$ 3,784,912        | \$ 123,378                                  | \$ (98)                                     | \$ -                                      | \$ (3,661,632)                                       | \$ -                            | \$ (3,661,632)        |
| Public safety   | 12,716,847          | 3,683,651                                   | 6,521,695                                   | -   | (2,511,501)  | -                               | (2,511,501)           |
| Public works  | 4,106,578           | 69,303                                      | (170)                                       | 44,559                                    | (3,992,886)  | -                               | (3,992,886)           |
| Culture and recreation  | 2,917,546           | 8,511                                       | 6,820                                       | 58,109                                    | (2,844,106)  | -                               | (2,844,106)           |
| Interest  | 7,546               | -   | -   | -   | (7,546)  | -                               | (7,546)               |
| <b>Total Governmental<br/>Activities</b>                        | <b>23,533,429</b>   | <b>3,884,843</b>                            | <b>6,528,247</b>                            | <b>102,668</b>                            | <b>(13,017,671)</b>                                  | <b>-</b>                        | <b>(13,017,671)</b>   |
| <b>Business-Type Activities</b>                                 |                     |   |   |   |  |                                 |                       |
| Water utility   | 1,965,824           | 2,139,970                                   | 99  | 414                                       | -  | 174,659                         | 174,659               |
| Sewer utility   | 1,726,991           | 1,631,995                                   | 123,746                                     | -   | -  | 28,750                          | 28,750                |
| Municipal airport   | 1,478,805           | 152,458                                     | 18  | 326,268                                   | -  | (1,000,061)                     | (1,000,061)           |
| Sports center   | 1,505,918           | 852,357                                     | 89  | -   | -  | (653,472)                       | (653,472)             |
| <b>Total Business-Type<br/>Activities</b>                       | <b>6,677,538</b>    | <b>4,776,780</b>                            | <b>123,952</b>                              | <b>326,682</b>                            | <b>-</b>   | <b>(1,450,124)</b>              | <b>(1,450,124)</b>    |
| <b>Totals</b>   | <b>\$30,210,967</b> | <b>\$ 8,661,623</b>                         | <b>\$ 6,652,199</b>                         | <b>\$ 429,350</b>                         | <b>(13,017,671)</b>                                  | <b>(1,450,124)</b>              | <b>(14,467,795)</b>   |
| <b>General Revenues</b>   |                     |   |   |   |  |                                 |                       |
| Sales taxes   |                     |   |   |   | 22,079,350   | -                               | 22,079,350            |
| Property and vehicle taxes                                      |                     |   |   |   | 180,130  | -                               | 180,130               |
| Grants and entitlements not<br>restricted to a specific purpose |                     |   |   |   | 364,021  | -                               | 364,021               |
| Investment income (loss)  |                     |   |   |   | (813,447)  | 1,710                           | (811,737)             |
| Other   |                     |   |   |   | 218,057  | 62,541                          | 280,598               |
| <b>Transfers</b>  |                     |   |   |   | <b>(1,173,800)</b>                                   | <b>1,173,800</b>                | <b>-</b>              |
| <b>Total General Revenues and Transfers</b>                     |                     |   |   |   | <b>20,854,311</b>                                    | <b>1,238,051</b>                | <b>22,092,362</b>     |
| <b>Change in Net Position</b>                                   |                     |   |   |   | <b>7,836,640</b>                                     | <b>(212,073)</b>                | <b>7,624,567</b>      |
| <b>Net Position, beginning</b>                                  |                     |   |   |   | <b>99,196,780</b>                                    | <b>78,327,486</b>               | <b>177,524,266</b>    |
| <b>Net Position, ending</b>                                     |                     |   |   |   | <b>\$ 107,033,420</b>                                | <b>\$78,115,413</b>             | <b>\$ 185,148,833</b> |

See accompanying notes to basic financial statements.

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

|  | Major Funds          |                                      |                     | Total<br>Governmental<br>Funds |
|--|----------------------|--------------------------------------|---------------------|--------------------------------|
|  | General              | Miscellaneous<br>Capital<br>Projects | Nonmajor<br>Funds   |                                |
| <i>June 30, 2022</i>   |                      |                                      |                     |                                |
| <b>Assets</b>  |                      |                                      |                     |                                |
| Cash and investments   | \$ 41,760,601        | \$ 4,469,989                         | \$ 3,028,080        | \$ 49,258,670                  |
| Land held for resale   | -                    | -                                    | 695,200             | 695,200                        |
| Receivables, net of allowance for uncollectibles:                          |                      |                                      |                     |                                |
| Accounts   | 108,612              | -                                    | -                   | 108,612                        |
| Taxes  | 2,206,747            | -                                    | -                   | 2,206,747                      |
| Grants   | 21,307               | 14,516                               | 31,337              | 67,160                         |
| Leases   | 583,821              | -                                    | -                   | 583,821                        |
| Shared revenues  | 414,633              | -                                    | -                   | 414,633                        |
| Prepaid items  | 327,247              | -                                    | 1,369               | 328,616                        |
| <b>Total Assets</b>  | <b>\$ 45,422,968</b> | <b>\$ 4,484,505</b>                  | <b>\$ 3,755,986</b> | <b>\$ 53,663,459</b>           |
| <b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>       |                      |                                      |                     |                                |
| <b>Liabilities</b>   |                      |                                      |                     |                                |
| Accounts payable   | \$ 304,951           | \$ 242,981                           | \$ 45,159           | \$ 593,091                     |
| Accrued payroll and employee benefits                                      | 806,594              | -                                    | 4,803               | 811,397                        |
| Customer deposits  | 10,570               | -                                    | -                   | 10,570                         |
| Unearned revenue   | 26,435               | 468,265                              | 3,124               | 497,824                        |
| <b>Total Liabilities</b>   | <b>1,148,550</b>     | <b>711,246</b>                       | <b>53,086</b>       | <b>1,912,882</b>               |
| <b>Deferred Inflows of Resources</b>                                       |                      |                                      |                     |                                |
| Related to leases  | 566,037              | -                                    | -                   | 566,037                        |
| <b>Total Liabilities and Deferred Inflows of Resources</b>                 | <b>1,714,587</b>     | <b>711,246</b>                       | <b>53,086</b>       | <b>2,478,919</b>               |
| <b>Fund Balances</b>   |                      |                                      |                     |                                |
| <b>Nonspendable:</b>   |                      |                                      |                     |                                |
| Prepaid items  | 327,247              | -                                    | 1,369               | 328,616                        |
| Permanent fund - cemetery  | -                    | -                                    | 335,078             | 335,078                        |
| Land held for resale - Main Street couplet                                 | -                    | -                                    | 695,200             | 695,200                        |
| <b>Restricted:</b>   |                      |                                      |                     |                                |
| Capital improvements   | -                    | 141,496                              | -                   | 141,496                        |
| <b>Committed:</b>  |                      |                                      |                     |                                |
| Capital improvements   | 35,800,514           | -                                    | -                   | 35,800,514                     |
| Youth court  | -                    | -                                    | 72,879              | 72,879                         |
| <b>Assigned:</b>   |                      |                                      |                     |                                |
| Land bank  | 721,300              | -                                    | -                   | 721,300                        |
| Capital improvements   | -                    | 3,631,763                            | -                   | 3,631,763                      |
| Compensated absences   | 789,254              | -                                    | -                   | 789,254                        |
| Road projects  | -                    | -                                    | 611,502             | 611,502                        |
| Vehicle replacement  | -                    | -                                    | 960,181             | 960,181                        |
| Right-of-way acquisition   | -                    | -                                    | 160,654             | 160,654                        |
| Technology replacement   | -                    | -                                    | 866,037             | 866,037                        |
| Other purposes   | 87,572               | -                                    | -                   | 87,572                         |
| Unassigned   | 5,982,494            | -                                    | -                   | 5,982,494                      |
| <b>Total Fund Balances</b>   | <b>43,708,381</b>    | <b>3,773,259</b>                     | <b>3,702,900</b>    | <b>51,184,540</b>              |
| <b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b> | <b>\$ 45,422,968</b> | <b>\$ 4,484,505</b>                  | <b>\$ 3,755,986</b> | <b>\$ 53,663,459</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, 2022**

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|   |                    |                              |
|---|--------------------|------------------------------|
| Total fund balances for governmental funds  |                    | \$ 51,184,540                |
| 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.   |                    | 66,245,875                   |
| The PERS ARHCT, RMP, and ODD other postemployment benefits plans have been funded in excess of the required contributions. These assets are not a financial resource and therefore are not reported in the funds. |                    | 7,825,859                    |
| Deferred outflows of resources represent costs applicable to future periods and therefore are not reported in the governmental funds:   |                    |                              |
| Deferred outflows of resources related to pensions  | \$ 1,631,792       |                              |
| Deferred outflows of resources related to other postemployment benefits   | <u>282,854</u>     |                              |
| Total deferred outflows of resources  |                    | 1,914,646                    |
| Noncurrent liabilities, including the net pension liability and compensated absences are not due and payable in the current period and therefore, are not reported in the funds:                                  |                    |                              |
| Net pension liability   | (10,730,463)       |                              |
| Lease payable   | (133,395)          |                              |
| Compensated absences  | <u>(789,254)</u>   |                              |
| Total noncurrent liabilities  |                    | (11,653,112)                 |
| Deferred inflows of resources represent resources or benefits applicable to future periods and therefore are not reported in the governmental funds:  |                    |                              |
| Deferred inflows of resources related to pensions   | (4,279,069)        |                              |
| Deferred inflows of resources related to other postemployment benefits  | <u>(4,205,319)</u> |                              |
| Total deferred inflows of resources   |                    | <u>(8,484,388)</u>           |
| <b>Total Net Position of Governmental Activities</b>  |                    | <b><u>\$ 107,033,420</u></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, 2022</i>                              | Major Funds          |                                 |                                      | Nonmajor<br>Funds   | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------------------|--------------------------------------|---------------------|--------------------------------|
|  | General              | CARES Act<br>Special<br>Revenue | Miscellaneous<br>Capital<br>Projects |                     |                                |
| <b>Revenues</b>  |                      |                                 |                                      |                     |                                |
| Taxes  | \$ 22,259,480        | \$ -                            | \$ -                                 | \$ -                | \$ 22,259,480                  |
| Licenses and permits   | 84,190               | -                               | -                                    | -                   | 84,190                         |
| Fines and forfeitures  | 247,621              | -                               | -                                    | -                   | 247,621                        |
| Intergovernmental  | 1,863,158            | 5,634,159                       | 22,722                               | 104,701             | 7,624,740                      |
| Charges for services   | 3,543,736            | -                               | -                                    | 4,770               | 3,548,506                      |
| Investment income (loss)                                     | (815,088)            | 1,216                           | 425                                  | -                   | (813,447)                      |
| Other  | 147,594              | -                               | 58,109                               | 4,526               | 210,229                        |
| <b>Total Revenues</b>  | <b>27,330,691</b>    | <b>5,635,375</b>                | <b>81,256</b>                        | <b>113,997</b>      | <b>33,161,319</b>              |
| <b>Expenditures</b>  |                      |                                 |                                      |                     |                                |
| Current:   |                      |                                 |                                      |                     |                                |
| General government   | 3,941,225            | -                               | -                                    | -                   | 3,941,225                      |
| Public safety  | 6,824,169            | 5,635,375                       | -                                    | 101,545             | 12,561,089                     |
| Public works   | 2,375,612            | -                               | -                                    | -                   | 2,375,612                      |
| Culture and recreation                                       | 2,503,588            | -                               | -                                    | -                   | 2,503,588                      |
| Nondepartmental  | 87,012               | -                               | -                                    | -                   | 87,012                         |
| Debt service principal- leases                               | 29,354               | -                               | -                                    | -                   | 29,354                         |
| Debt service interest- leases                                | 7,546                | -                               | -                                    | -                   | 7,546                          |
| Capital outlay   | 162,749              | -                               | 1,098,873                            | 2,024,534           | 3,286,156                      |
| <b>Total Expenditures</b>                                    | <b>15,931,255</b>    | <b>5,635,375</b>                | <b>1,098,873</b>                     | <b>2,126,079</b>    | <b>24,791,582</b>              |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>11,399,436</b>    | <b>-</b>                        | <b>(1,017,617)</b>                   | <b>(2,012,082)</b>  | <b>8,369,737</b>               |
| <b>Other Financing Sources (Uses)</b>                        |                      |                                 |                                      |                     |                                |
| Proceeds from sale of assets                                 | 70,463               | -                               | -                                    | -                   | 70,463                         |
| Right to use lease acquisition                               | 162,749              | -                               | -                                    | -                   | 162,749                        |
| Transfers in   | 100                  | -                               | 1,270,951                            | 1,848,400           | 3,119,451                      |
| Transfers out  | (4,293,151)          | -                               | -                                    | (100)               | (4,293,251)                    |
| <b>Net Other Financing Sources (Uses)</b>                    | <b>(4,059,839)</b>   | <b>-</b>                        | <b>1,270,951</b>                     | <b>1,848,300</b>    | <b>(940,588)</b>               |
| <b>Net Change in Fund Balances</b>                           | <b>7,339,597</b>     | <b>-</b>                        | <b>253,334</b>                       | <b>(163,782)</b>    | <b>7,429,149</b>               |
| <b>Fund Balances, beginning</b>                              | <b>36,368,784</b>    | <b>-</b>                        | <b>3,519,925</b>                     | <b>3,866,682</b>    | <b>43,755,391</b>              |
| <b>Fund Balances, ending</b>                                 | <b>\$ 43,708,381</b> | <b>\$ -</b>                     | <b>\$ 3,773,259</b>                  | <b>\$ 3,702,900</b> | <b>\$ 51,184,540</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, 2022**

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Net change in fund balances - total governmental funds \$ 7,429,149

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      | \$ 2,732,509       |           |
| Depreciation expense | <u>(3,498,122)</u> | (765,613) |

Governmental funds only report the revenues for sale of assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale. This is the net effect of transactions involving capital assets:

|   |                  |   |
|---|------------------|---|
| Cost of assets sold                     | (1,248,375)      |   |
| Accumulated depreciation of assets sold | <u>1,248,375</u> | - |

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   | 155,518          |                  |
| Increase in leases payable   | (133,395)        |                  |
| Increase in net pension liability and related deferred outflows of resources and deferred inflows of resources | (1,758,693)      |                  |
| Increase in net other postemployment benefits assets related accounts  | <u>2,909,674</u> | <u>1,173,104</u> |

**Change in Net Position of Governmental Activities \$ 7,836,640**

*See accompanying notes to basic financial statements.*

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

|  | Major Funds          |                      |                      |  | Total<br>Enterprise<br>Funds |
|--|----------------------|----------------------|----------------------|--|------------------------------|
|  | Water<br>Utility     | Sewer<br>Utility     | Municipal<br>Airport | Curtis D.<br>Menard<br>Memorial<br>Sports Center |                              |
| <i>June 30, 2022</i>                                       |                      |                      |                      |  |                              |
| <b>Assets and Deferred Outflows of Resources</b>           |                      |                      |                      |  |                              |
| <b>Current Assets</b>                                      |                      |                      |                      |  |                              |
| Cash and investments                                       | \$ 9,286,089         | \$ 6,028,995         | \$ 909,113           | \$ 2,328,100                                     | \$ 18,552,297                |
| Receivables:   |                      |                      |                      |  |                              |
| Accounts   | 295,211              | 191,931              | 13,694               | 53,056   | 553,892                      |
| Allowance for doubtful accounts                            | (47,886)             | (28,479)             | (2,047)              | (27,595)   | (106,007)                    |
| Leases   | -                    | -                    | 318,068              | 36,191   | 354,259                      |
| Special assessments  | 36                   | 5,496                | -                    | -  | 5,532                        |
| Payment in lieu of assessments                             | 1,458                | -                    | -                    | -  | 1,458                        |
| Grants   | -                    | -                    | 139,195              | -  | 139,195                      |
| Prepaid expenses   | 14,810               | 16,373               | 4,765                | 12,648   | 48,596                       |
| Inventory  | 57,949               | 36,460               | -                    | -  | 94,409                       |
| <b>Total Current Assets</b>                                | <b>9,607,667</b>     | <b>6,250,776</b>     | <b>1,382,788</b>     | <b>2,402,400</b>                                 | <b>19,643,631</b>            |
| <b>Noncurrent Assets</b>                                   |                      |                      |                      |  |                              |
| Prepaid expenses   | 6,545                | -                    | -                    | -  | 6,545                        |
| Net other postemployment benefits asset                    | 371,205              | 407,400              | 65,675               | 334,815  | 1,179,095                    |
| Capital assets, net  | 26,082,292           | 12,580,653           | 11,648,061           | 12,098,462                                       | 62,409,468                   |
| <b>Total Noncurrent Assets</b>                             | <b>26,460,042</b>    | <b>12,988,053</b>    | <b>11,713,736</b>    | <b>12,433,277</b>                                | <b>63,595,108</b>            |
| <b>Total Assets</b>  | <b>36,067,709</b>    | <b>19,238,829</b>    | <b>13,096,524</b>    | <b>14,835,677</b>                                | <b>83,238,739</b>            |
| <b>Deferred Outflows of Resources</b>                      |                      |                      |                      |  |                              |
| Related to pensions  | 77,401               | 84,948               | 13,694               | 69,813   | 245,856                      |
| Related to other postemployment benefits                   | 13,417               | 14,725               | 2,374                | 12,101   | 42,617                       |
| <b>Total Deferred Outflows of Resources</b>                | <b>90,818</b>        | <b>99,673</b>        | <b>16,068</b>        | <b>81,914</b>                                    | <b>288,473</b>               |
| <b>Total Assets and Deferred<br/>Outflows of Resources</b> | <b>\$ 36,158,527</b> | <b>\$ 19,338,502</b> | <b>\$ 13,112,592</b> | <b>\$ 14,917,591</b>                             | <b>\$ 83,527,212</b>         |

*See accompanying notes to basic financial statements.*



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

|  | Major Funds          |                      |                      |  | Total<br>Enterprise<br>Funds |
|--|----------------------|----------------------|----------------------|--|------------------------------|
|  | Water<br>Utility     | Sewer<br>Utility     | Municipal<br>Airport | Curtis D.<br>Menard<br>Memorial<br>Sports Center |                              |
| <i>June 30, 2022</i>   |                      |                      |                      |  |                              |
| <b>Liabilities, Deferred Inflows of Resources<br/>and Net Position</b>       |                      |                      |                      |  |                              |
| <b>Current Liabilities</b>   |                      |                      |                      |  |                              |
| Accounts payable   | \$ 107,331           | \$ 51,597            | \$ 206,195           | \$ 18,580  | \$ 383,703                   |
| Accounts payable - capital   | 29,176               | 1,191                | -                    | -  | 30,367                       |
| Accrued payroll and employee benefits  | 33,212               | 43,808               | 8,129                | 30,987   | 116,136                      |
| Compensated absences   | 31,851               | 82,830               | 11,036               | 47,800   | 173,517                      |
| Customer deposits  | 44,136               | 60,398               | -                    | 3,600  | 108,134                      |
| Unearned revenue   | 1,027,233            | 308,887              | 5,053                | 20,014   | 1,361,187                    |
| <b>Total Current Liabilities</b>   | <b>1,272,939</b>     | <b>548,711</b>       | <b>230,413</b>       | <b>120,981</b>                                   | <b>2,173,044</b>             |
| <b>Noncurrent Liabilities</b>  |                      |                      |                      |  |                              |
| Net pension liability  | 508,980              | 558,608              | 90,051               | 459,083  | 1,616,722                    |
| <b>Total Liabilities</b>   | <b>1,781,919</b>     | <b>1,107,319</b>     | <b>320,464</b>       | <b>580,064</b>                                   | <b>3,789,766</b>             |
| <b>Deferred Inflows of Resources</b>   |                      |                      |                      |  |                              |
| Related to leases  | -                    | -                    | 309,545              | 34,175   | 343,720                      |
| Related to pensions  | 202,970              | 222,760              | 35,910               | 183,072  | 644,712                      |
| Related to other postemployment benefits                                     | 199,472              | 218,921              | 35,291               | 179,917  | 633,601                      |
| <b>Total Deferred Inflows of Resources</b>                                   | <b>402,442</b>       | <b>441,681</b>       | <b>380,746</b>       | <b>397,164</b>                                   | <b>1,622,033</b>             |
| <b>Net Position</b>  |                      |                      |                      |  |                              |
| Net investment in capital assets   | 26,053,116           | 12,579,462           | 11,648,061           | 12,098,462                                       | 62,379,101                   |
| Unrestricted   | 7,921,050            | 5,210,040            | 763,321              | 1,841,901  | 15,736,312                   |
| <b>Total Net Position</b>  | <b>33,974,166</b>    | <b>17,789,502</b>    | <b>12,411,382</b>    | <b>13,940,363</b>                                | <b>78,115,413</b>            |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources and Net Position</b> | <b>\$ 36,158,527</b> | <b>\$ 19,338,502</b> | <b>\$ 13,112,592</b> | <b>\$ 14,917,591</b>                             | <b>\$ 83,527,212</b>         |

*See accompanying notes to basic financial statements.*

## City of Wasilla, Alaska

## Enterprise Funds

## Statement of Revenues, Expenses and Changes in Net Position

| Year Ended June 30, 2022                            | Major Funds      |                  |                      |  | Total<br>Enterprise<br>Funds |
|---|------------------|------------------|----------------------|--|------------------------------|
|   | Water<br>Utility | Sewer<br>Utility | Municipal<br>Airport | Curtis D.<br>Menard<br>Memorial<br>Sports Center |                              |
| <b>Operating Revenues</b>                           | \$ 2,139,970     | \$ 1,631,995     | \$ 152,458           | \$ 852,357                                       | \$ 4,776,780                 |
| <b>Operating Expenses</b>                           |                  |                  |                      |  |                              |
| Salaries and employee benefits                      | 561,956          | 558,133          | 145,227              | 541,857  | 1,807,173                    |
| Other operating expenses                            | 544,772          | 642,802          | 574,346              | 593,352  | 2,355,272                    |
| Depreciation  | 853,644          | 526,056          | 759,232              | 370,709  | 2,509,641                    |
| <b>Total Operating Expenses</b>                     | 1,960,372        | 1,726,991        | 1,478,805            | 1,505,918  | 6,672,086                    |
| Operating income (loss)                             | 179,598          | (94,996)         | (1,326,347)          | (653,561)  | (1,895,306)                  |
| <b>Nonoperating Revenues (Expenses)</b>             |                  |                  |                      |  |                              |
| Payments in lieu of assessments                     | 16,463           | 15,388           | -                    | -  | 31,851                       |
| Interest expense                                    | (5,452)          | -                | -                    | -  | (5,452)                      |
| Investment income                                   | 1,307            | 403              | -                    | -  | 1,710                        |
| Debt service assessments                            | -                | 849              | -                    | -  | 849                          |
| Nonoperating grants                                 | -                | 123,637          | -                    | -  | 123,637                      |
| State PERS relief                                   | 99               | 109              | 18                   | 89   | 315                          |
| Gain on disposal of capital assets                  | 11,200           | 6,900            | -                    | 10,200   | 28,300                       |
| Other income  | 430              | 244              | 150                  | 717  | 1,541                        |
| <b>Net Nonoperating Revenues (Expenses)</b>         | 24,047           | 147,530          | 168                  | 11,006   | 182,751                      |
| Income (loss) before contributions<br>and transfers | 203,645          | 52,534           | (1,326,179)          | (642,555)  | (1,712,555)                  |
| Capital contributions                               | 414              | -                | 326,268              | -  | 326,682                      |
| Transfers in  | -                | -                | 350,000              | 900,000  | 1,250,000                    |
| Transfers out                                       | (34,400)         | (32,100)         | (300)                | (9,400)  | (76,200)                     |
| Change in net position                              | 169,659          | 20,434           | (650,211)            | 248,045  | (212,073)                    |
| <b>Net Position, beginning</b>                      | 33,804,507       | 17,769,068       | 13,061,593           | 13,692,318                                       | 78,327,486                   |
| <b>Net Position, ending</b>                         | \$ 33,974,166    | \$ 17,789,502    | \$ 12,411,382        | \$ 13,940,363                                    | \$ 78,115,413                |

See accompanying notes to basic financial statements.

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

| Year Ended June 30, 2022  | Major Funds         |                     |                      |   | Total<br>Enterprise<br>Funds |
|---|---------------------|---------------------|----------------------|---|------------------------------|
|   | Water<br>Utility    | Sewer<br>Utility    | Municipal<br>Airport | Curtis D.<br>Menard<br>Memorial<br>Sports<br>Center |                              |
| <b>Cash Flows from (for) Operating Activities</b>                             |                     |                     |                      |   |                              |
| Receipts from customers and users   | \$ 3,015,504        | \$ 1,923,373        | \$ 136,859           | \$ 834,681  | \$ 5,910,417                 |
| Payments to suppliers for goods and services                                  | (540,787)           | (658,262)           | (382,993)            | (608,560)   | (2,190,602)                  |
| Payments to employees for services  | (617,458)           | (748,658)           | (110,804)            | (704,817)   | (2,181,737)                  |
| <b>Net cash flows from (for) operating activities</b>                         | <b>1,857,259</b>    | <b>516,453</b>      | <b>(356,938)</b>     | <b>(478,696)</b>                                    | <b>1,538,078</b>             |
| <b>Cash Flows from (for) Noncapital Financing Activities</b>                  |                     |                     |                      |   |                              |
| Nonoperating grants received  | -                   | 202,229             | -                    | -   | 202,229                      |
| Transfers in  | -                   | -                   | -                    | 900,000   | 900,000                      |
| Transfers out   | (34,400)            | (32,100)            | (300)                | (9,400)   | (76,200)                     |
| <b>Net cash flows from (for) noncapital<br/>financing activities</b>          | <b>(34,400)</b>     | <b>170,129</b>      | <b>(300)</b>         | <b>890,600</b>                                      | <b>1,026,029</b>             |
| <b>Cash Flows from (for) Capital and Related<br/>Financing Activities</b>     |                     |                     |                      |   |                              |
| Principal paid on notes payable   | (496,350)           | -                   | -                    | -   | (496,350)                    |
| Interest paid on notes payable  | (7,859)             | -                   | -                    | -   | (7,859)                      |
| Special assessments received  | -                   | 695                 | -                    | -   | 695                          |
| Payments in lieu of assessments received                                      | 98,912              | 15,388              | -                    | -   | 114,300                      |
| Acquisition and construction of capital assets                                | (568,366)           | (25,757)            | (5,758)              | -   | (599,881)                    |
| Transfers in  | -                   | -                   | 350,000              | -   | 350,000                      |
| Capital contributions received  | 414                 | -                   | 479,812              | -   | 480,226                      |
| <b>Net cash flows from (for) capital and<br/>related financing activities</b> | <b>(973,249)</b>    | <b>(9,674)</b>      | <b>824,054</b>       | <b>-</b>  | <b>(158,869)</b>             |
| <b>Cash Flows from Investing Activities</b>                                   |                     |                     |                      |   |                              |
| Gain on disposal of capital assets  | 11,200              | 6,900               | -                    | 10,200  | 28,300                       |
| Investment income received  | 1,307               | 403                 | -                    | -   | 1,710                        |
| <b>Net cash flows from investing activities</b>                               | <b>12,507</b>       | <b>7,303</b>        | <b>-</b>             | <b>10,200</b>                                       | <b>30,010</b>                |
| <b>Net Increase in Cash and Investments</b>                                   | <b>862,117</b>      | <b>684,211</b>      | <b>466,816</b>       | <b>422,104</b>                                      | <b>2,435,248</b>             |
| <b>Cash and Investments, beginning</b>  | <b>8,423,972</b>    | <b>5,344,784</b>    | <b>442,297</b>       | <b>1,905,996</b>                                    | <b>16,117,049</b>            |
| <b>Cash and Investments, ending</b>   | <b>\$ 9,286,089</b> | <b>\$ 6,028,995</b> | <b>\$ 909,113</b>    | <b>\$ 2,328,100</b>                                 | <b>\$ 18,552,297</b>         |

*See accompanying notes to basic financial statements.*

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

| Year Ended June 30, 2022                                | Major Funds         |                   |                      |                     | Curtis D.<br>Menard<br>Memorial<br>Sports<br>Center | Total<br>Enterprise<br>Funds |
|---|---------------------|-------------------|----------------------|---------------------|---|------------------------------|
|   | Water<br>Utility    | Sewer<br>Utility  | Municipal<br>Airport |                     |   |                              |
| <b>Reconciliation of Operating Income (Loss) to Net</b> |                     |                   |                      |                     |   |                              |
| <b>Cash Flows from (for) Operating Activities</b>       |                     |                   |                      |                     |   |                              |
| Operating income (loss)                                 | \$ 179,598          | \$ (94,996)       | \$ (1,326,347)       | \$ (653,561)        |   | \$ (1,895,306)               |
| Adjustments to reconcile operating income               |                     |                   |                      |                     |   |                              |
| loss to net cash flows from (for)                       |                     |                   |                      |                     |   |                              |
| operating activities:                                   |                     |                   |                      |                     |   |                              |
| Depreciation  | 853,644             | 526,056           | 759,232              | 370,709             |   | 2,509,641                    |
| State of Alaska on-behalf payments - PERS relief        | 99                  | 109               | 18                   | 89                  |   | 315                          |
| Nonoperating revenues                                   | 430                 | 244               | 150                  | 717                 |   | 1,541                        |
| Changes in operating assets and liabilities that        |                     |                   |                      |                     |   |                              |
| provided (used) cash:                                   |                     |                   |                      |                     |   |                              |
| Accounts receivable and related allowance               | (38,422)            | (25,137)          | (3,089)              | (10,084)            |   | (76,732)                     |
| Leases receivable                                       | -                   | -                 | 16,388               | (36,191)            |   | (19,803)                     |
| Inventory   | (26,962)            | 12,432            | -                    | -                   |   | (14,530)                     |
| Prepaid expenses  | 3,163               | 176               | (1,659)              | (121)               |   | 1,559                        |
| Net other postemployment benefits asset                 | (319,555)           | (344,105)         | (56,713)             | (276,469)           |   | (996,842)                    |
| Deferred outflows of resources related to pensions      | 16,498              | 32,920            | (6,460)              | 41,164              |   | 84,122                       |
| Deferred outflows of resources related to               |                     |                   |                      |                     |   |                              |
| other postemployment benefits                           | 22,125              | 28,830            | 3,793                | 28,048              |   | 82,796                       |
| Accounts payable  | 27,784              | (28,068)          | 193,012              | (15,087)            |   | 177,641                      |
| Accrued payroll and employee benefits                   | 8,816               | 12,755            | 3,833                | 11,293              |   | 36,697                       |
| Compensated absences                                    | (16,368)            | (10,102)          | 2,825                | (4,923)             |   | (28,568)                     |
| Customer deposits                                       | 3,510               | 7,384             | -                    | 600                 |   | 11,494                       |
| Unearned revenue  | 910,016             | 308,887           | (4,137)              | (6,893)             |   | 1,207,873                    |
| Net pension liability                                   | (126,681)           | (300,067)         | 23,366               | (276,715)           |   | (680,097)                    |
| Net other postemployment benefits liability             | (1,172)             | (1,437)           | (203)                | (1,324)             |   | (4,136)                      |
| Deferred inflows of resources related to leases         | -                   | -                 | (24,911)             | 34,175              |   | 9,264                        |
| Deferred inflows of resources related to pensions       | 202,970             | 222,760           | 35,910               | 183,072             |   | 644,712                      |
| Deferred inflows of resources related to other          |                     |                   |                      |                     |   |                              |
| postemployment benefits                                 | 157,766             | 167,812           | 28,054               | 132,805             |   | 486,437                      |
| <b>Net Cash Flows from (for) Operating Activities</b>   | <b>\$ 1,857,259</b> | <b>\$ 516,453</b> | <b>\$ (356,938)</b>  | <b>\$ (478,696)</b> |   | <b>\$ 1,538,078</b>          |
| <b>Noncash Capital and Related Financing Activities</b> |                     |                   |                      |                     |   |                              |
| Capital assets purchased on account                     | \$ 29,176           | \$ 1,191          | \$ -                 | \$ -                |   | \$ 30,367                    |

*See accompanying notes to basic financial statements.*

# City of Wasilla, Alaska

## Notes to Basic Financial Statements June 30, 2022

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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 CARES Act Special Revenue Fund accounts for the City's activities in response to the COVID-19 public health emergency.
- 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, compensated absences, pensions and other postemployment benefits 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 Fund and Special Revenue Funds are legally adopted on the same modified accrual basis used to reflect actual revenues and expenditures. The CARES Act Special Revenue Fund does not have a legally adopted budget.

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 and the statement of net position 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.

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, Municipal Airport 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.

### Leases

#### Lessee

The City is party to a lease of nonfinancial assets as a lessee. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### Lessor

The City has leased to third-parties multiple nonfinancial assets. The City recognizes a lease receivable and a deferred inflow of resources in both the government-wide and governmental fund financial statements where applicable.

At the commencement of the lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

### **Capital Assets**

Capital assets, which include, 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.

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:

---

|  |             |
|--|-------------|
| 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.

### **Long-Term Debt**

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.

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported 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 assets and 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. Most funds, except the capital project funds, will be utilized to liquidate the pension and OPEB liabilities. The most significant, due to the fact that it has the largest payroll, is the General Fund.

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

In addition to assets, the statement of net 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 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. The City also reports lessor leases as deferred inflows of resources and recognizes lease revenue over the term of the lease.

### ***(i) Fund Balance***

#### **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, assets held for resale, 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 special revenue funds, 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 committed, 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 or to report a deficit fund balance. Only the General Fund has positive 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 (excluding any unspent proceeds), net of premiums and discounts 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, when applicable. However, beginning with fiscal year 2007, the City Council set the mill rate at zero, resulting in no property taxes.

#### **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. Deposits and Investments

#### (a) Investments

As of June 30, 2022, 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                         | \$ 586,773           | \$ 586,773            | \$ -                 | \$ -                |
| Certificates of deposit                    | 2,656,166            | 1,694,756             | 961,410              | -                   |
| U.S. treasuries                            | 22,511,303           | 6,137,023             | 16,374,280           | -                   |
| U.S. government agencies                   | 4,248,795            | 738,560               | 1,007,428            | 2,502,807           |
| Mortgage/Asset-backed securities           | 588,173              | -                     | 70,052               | 518,121             |
| Municipal bonds                            | 504,703              | 504,703               | -                    | -                   |
| AMLIP pooled investments                   | 25,244,928           | 25,244,928            | -                    | -                   |
| <b>Total Subject to Interest Rate Risk</b> | <b>\$ 56,340,841</b> | <b>\$ 34,906,743</b>  | <b>\$ 18,413,170</b> | <b>\$ 3,020,928</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.

The City has the following recurring fair value measurements as of June 30, 2022:

U.S. treasury securities of \$22,511,303, U.S. government agency securities of \$4,024,795, municipal bonds of \$504,703, certificates of deposits of \$961,410, and mortgage/asset-backed securities of \$588,173 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 \$2,281,529 that are not held at fair value, but instead recorded at amortized cost, as of June 30, 2022. The City's investment in AMLIP of \$25,244,928 is measured at net asset value, as of June 30, 2022. 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.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### **(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, 2022, the City's investments exposed to credit risk were rated as follows:

| Investment                       | Standard and Poor's | Moody's Investor Service |
|----------------------------------|---------------------|--------------------------|
| U.S. government agencies         | AA+                 | Aaa                      |
| Mortgage/Asset-backed securities | AA+                 | Aaa                      |
| U.S. treasuries                  | AA+                 | Aaa                      |
| Certificates of Deposit          | AA+                 | Aaa                      |
| Municipal bonds                  | AA- to AAA          | Aa2 to Aa1               |

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, 2022, the fair value of the investments in the Pool approximates amortized cost and is equal to the value of Pool shares. The City had no unfunded commitments to the Pool. The City can redeem its investment in AMLIP on a daily basis with no prior notification.

### **(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. treasuries.

### **(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, 2022, the City had no bank deposits that were not insured or collateralized.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### **(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, 2022 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, 2022:

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|                             |                      |
|-----------------------------|----------------------|
| <b>Cash and Investments</b> | <b>\$ 67,810,967</b> |
|-----------------------------|----------------------|

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Deposits and investments are comprised of the following as of June 30, 2022:

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|                                   |                      |
|-----------------------------------|----------------------|
| Carrying value of bank deposits   | \$ 11,466,956        |
| Petty cash accounts               | 3,170                |
| Investments                       | 56,340,841           |
| <b>Total Cash and Investments</b> | <b>\$ 67,810,967</b> |

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### **3. 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 land held for resale. The land has a book value of \$695,200, which approximates net realizable value.

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### 4. Capital Assets

Capital asset activity for the year ended June 30, 2022 is as follows:

| <b>Governmental Activities</b>                               | Balance<br>July 1,<br>2021 | Addition/<br>Transfers | Deletions/<br>Transfers | Balance<br>June 30,<br>2022 |
|--|----------------------------|------------------------|-------------------------|-----------------------------|
| Capital assets not being depreciated:                        |                            |                        |                         |                             |
| Land   | \$ 14,815,668              | \$ 67,904              | \$ -                    | \$ 14,883,572               |
| Construction in progress                                     | 194,984                    | -                      | -                       | 194,984                     |
| <b>Total capital assets not being depreciated</b>            | <b>15,010,652</b>          | <b>67,904</b>          | <b>-</b>                | <b>15,078,556</b>           |
| Capital assets being depreciated/amortized:                  |                            |                        |                         |                             |
| Buildings  | 36,974,293                 | 215,301                | -                       | 37,189,594                  |
| Office furniture and equipment                               | 5,079,596                  | 14,612                 | (986,643)               | 4,107,565                   |
| Vehicles and equipment                                       | 8,215,628                  | 1,097,485              | (261,732)               | 9,051,381                   |
| Infrastructure   | 38,341,501                 | 1,174,458              | -                       | 39,515,959                  |
| Right-to-use leased equipment                                | -                          | 162,749                | -                       | 162,749                     |
| <b>Total capital assets being depreciated/amortized</b>      | <b>88,611,018</b>          | <b>2,664,605</b>       | <b>(1,248,375)</b>      | <b>90,027,248</b>           |
| Less accumulated depreciation/amortization for:              |                            |                        |                         |                             |
| Buildings  | 5,718,790                  | 820,629                | -                       | 6,539,419                   |
| Office furniture and equipment                               | 3,382,711                  | 523,142                | (986,643)               | 2,919,210                   |
| Vehicles and equipment                                       | 5,878,945                  | 816,499                | (261,732)               | 6,433,712                   |
| Infrastructure   | 21,629,736                 | 1,305,302              | -                       | 22,935,038                  |
| Right-to-use leased equipment                                | -                          | 32,550                 | -                       | 32,550                      |
| <b>Total accumulated depreciation</b>                        | <b>36,610,182</b>          | <b>3,498,122</b>       | <b>(1,248,375)</b>      | <b>38,859,929</b>           |
| <b>Total capital assets being depreciated/amortized, net</b> | <b>52,000,836</b>          | <b>(833,517)</b>       | <b>-</b>                | <b>51,167,319</b>           |
| <b>Governmental Activities Capital Assets, net</b>           | <b>\$ 67,011,488</b>       | <b>\$ (765,613)</b>    | <b>\$ -</b>             | <b>\$ 66,245,875</b>        |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

| <b>Business-type Activities</b>                    | Balance<br>July 1,<br>2021 | Additions/<br>Transfers | Deletions/<br>Transfers | Balance<br>June 30,<br>2022 |
|--|----------------------------|-------------------------|-------------------------|-----------------------------|
| Capital assets not being depreciated:              |                            |                         |                         |                             |
| Land   | \$ 5,290,341               | \$ -                    | \$ -                    | \$ 5,290,341                |
| Construction in progress                           | 255,204                    | 595,724                 | (5,756)                 | 845,172                     |
| <b>Total capital assets not being depreciated</b>  | <b>5,545,545</b>           | <b>595,724</b>          | <b>(5,756)</b>          | <b>6,135,513</b>            |
| Capital assets being depreciated:                  |                            |                         |                         |                             |
| Land improvements                                  | 20,753,250                 | -                       | -                       | 20,753,250                  |
| Buildings  | 18,566,959                 | -                       | -                       | 18,566,959                  |
| Treatment system                                   | 9,181,759                  | -                       | -                       | 9,181,759                   |
| Collection/distribution                            | 45,522,039                 | -                       | -                       | 45,522,039                  |
| Water tank and fence                               | 6,847,577                  | -                       | -                       | 6,847,577                   |
| Wells/well house                                   | 1,360,101                  | -                       | -                       | 1,360,101                   |
| Vehicles and equipment                             | 8,452,591                  | 5,756                   | (85,834)                | 8,372,513                   |
| <b>Total capital assets being depreciated</b>      | <b>110,684,276</b>         | <b>5,756</b>            | <b>(85,834)</b>         | <b>110,604,198</b>          |
| Less accumulated depreciation for:                 |                            |                         |                         |                             |
| Land improvements                                  | 11,766,450                 | 740,820                 | -                       | 12,507,270                  |
| Buildings  | 6,878,201                  | 344,467                 | -                       | 7,222,668                   |
| Treatment system                                   | 4,531,678                  | 184,176                 | -                       | 4,715,854                   |
| Collection/distribution                            | 18,290,120                 | 902,333                 | -                       | 19,192,453                  |
| Water tank and fence                               | 3,109,023                  | 137,298                 | -                       | 3,246,321                   |
| Wells/well house                                   | 386,878                    | 25,441                  | -                       | 412,319                     |
| Vehicles and equipment                             | 6,944,086                  | 175,106                 | (85,834)                | 7,033,358                   |
| <b>Total accumulated depreciation</b>              | <b>51,906,436</b>          | <b>2,509,641</b>        | <b>(85,834)</b>         | <b>54,330,243</b>           |
| <b>Total capital assets being depreciated, net</b> | <b>58,777,840</b>          | <b>(2,503,885)</b>      | <b>-</b>                | <b>56,273,955</b>           |
| <b>Business-type Activities</b>                    |                            |                         |                         |                             |
| <b>Capital Assets, net</b>                         | <b>\$ 64,323,385</b>       | <b>\$ (1,908,161)</b>   | <b>\$ (5,756)</b>       | <b>\$ 62,409,468</b>        |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

Depreciation expense was charged to the functions as follows for the year ended June 30, 2022:

### Governmental Activities

|   |                     |
|---|---------------------|
| General government  | \$ 103,854          |
| Public safety   | 1,097,532           |
| Public works  | 1,677,559           |
| Culture and recreation                                      | 586,627             |
| <b>Total Depreciation Expense - Governmental Activities</b> | <b>\$ 3,498,122</b> |

### Business-type Activities

|  |                     |
|--|---------------------|
| Water utility  | \$ 853,644          |
| Sewer utility  | 526,056             |
| Municipal airport  | 759,232             |
| Curtis D. Menard Memorial Sports Center                      | 370,709             |
| <b>Total Depreciation Expense - Business-type Activities</b> | <b>\$ 2,509,641</b> |

## 5. Leases

The City has retroactively implemented Governmental Accounting Standards Board (GASB) Statement Number 87, Leases (GASB 87) effective for the City's fiscal year beginning July 1, 2021. GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities. There was no significant impact from GASB 87 implementation on the City's opening net position.

### (a) Leases Receivable

During the current year, the City, as lessor, entered into several multiple-year lease agreements to third parties for various nonfinancial assets. The lengths of the lease terms vary, and the City used their incremental borrowing rate of 6.75% when there was no stated interest rate in the lease contract. There are no agreements as a lessee or lessor that include sale-leaseback or lease-leaseback provision or contain subleases. The City recognized lease revenue and interest revenue during the current fiscal year related to all leases as stated in the table below. As of June 30, 2022, the City receivable for lease payments is stated below. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources is listed below.

|                  |    | Payment<br>Amount |    | Lease<br>Revenue |    | Lease<br>Interest |    | Lease<br>Receivable |    | Deferred Inflow |
|------------------|----|-------------------|----|------------------|----|-------------------|----|---------------------|----|-----------------|
| General Fund     | \$ | 55,195            | \$ | 39,768           | \$ | 33,211            | \$ | 583,821             | \$ | 566,037         |
| Airport Fund     |    | 38,463            |    | 24,911           |    | 22,075            |    | 318,068             |    | 309,545         |
| Curtis D. Menard |    | 11,000            |    | 11,392           |    | 1,624             |    | 36,191              |    | 34,175          |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

**(b) Lease Payable**

During the current year, the City entered into a five-year lease agreement as a lessee for copier and printer equipment. The lease went into effect on July 1, 2021. An initial lease liability was recorded in the amount of \$162,749 during the current year. As of June 30, 2022, the outstanding balance on the lease was \$133,395. The City is required to make monthly principal and lease payments of \$3,075. The lease does not contain a stated interest rate, so the City used an incremental borrowing rate of 5.05% as the discount rate. The copier and printer equipment has a five-year estimated useful life. The value of the right-to-use asset as of June 30, 2022 was \$162,749 and had accumulated amortization of \$32,550.

The future principal and interest lease payments as of June 30, 2022, were as follows:

| Year Ending June 30, | Principal         | Interest         | Total             |
|----------------------|-------------------|------------------|-------------------|
| 2023                 | \$ 30,872         | \$ 6,028         | \$ 36,900         |
| 2024                 | 32,467            | 4,433            | 36,900            |
| 2025                 | 34,145            | 2,755            | 36,900            |
| 2026                 | 35,911            | 989              | 36,900            |
| <b>Total</b>         | <b>\$ 133,395</b> | <b>\$ 14,205</b> | <b>\$ 147,600</b> |

**6. Interfund Transfers**

A schedule of interfund transfers for the year ended June 30, 2022, follows:

|  |                     |
|--|---------------------|
| <b>From the General Fund to:</b>   |                     |
| Curtis D. Menard Memorial Sports Center Enterprise Fund to subsidize operations  | \$ 900,000          |
| Miscellaneous Capital Projects Fund for various capital projects   | 1,270,951           |
| Nonmajor governmental funds for various capital projects   | 1,772,200           |
| Municipal Airport Enterprise Fund for land improvements  | 350,000             |
| <b>Total from the General Fund</b>   | <b>4,293,151</b>    |
| From nonmajor governmental funds to the General Fund for operations  | 100                 |
| From the Water Utility Enterprise Fund to nonmajor governmental funds for vehicle and technology replacement               | 34,400              |
| From the Sewer Utility Enterprise Fund to nonmajor governmental funds for vehicle and technology replacement               | 32,100              |
| From the Municipal Airport Enterprise Fund to nonmajor governmental funds for technology replacement                       | 300                 |
| From the Curtis D. Menard Memorial Sports Center Enterprise Fund to nonmajor governmental funds for technology replacement | 9,400               |
| <b>Total Transfers to Other Funds</b>  | <b>\$ 4,369,451</b> |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### 7. Long-term Liabilities

#### (a) Direct Borrowing - ADEC Loans

The City participated in the Alaska Drinking Water Fund, a federally sponsored loan program administered by the Alaska Department of Environmental Conservation (ADEC). The City borrowed \$3.309 million under this program for various water projects, which was due in installments of \$165,000 annually, through March 4, 2024 at an interest rate of 1.5%.

The remaining balance on this loan at June 30, 2021 was \$496,350. The City paid off the remaining balance of this loan in fiscal year 2022. Interest paid on this payoff was \$7,859.

#### (b) Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2022 was as follows:

| Governmental Activities              | Balance<br>July 1,<br>2021 | Additions           | Reductions            | Balance<br>June 30,<br>2022 | Due<br>Within<br>One Year |
|--------------------------------------|----------------------------|---------------------|-----------------------|-----------------------------|---------------------------|
| Compensated absences                 | \$ 944,772                 | \$ 973,186          | \$ (1,128,704)        | \$ 789,254                  | \$ 789,254                |
| Lease payable                        | -                          | 162,749             | (29,354)              | 133,395                     | 30,872                    |
| Net pension liability                | 13,477,409                 | -                   | (2,746,946)           | 10,730,463                  | -                         |
| Net OPEB liability                   | 26,288                     | -                   | (26,288)              | -                           | -                         |
| <b>Total Governmental Activities</b> | <b>\$ 14,448,469</b>       | <b>\$ 1,135,935</b> | <b>\$ (3,931,292)</b> | <b>\$ 11,653,112</b>        | <b>\$ 820,126</b>         |

| Business-type Activities              | Balance<br>July 1,<br>2021 | Additions         | Reductions            | Balance<br>June 30,<br>2022 | Due<br>Within<br>One Year |
|---------------------------------------|----------------------------|-------------------|-----------------------|-----------------------------|---------------------------|
| Direct borrowing - ADEC loans         | \$ 496,350                 | \$ -              | \$ (496,350)          | \$ -                        | \$ -                      |
| Compensated absences                  | 202,085                    | 151,016           | (179,584)             | 173,517                     | 173,517                   |
| Net pension liability                 | 2,296,819                  | -                 | (680,097)             | 1,616,722                   | -                         |
| Net OPEB liability                    | 4,136                      | -                 | (4,136)               | -                           | -                         |
| <b>Total Business-type Activities</b> | <b>\$ 2,999,390</b>        | <b>\$ 151,016</b> | <b>\$ (1,360,167)</b> | <b>\$ 1,790,239</b>         | <b>\$ 173,517</b>         |

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

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### ***(c) Conduit Revenue Bonds***

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, 2022 was \$3,819,825.

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, 2022 was \$45,020,673.

On April 27, 2020, 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 \$38,000,000. The outstanding balance at June 30, 2022 was \$33,386,567.

## **8. Pension and Other Postemployment Benefits Plans**

### ***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 <https://drb.alaska.gov/docs/reports/>. 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 postemployment healthcare 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. Peace/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 postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

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

The PERS DB Plan was closed to new entrants effective July 1, 2006. New employees hired after that date participate in the PERS Defined Contribution (DC) Plan described later in these notes.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Historical Context and Special Funding Situation*

In April 2008, the Alaska Legislature passed legislation converting the previously existing PERS plan from a DB agent-multiple-employer plan to a DB 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. The Alaska Legislature has the power and authority to change the aforementioned statute through the legislative process.

Alaska Statute 39.35.280 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 (ARM 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.

### *Employee Contribution Rates*

Regular employees are required to contribute 6.75% of their annual covered salary. Police officers 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 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, the amount calculated for the statutory employer effective contribution rate is 22% on eligible wages. This 22% rate is calculated on all PERS participating wages, including those wages attributable to employees in the DC plan. Contributions derived from the DC employee payroll is 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.

*State 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 proprietary funds 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.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

Contribution rates for the year ended June 30, 2022 were determined in the June 30, 2020 actuarial valuations. The City's contribution rates for the 2022 fiscal year were as follows:

|                                   | Employer<br>Effective Rate | ARM Board<br>Adopted Rate | State<br>Contribution<br>Rate |
|-----------------------------------|----------------------------|---------------------------|-------------------------------|
| Pension                           | 15.54%                     | 26.99%                    | 8.11%                         |
| Postemployment healthcare (ARHCT) | 6.46%                      | 3.12%                     | -%                            |
| <b>Total Contribution Rates</b>   | <b>22.00%</b>              | <b>30.11%</b>             | <b>8.11%</b>                  |

In 2022, the City was credited with the following contributions to the pension plan.

|   | Measurement Period<br>July 1, 2020<br>to<br>June 30, 2021 | City Fiscal Year<br>July 1, 2021<br>to<br>June 30, 2022 |
|---|---|---|
| Employer contributions (including DBUL) | \$ 1,201,900  | \$ 1,315,484  |
| Nonemployer contributions (on-behalf)   | 810,307   | 793,958   |
| <b>Total Contributions</b>              | <b>\$ 2,012,207</b>                                       | <b>\$ 2,109,442</b>                                     |

In addition, employee contributions to the Plan totaled \$182,841 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, 2022, 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 portion of the net pension liability that was associated with the City were as follows:

|   |                      |
|---|----------------------|
| City proportionate share of NPL                             | \$ 12,347,185        |
| State's proportionate share of NPL associated with the City | 1,673,580            |
| <b>Total Net Pension Liability</b>                          | <b>\$ 14,020,765</b> |

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 to calculate the net pension liability 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 the June 30, 2021 measurement date, the City's proportion was 0.33657 percent, which was an increase of 0.06926 from its proportion measured as of June 30, 2020.



# City of Wasilla, Alaska

## Notes to Basic Financial Statements

For the year ended June 30, 2022, the City recognized pension expense of \$4,440,796 and on-behalf revenue of \$2,400 for support provided by the State. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience  | \$ -                                 | \$ (54,701)                         |
| Net difference between projected and actual earnings<br>on pension plan investments                          | -                                    | (4,869,080)                         |
| Changes in proportion and differences between City<br>contributions and proportionate share of contributions | 562,164                              | -                                   |
| City contributions subsequent to the measurement date  | 1,315,484                            | -                                   |
| <b>Total Deferred Outflows of Resources and Deferred Inflows<br/>of Resources Related to Pensions</b>        | <b>\$ 1,877,648</b>                  | <b>\$ (4,923,781)</b>               |

The \$1,315,484 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 ending June 30, 2023. 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,*

|                           |                       |
|---------------------------|-----------------------|
| 2023                      | \$ (624,047)          |
| 2024                      | (1,115,315)           |
| 2025                      | (1,206,463)           |
| 2026                      | (1,415,792)           |
| <b>Total Amortization</b> | <b>\$ (4,361,617)</b> |

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Actuarial Assumptions*

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

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|                           |   |
|---------------------------|---|
| Actuarial cost method     | Entry age normal  |
| Amortization method       | Unfunded accrued actuarial liability, level percent of pay basis  |
| Inflation                 | 2.50% per year  |
| Salary increases          | For peace officer/firefighter, increases range from 7.75% to 2.75% based on service. For all others, increases range from 6.75% to 2.75% based on service.  |
| Allocation methodology    | Amounts for the June 30, 2021 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2023 to 2039.   |
| Investment rate of return | 7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.   |
| Mortality                 | Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Deaths are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for all others. |

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The actuarial assumptions used in the June 30, 2020 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### ***Long-Term Expected Rate of Return***

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 rates of return, excluding the inflation component of 2.50%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

| <i>Asset Class</i>       | Target<br>Allocation | Range   | Long-Term Expected Real<br>Rate of Return |
|--------------------------|----------------------|---------|---|
| Broad domestic equity    | 28%                  | +/- 6%  | 6.63%                                     |
| Global equity (non-U.S.) | 19%                  | +/- 4%  | 5.41%                                     |
| Aggregate bonds          | 22%                  | +/- 10% | 0.76%                                     |
| Opportunistic            | 6%                   | +/- 4%  | 4.39%                                     |
| Real assets              | 13%                  | +/- 7%  | 3.16%                                     |
| Private equity           | 12%                  | +/- 8%  | 9.29%                                     |
| Cash equivalents         | -%                   | -%      | 0.13%                                     |

### ***Discount Rate***

The discount rate used to measure the total pension liability was 7.38%. The discount rate used did not change from the prior measurement date. 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.

### ***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.38%, 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 one percentage-point lower or one percentage-point higher than the current rate:

|  | Proportional<br>Share | 1% Decrease<br>(6.38%) | Current<br>Discount Rate<br>(7.38%) | 1% Increase<br>(8.38%) |
|--|-----------------------|------------------------|-------------------------------------|------------------------|
| City's proportionate share of<br>the net pension liability | 0.33657%              | \$ 18,287,899          | \$ 12,347,185                       | \$ 7,356,221           |

# 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 DC plan. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the DB 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, a 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 <https://drb.alaska.gov/docs/reports/>.

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. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were applied in the year ended June 30, 2022 to cover a portion of the City's employer match contributions. For the year ended June 30, 2022, forfeitures reduced pension expense by \$13,123.

### ***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, 2022, 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, 2022 were \$324,251 and \$518,793, respectively. The City contribution amount was recognized as pension expense/expenditures.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

***(c) Defined Benefit OPEB Plans***

As part of its participation in PERS, the City participates in the following cost-sharing multiple-employer defined benefit OPEB plans: Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD).

The ARHCT, a healthcare trust fund, provides major medical coverage to retirees of the DB plan. The ARHCT is self-funded and self-insured. The ARHCT was closed to all new members effective July 1, 2006. Benefits vary by Tier level. The RMP provides major medical coverage to retirees of the PERS DC Plan (Tier IV). The RMP is self-insured. Members are not eligible to use the Plan until they have at least 10 years of service and are Medicare age eligible. 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. The OPEB plans are included in the comprehensive annual financial report for PERS, at the following website <https://drb.alaska.gov/docs/reports/>.

***Employer Contribution Rate***

Employer contribution rates are actuarially determined and adopted by and may be amended by the Board. Employees do not contribute.

Employer contribution rates for the year ended June 30, 2022 were as follows:

|                                   | Other        | Police/Fire  |
|-----------------------------------|--------------|--------------|
| Alaska Retiree Healthcare Trust   | 6.46%        | 6.46%        |
| Retiree Medical Plan              | 1.07%        | 1.07%        |
| Occupational Death and Disability | 0.31%        | 0.68%        |
| <b>Total Contribution Rates</b>   | <b>7.84%</b> | <b>8.21%</b> |

In 2022, the City was credited with the following contributions to the OPEB plans:

|                                | Measurement Period<br>July 1, 2020<br>to<br>June 30, 2021 | City Fiscal Year<br>July 1, 2021<br>to<br>June 30, 2022 |
|--------------------------------|---|---|
| Employer contributions - ARHCT | \$ 208,912  | \$ 169,292  |
| Employer contributions - RMP   | 82,359  | 76,012  |
| Employer contributions - ODD   | 26,114  | 28,701  |
| <b>Total Contributions</b>     | <b>\$ 317,385</b>   | <b>\$ 274,005</b>                                       |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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

At June 30, 2022, the City reported an asset for its proportionate share of the net OPEB asset (NOA) 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:

|   |                      |
|---|----------------------|
| City's proportionate share of NOA - ARHCT                             | \$ 8,670,069         |
| City's proportionate share of NOA - RMP                               | 119,114              |
| City's proportionate share of NOA - ODD                               | 215,771              |
| <b>Total City's Proportionate Share of Net OPEB Asset</b>             | <b>\$ 9,004,954</b>  |
| State's proportionate share of the ARHCT NOA associated with the City | 1,136,252            |
| <b>Total Net OPEB Asset</b>   | <b>\$ 10,141,206</b> |

The total OPEB asset for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 to calculate the net OPEB asset as of that date. The City's proportion of the net OPEB assets is 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, 2020<br>Measurement<br>Date Employer<br>Proportion | June 30, 2021<br>Measurement<br>Date Employer<br>Proportion | Change   |
|--|---|---|----------|
| City's proportionate share of the net OPEB assets: |   |   |          |
| ARHCT  | 0.26721%  | 0.33797%  | 0.07076% |
| RMP  | 0.42893%  | 0.44376%  | 0.01483% |
| ODD  | 0.47840%  | 0.48958%  | 0.01118% |

For the year ended June 30, 2022, the City recognized OPEB expense (benefit) of \$(3,187,067). Of this amount, \$(394,237) was recorded for on-behalf revenue and expense for support provided by the ARHCT plan. OPEB expense (benefit) and on-behalf revenue is listed by plan in the table below:

| <i>Plan</i>  | OPEB<br>expense/<br>(benefit) | On-behalf<br>Revenue |
|--------------|-------------------------------|----------------------|
| ARHCT        | \$ (3,326,824)                | \$ (394,237)         |
| RMP          | 116,183                       | -                    |
| ODD          | 23,574                        | -                    |
| <b>Total</b> | <b>\$ (3,187,067)</b>         | <b>\$ (394,237)</b>  |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

| <i>Deferred Outflows of Resources</i>   | ARHCT   | RMP      | ODD    | Total    |
|---|---------|----------|--------|----------|
| Difference between expected and actual experience   | \$ -    | \$ 8,856 | \$ -   | \$ 8,856 |
| Changes in assumptions  | -       | 37,023   | -      | 37,023   |
| Changes in proportion and differences between City contributions and proportionate share of contributions | -       | 5,587    | -      | 5,587    |
| City contributions subsequent to the measurement date   | 169,292 | 76,012   | 28,701 | 274,005  |

|   |                   |                   |                  |                   |
|---|-------------------|-------------------|------------------|-------------------|
| <b>Total Deferred Outflows of Resources Related to OPEB Plans</b> | <b>\$ 169,292</b> | <b>\$ 127,478</b> | <b>\$ 28,701</b> | <b>\$ 325,471</b> |
|---|-------------------|-------------------|------------------|-------------------|

| <i>Deferred Inflows of Resources</i>  | ARHCT       | RMP        | ODD         | Total        |
|---|-------------|------------|-------------|--------------|
| Difference between expected and actual experience   | \$ (91,050) | \$ (5,663) | \$ (58,934) | \$ (155,647) |
| Changes in assumptions  | (327,644)   | (70,789)   | (1,639)     | (400,072)    |
| Difference between projected and actual investment earnings   | (4,057,128) | (106,564)  | (34,599)    | (4,198,291)  |
| Changes in proportion and differences between City contributions and proportionate share of contributions | (73,844)    | (396)      | (10,670)    | (84,910)     |

|  |                       |                     |                     |                       |
|--|-----------------------|---------------------|---------------------|-----------------------|
| <b>Total Deferred Inflows of Resources Related to OPEB Plans</b> | <b>\$ (4,549,666)</b> | <b>\$ (183,412)</b> | <b>\$ (105,842)</b> | <b>\$ (4,838,920)</b> |
|--|-----------------------|---------------------|---------------------|-----------------------|

Amounts reported as deferred outflows of resources related to OPEB plans resulting from City contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB assets in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <i>Year Ending June 30,</i> | ARHCT                 | RMP                 | ODD                 | Total                 |
|-----------------------------|-----------------------|---------------------|---------------------|-----------------------|
| 2023                        | \$ (1,442,996)        | \$ (28,378)         | \$ (20,384)         | \$ (1,491,758)        |
| 2024                        | (934,343)             | (28,428)            | (20,362)            | (983,133)             |
| 2025                        | (1,003,290)           | (29,504)            | (20,725)            | (1,053,519)           |
| 2026                        | (1,169,037)           | (32,899)            | (21,879)            | (1,223,815)           |
| 2027                        | -                     | (3,243)             | (11,925)            | (15,168)              |
| Thereafter                  | -                     | (9,494)             | (10,567)            | (20,061)              |
| <b>Total Amortization</b>   | <b>\$ (4,549,666)</b> | <b>\$ (131,946)</b> | <b>\$ (105,842)</b> | <b>\$ (4,787,454)</b> |

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### *Actuarial Assumptions*

The total OPEB asset for each plan for the measurement period ended June 30, 2021 was determined by actuarial valuations as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2021:

---

|   |   |
|---|---|
| Actuarial cost method                   | Entry age normal  |
| Amortization method                     | Unfunded accrued actuarial liability, level percent of pay basis  |
| Inflation                               | 2.50% per year  |
| Salary increases                        | Graded by service, from 7.75% to 2.75% for Peace Officer/Firefighter. Graded by service from 6.75% to 2.75% for all others  |
| Allocation methodology                  | Amounts for the June 30, 2021 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions to the Plan for fiscal years 2023 to 2039.  |
| Investment return of return             | 7.38%, net of postemployment healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.   |
| Healthcare cost trend rates             | Pre-65 medical: 6.5% grading down to 4.5%<br>Post-65 medical: 5.4% grading down to 4.5%<br>Prescription drug: 7.5% grading down to 4.5%<br>EGWP: 7.5% grading down to 4.5%  |
| Mortality<br>(ARHCT, RMP and ODD Plans) | Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Post-commencement mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. The rates for pre-commencement mortality were 100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. |
| (ODD Plan)                              | Deaths are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for all others. Disability mortality in accordance with the RP-2014 Disabled Table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.  |
| Participation (ARHCT)                   | 100% of system paid members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible.<br>20% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.   |

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# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 20 and CY 21.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

### ***Long-Term Expected Rate of Return***

The long-term expected rate of return on OPEB plan investments for each plan 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 rates of return, excluding the inflation component of 2.50% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021 are summarized in the following table:

| <i>Asset Class</i>       | Target Allocation | Range   | Long-Term Expected Real Rate of Return |
|--------------------------|-------------------|---------|--|
| Broad domestic equity    | 28%               | +/- 6%  | 6.63%                                  |
| Global equity (non-U.S.) | 19%               | +/- 4%  | 5.41%                                  |
| Aggregate bonds          | 22%               | +/- 10% | 0.76%                                  |
| Opportunistic            | 6%                | +/- 4%  | 4.39%                                  |
| Real assets              | 13%               | +/- 7%  | 3.16%                                  |
| Private equity           | 12%               | +/- 8%  | 9.29%                                  |
| Cash equivalents         | -%                | -%      | 0.13%                                  |

### ***Discount Rate***

The discount rate used to measure the total OPEB asset for each plan as of June 30, 2021 was 7.38%. This discount rate used did not change from the prior measurement date. 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 fiduciary net position of each plan 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 asset for each plan.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

### ***Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate***

The following presents the City's proportionate share of the net OPEB asset calculated using the discount rate of 7.38%, as well as what the City's proportionate share of the respective plan's net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

|   | Proportional<br>Share | 1% Decrease<br>(6.38%) | Current<br>Discount<br>Rate (7.38%) | 1% Increase<br>(8.38%) |
|---|-----------------------|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB asset: |                       |                        |                                     |                        |
| ARHCT   | 0.33797%              | \$ (5,670,095)         | \$ (8,670,069)                      | \$ (11,161,324)        |
| RMP   | 0.44376%              | \$ 77,742              | \$ (119,114)                        | \$ (267,801)           |
| ODD   | 0.48958%              | \$ (206,611)           | \$ (215,771)                        | \$ (223,065)           |

### ***Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates***

The following presents the City's proportionate share of the net OPEB asset calculated using the healthcare cost trend rates as summarized in the 2020 actuarial valuation reports as well as what the City's proportionate share of the respective plan's net OPEB asset would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

|   | Proportional<br>Share | 1% Decrease     | Current<br>Healthcare<br>Cost Trend<br>Rate | 1% Increase    |
|---|-----------------------|-----------------|---|----------------|
| City's proportionate share of the net OPEB asset: |                       |                 |   |                |
| ARHCT   | 0.33797%              | \$ (11,452,957) | \$ (8,670,069)                              | \$ (5,311,849) |
| RMP   | 0.44376%              | \$ (289,084)    | \$ (119,114)                                | \$ 122,480     |
| ODD   | 0.48958%              | \$ n/a          | \$ n/a                                      | \$ n/a         |

### ***OPEB Plan Fiduciary Net Position***

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

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

PERS DC Pension Plan participants (PERS Tier IV) also participate in the Health Reimbursement Arrangement Plan (HRA Plan). The HRA Plan allows for medical care expense to be reimbursed from individual savings accounts established for eligible persons. The HRA Plan became effective July 1, 2006 at which time contributions by employers began.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### ***Contribution Rate***

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, 2021, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,168 per year for each full-time employee, and \$1.39 per hour for part-time employees.

### ***Annual Postemployment Healthcare Cost***

In fiscal year 2022, the City contributed \$195,044 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, 2022. Coverage limits and the deductibles on the policies have stayed relatively constant for the past few years.

# 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, 2022 were as follows:

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|   |                     |
|---|---------------------|
| Governmental funds:                     |                     |
| General Fund                            | \$ 247,924          |
| Miscellaneous Capital Projects Fund     | 1,007,182           |
| Nonmajor funds                          | 592,916             |
| <b>Total Governmental Funds</b>         | <b>\$ 1,848,022</b> |
| <hr/>                                   |                     |
| Proprietary funds:                      |                     |
| Water utility                           | \$ 846,489          |
| Sewer utility                           | 439,737             |
| Municipal airport                       | 246,061             |
| Curtis D. Menard Memorial sports center | 18,096              |
| <b>Total Proprietary Funds</b>          | <b>\$ 1,550,383</b> |

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#### (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, 2022.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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### 11. Related Parties

In the normal course of business, the City may contract for goods or services from vendors whose shareholders, officers, or employees may also be associated with the City as an official, council member, or employee. Such payments during 2022 in aggregate were \$790,172.

### 12. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates (effective dates are adjusted for the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance). The following new accounting standards were implemented by the City for 2022 reporting:

GASB Statement No. 87 - *Leases* - Effective for year-end June 30, 2022, 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. The City analyzed all active leases to determine which leases applied to GASB Statement 87, then accounted for those leases accordingly.

GASB Statement No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period* - Effective for year-end June 30, 2022. 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. The City evaluated the impacts of GASB Statement 89 and determined there to be no impact to the City's financial statements for the current fiscal year.

GASB Statement No. 92 - *Omnibus 2020* - Provisions of this Statement related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The effective date for all other provisions of the Statement are to be implemented for year-end June 30, 2022. This Statement addresses a variety of topics such as leases, the applicability of Statement No. 73 and Statement No. 74 for reporting assets accumulated for postemployment benefits, the applicability of Statement No. 84 to postemployment benefit arrangements, the measurements of liabilities and assets related to asset retirement obligations in a government acquisition, reporting of public entity risk pools, referencing to nonrecurring fair value measurements, and terminology used to refer to derivative instruments. The City evaluated the impacts of GASB Statement 92 and determined there to be no impact to the City's financial statements for the current fiscal year.

GASB Statement No. 93 - *Replacement of Interbank Offered Rates* - The provisions of this Statement, except for paragraph 11b, 13 and 14, are required to be implemented for year-end June 30, 2021. The requirements in paragraph 11b, 13 and 14 are required to be implemented for year-end June 30, 2022. This Statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The City evaluated the impacts of GASB Statement 93 and determined there to be no impact to the City's financial statements for the current fiscal year.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* - Effective for year-end June 30, 2022, except the portion of the pronouncement related to component unit criteria, which is effective for year-end June 30, 2020. This Statement modifies certain guidance contained in Statement No. 84 and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The City evaluated the impacts of GASB Statement 97 and determined there to be no impact to the City's financial statements for the current fiscal year.

The Governmental Accounting Standards Board has issued several new accounting standards with upcoming implementation dates (effective dates adjusted for the issuance of GASB Statement 95). Management has not fully evaluated the potential effects of these statements, and actual impacts have not yet been determined. The statements are as follows:

GASB Statement No. 91 - *Conduit Debt Obligations* - Effective for year-end June 30, 2023. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting.

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* - Effective for year-end June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and also provides guidance for accounting and financial reporting for availability payment arrangements (APA).

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements* - Effective for year-end June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement, among other things, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability, provides capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA.

GASB Statement No. 99 - *Omnibus 2022* - Provisions of this Statement related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, classification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63 are effective upon issuance. The effective date for the provisions of this Statement related to leases, PPPs, and SBITAs are to be implemented for year-end June 30, 2023. The effective date for the provisions of this Statement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53, are to be implemented for year-end June 30, 2024.

GASB Statement No. 100 - *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62 - Effective for year-end June 30, 2024. Earlier application is encouraged. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

# City of Wasilla, Alaska

## Notes to Basic Financial Statements

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GASB Statement No. 101 - *Compensated Absences* - Effective for year-end June 30, 2025. Earlier application is encouraged. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

### 13. Subsequent Events

The American Rescue Plan Act (ARPA) of 2021 was signed into law on March 11, 2021, providing additional COVID-19 relief. The full amount of ARPA relief to be received by the City, passed through the State of Alaska, is \$2,616,209. The City received the second tranche of funding in the amount of \$1,311,623 on August 8, 2022.

### 14. Change in Accounting Principle

In 2022, the City adopted the provisions of GASB Statement No. 87 *Leases*, which among other accounting and reporting criteria, requires the City to recognize the lease liability/asset and related deferred inflow/outflow accounts, as of the beginning of the City's fiscal year. GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB Statement 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities. The effect on beginning net position of adopting GASB Statement 87 in the City's financial statements for the year ended June 30, 2022, was zero, since the balances for lease liability and intangible right-to-use asset, and receivable and deferred inflow of resources related to leases were the same. As a result of the implementation of this statement, the City has recorded no opening balance adjustments.

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## 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, 2022</i>               | Budget              |                       | Actual              | Variance with<br>Final Budget |
|---|---------------------|-----------------------|---------------------|-------------------------------|
|   | Original            | Final                 |                     |                               |
| <b>Revenues</b>                               |                     |                       |                     |                               |
| Taxes   | \$ 18,405,954       | \$ 18,405,954         | \$22,259,480        | \$ 3,853,526                  |
| Licenses and permits                          | 76,500              | 79,750                | 84,190              | 4,440                         |
| Fines and forfeitures                         | 175,000             | 175,000               | 247,621             | 72,621                        |
| Intergovernmental                             | 1,113,896           | 1,087,553             | 1,863,158           | 775,605                       |
| Charges for services                          | 3,566,716           | 3,562,966             | 3,543,736           | (19,230)                      |
| Investment income (loss)                      | 450,000             | 450,000               | (815,088)           | (1,265,088)                   |
| Other   | 63,800              | 64,300                | 147,594             | 83,294                        |
| <b>Total Revenues</b>                         | <b>23,851,866</b>   | <b>23,825,523</b>     | <b>27,330,691</b>   | <b>3,505,168</b>              |
| <b>Expenditures</b>                           |                     |                       |                     |                               |
| Current:                                      |                     |                       |                     |                               |
| General government                            | 4,355,610           | 4,335,210             | 3,941,225           | 393,985                       |
| Public safety                                 | 11,475,697          | 11,097,134            | 6,824,169           | 4,272,965                     |
| Public works                                  | 2,531,282           | 2,504,891             | 2,375,612           | 129,279                       |
| Culture and recreation                        | 2,713,525           | 2,689,561             | 2,503,588           | 185,973                       |
| Nondepartmental                               | 179,000             | 179,000               | 87,012              | 91,988                        |
| Debt service principal- leases                | -                   | -                     | 29,354              | (29,354)                      |
| Debt service interest- leases                 | -                   | -                     | 7,546               | (7,546)                       |
| Capital outlay- intangible right to use lease | -                   | -                     | 162,749             | (162,749)                     |
| <b>Total Expenditures</b>                     | <b>21,255,114</b>   | <b>20,805,796</b>     | <b>15,931,255</b>   | <b>4,874,541</b>              |
| <b>Excess of Revenues Over Expenditures</b>   | <b>2,596,752</b>    | <b>3,019,727</b>      | <b>11,399,436</b>   | <b>8,379,709</b>              |
| <b>Other Financing Sources (Uses)</b>         |                     |                       |                     |                               |
| Proceeds from sale of assets                  | 35,000              | 35,000                | 70,463              | 35,463                        |
| Right to use lease acquisition                | -                   | -                     | 162,749             | 162,749                       |
| Transfers in                                  | 100                 | 100                   | 100                 | -                             |
| Transfers out                                 | (3,404,466)         | (4,293,151)           | (4,293,151)         | -                             |
| <b>Net Other Financing Sources (Uses)</b>     | <b>(3,369,366)</b>  | <b>(4,258,051)</b>    | <b>(4,059,839)</b>  | <b>198,212</b>                |
| <b>Net Change in Fund Balance</b>             | <b>\$ (772,614)</b> | <b>\$ (1,238,324)</b> | <b>7,339,597</b>    | <b>\$ 8,577,921</b>           |
| <b>Fund Balance, beginning</b>                |                     |                       | <b>36,368,784</b>   |                               |
| <b>Fund Balance, ending</b>                   |                     |                       | <b>\$43,708,381</b> |                               |

See accompanying notes to Required Supplementary Information.

**City of Wasilla, Alaska**  
**Public Employees' Retirement System - Pension Plan**  
**Schedule of the City's Proportionate Share of the Net Pension Liability**

| <i>Years Ended June 30,</i>  | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| City's Proportion of the Net Pension Liability   | 0.33657%             | 0.26731%             | 0.23985%             | 0.27329%             | 0.23669%             | 0.27588%             | 0.23878%             | 0.16341%             |
| City's Proportionate Share of the<br>Net Pension Liability                               | \$ 12,347,185        | \$ 15,774,228        | \$ 13,130,205        | \$ 13,580,031        | \$ 12,235,598        | \$ 15,420,525        | \$ 11,580,779        | \$ 7,621,647         |
| State of Alaska Proportionate Share of the<br>Net Pension Liability                      | 1,673,580            | 6,529,099            | 5,212,727            | 3,935,557            | 4,558,116            | 1,941,651            | 3,103,029            | 6,726,524            |
| <b>Total Net Pension Liability</b>   | <b>\$ 14,020,765</b> | <b>\$ 22,303,327</b> | <b>\$ 18,342,932</b> | <b>\$ 17,515,588</b> | <b>\$ 16,793,714</b> | <b>\$ 17,362,176</b> | <b>\$ 14,683,808</b> | <b>\$ 14,348,171</b> |
| City's Covered Payroll   | \$ 9,296,678         | \$ 9,031,438         | \$ 8,641,719         | \$ 8,133,661         | \$ 7,597,594         | \$ 7,169,357         | \$ 6,958,225         | \$ 6,711,285         |
| City's Proportionate Share of the<br>Net Pension Liability as a Percentage of<br>Payroll | 132.81%              | 174.66%              | 151.94%              | 166.96%              | 161.05%              | 215.09%              | 166.43%              | 113.56%              |
| Plan Fiduciary Net Position as a Percentage<br>of the Total Pension Liability            | 76.46%               | 61.61%               | 63.42%               | 65.19%               | 63.37%               | 59.55%               | 63.96%               | 63.37%               |

**Schedule of the City's Contributions**

| <i>Years Ended June 30,</i>  | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contributions                                 | \$ 1,315,484 | \$ 1,201,900 | \$ 966,295   | \$ 1,022,635 | \$ 1,051,897 | \$ 878,392   | \$ 732,714   | \$ 696,515   |
| Contributions Relative to the Contractually<br>Required Contribution | 1,315,484    | 1,201,900    | 966,295      | 1,022,635    | 1,051,897    | 878,392      | 732,714      | 696,515      |
| Contribution Deficiency (Excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| City's Covered Payroll   | \$ 9,724,483 | \$ 9,296,678 | \$ 9,031,438 | \$ 8,641,719 | \$ 8,133,661 | \$ 7,597,594 | \$ 7,169,357 | \$ 6,958,225 |
| Contributions as a Percentage of Covered<br>Payroll                  | 13.528%      | 12.928%      | 10.699%      | 11.834%      | 12.933%      | 11.561%      | 10.220%      | 10.010%      |

*See accompanying notes to Required Supplementary Information.*

## City of Wasilla, Alaska

### Public Employees' Retirement System - OPEB ARHCT Plan Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)

| Years Ended June 30,   | ARHCT                 |                       |                   |                     |                     |
|--|-----------------------|-----------------------|-------------------|---------------------|---------------------|
|  | 2022                  | 2021                  | 2020              | 2019                | 2018                |
| City's Proportion of the Net OPEB Liability (Asset)  | 0.33797%              | 0.26721%              | 0.23978%          | 0.27329%            | 0.23680%            |
| City's Proportionate Share of the<br>Net OPEB Liability (Asset)                            | \$ (8,670,069)        | \$ (1,210,102)        | \$ 355,782        | \$ 2,804,738        | \$ 2,000,418        |
| State of Alaska Proportionate Share of the<br>Net OPEB Liability (Asset)                   | (1,136,252)           | (502,088)             | 141,589           | 813,279             | -                   |
| <b>Total Net OPEB Liability (Asset)</b>  | <b>\$ (9,806,321)</b> | <b>\$ (1,712,190)</b> | <b>\$ 497,371</b> | <b>\$ 3,618,017</b> | <b>\$ 2,000,418</b> |
| City's Covered Payroll   | \$ 2,811,679          | \$ 3,038,402          | \$ 3,244,233      | \$ 3,570,873        | \$ 3,335,527        |
| City's Proportionate Share of the Net OPEB<br>Liability (Asset) as a Percentage of Payroll | -308.36%              | -39.83%               | 10.97%            | 78.54%              | 59.97%              |
| Plan Fiduciary Net Position as a Percentage<br>of the Total OPEB Liability (Asset)         | 135.54%               | 106.15%               | 98.13%            | 88.12%              | 89.68%              |

### Schedule of the City's Contributions

| Years Ended June 30,   | ARHCT        |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
|  | 2022         | 2021         | 2020         | 2019         | 2018         |
| Contractually Required Contributions                                 | \$ 169,292   | \$ 208,912   | \$ 385,979   | \$ 369,635   | \$ 299,834   |
| Contributions Relative to the Contractually<br>Required Contribution | 169,292      | 208,912      | 385,979      | 369,635      | 299,834      |
| Contribution Deficiency (Excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| City's Covered Payroll   | \$ 2,620,559 | \$ 2,811,679 | \$ 3,038,402 | \$ 3,244,233 | \$ 3,570,873 |
| Contributions as a Percentage of Covered Payroll                     | 6.460%       | 7.430%       | 12.703%      | 11.394%      | 8.397%       |

*See accompanying notes to Required Supplementary Information.*

**City of Wasilla, Alaska**  
**Public Employees' Retirement System - OPEB RMP Plan**  
**Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)**

| <i>Years Ended June 30,</i>  | RMP                 |                  |                   |                  |                  |
|--|---------------------|------------------|-------------------|------------------|------------------|
|  | 2022                | 2021             | 2020              | 2019             | 2018             |
| City's Proportion of the Net OPEB Liability (Asset)  | 0.44376%            | 0.42893%         | 0.43234%          | 0.40399%         | 0.36639%         |
| City's Proportionate Share of the<br>Net OPEB Liability (Asset)                            | \$ (119,114)        | \$ 30,424        | \$ 103,432        | \$ 51,408        | \$ 19,107        |
| State of Alaska Proportionate Share of the<br>Net OPEB Liability (Asset)                   | -                   | -                | -                 | -                | -                |
| <b>Total Net OPEB Liability (Asset)</b>  | <b>\$ (119,114)</b> | <b>\$ 30,424</b> | <b>\$ 103,432</b> | <b>\$ 51,408</b> | <b>\$ 19,107</b> |
| City's Covered Payroll   | \$ 6,484,998        | \$ 5,993,036     | \$ 5,397,486      | \$ 4,562,788     | \$ 4,262,067     |
| City's Proportionate Share of the Net OPEB<br>Liability (Asset) as a Percentage of Payroll | -1.84%              | 0.51%            | 1.92%             | 1.13%            | 0.45%            |
| Plan Fiduciary Net Position as a Percentage<br>of the Total OPEB Liability (Asset)         | 115.10%             | 95.23%           | 83.17%            | 88.71%           | 93.98%           |

**Schedule of the City's Contributions**

| <i>Years Ended June 30,</i>  | RMP          |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
|  | 2022         | 2021         | 2020         | 2019         | 2018         |
| Contractually Required Contributions                                 | \$ 76,012    | \$ 82,359    | \$ 76,512    | \$ 50,736    | \$ 47,095    |
| Contributions Relative to the Contractually<br>Required Contribution | 76,012       | 82,359       | 76,512       | 50,736       | 47,095       |
| Contribution Deficiency (Excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| City's Covered Payroll   | \$ 7,103,924 | \$ 6,484,998 | \$ 5,993,036 | \$ 5,397,486 | \$ 4,562,788 |
| Contributions as a Percentage of Covered Payroll                     | 1.070%       | 1.270%       | 1.277%       | 0.940%       | 1.032%       |

*See accompanying notes to Required Supplementary Information.*

## City of Wasilla, Alaska

**Public Employees' Retirement System - OPEB ODD Plan**  
**Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)**

| Years Ended June 30,   | ODD                 |                     |                     |                    |                    |
|--|---------------------|---------------------|---------------------|--------------------|--------------------|
|  | 2022                | 2021                | 2020                | 2019               | 2018               |
| City's Proportion of the Net OPEB Liability (Asset)  | 0.48958%            | 0.47840%            | 0.47294%            | 0.40399%           | 0.36639%           |
| City's Proportionate Share of the<br>Net OPEB Liability (Asset)                            | \$ (215,771)        | \$ (130,411)        | \$ (114,665)        | \$ (78,463)        | \$ (51,986)        |
| State of Alaska Proportionate Share of the<br>Net OPEB Liability (Asset)                   | -                   | -                   | -                   | -                  | -                  |
| <b>Total Net OPEB Liability (Asset)</b>  | <b>\$ (215,771)</b> | <b>\$ (130,411)</b> | <b>\$ (114,665)</b> | <b>\$ (78,463)</b> | <b>\$ (51,986)</b> |
| City's Covered Payroll   | \$ 6,484,998        | \$ 5,993,036        | \$ 5,397,486        | \$ 4,562,788       | \$ 4,262,067       |
| City's Proportionate Share of the Net OPEB<br>Liability (Asset) as a Percentage of Payroll | -3.33%              | -2.18%              | -2.12%              | -1.72%             | -1.22%             |
| Plan Fiduciary Net Position as a Percentage<br>of the Total OPEB Liability (Asset)         | 374.22%             | 283.80%             | 297.43%             | 270.62%            | 212.97%            |

**Schedule of the City's Contributions**

| Years Ended June 30,   | ODD          |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
|  | 2022         | 2021         | 2020         | 2019         | 2018         |
| Contractually Required Contributions                                 | \$ 28,701    | \$ 26,114    | \$ 20,979    | \$ 19,310    | \$ 9,932     |
| Contributions Relative to the Contractually<br>Required Contribution | 28,701       | 26,114       | 20,979       | 19,310       | 9,932        |
| Contribution Deficiency (Excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| City's Covered Payroll   | \$ 7,103,924 | \$ 6,484,998 | \$ 5,993,036 | \$ 5,397,486 | \$ 4,562,788 |
| Contributions as a Percentage of Covered Payroll                     | 0.404%       | 0.403%       | 0.350%       | 0.358%       | 0.218%       |

*See accompanying notes to Required Supplementary Information.*

# City of Wasilla, Alaska

## Notes to Required Supplementary Information June 30, 2022

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### 1. Budgetary Comparison Schedule

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

- The finance 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 are 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 2022 budget document. That document may be obtained from the City of Wasilla, Department of Finance, 290 E. Herning Avenue, Wasilla, Alaska 99654.

The CARES Act Special Revenue Fund does not have a legally adopted budget; therefore, no budgetary comparison schedule has been presented for this fund.

# City of Wasilla, Alaska

## Notes to Required Supplementary Information, continued June 30, 2022

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### 2. Public Employees' Retirement System Pension Plan

#### *Schedule of the City's Proportionate Share of the Net Pension Liability*

This table is presented based on the Plan measurement date. For June 30, 2022, the Plan measurement date is June 30, 2021.

#### *Changes in Assumptions:*

The actuarial assumptions used in the June 30, 2020 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

In 2020, the discount rate was lowered from 8% to 7.38%.

Amounts reported reflect a change in assumptions between 2016 and 2017 in the method of allocating the net pension liability from actual contributions to present value of projected future contributions.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the City will present only those years for which information is available.

#### *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.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the City will present only those years for which information is available.

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# City of Wasilla, Alaska

## Notes to Required Supplementary Information, continued June 30, 2022

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### 3. Public Employees' Retirement System OPEB Plans

#### *Schedule of the City's Proportionate Share of the Net OPEB Asset and Liability*

These tables are presented based on the Plan measurement date. For June 30, 2022, the Plan measurement date is June 30, 2021.

#### *Changes in Assumptions:*

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 20 to CY 21.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

In 2020, the discount rate was lowered from 8% to 7.38%.

In 2020, an Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in larger projected subsidies to offset the cost of prescription drug coverage.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the City will present only those years for which information is available.

#### *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.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the City will present only those years for which information is available.

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## 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>   | 2022                 | 2021                 |
|---|----------------------|----------------------|
| <b>Assets</b>   |                      |                      |
| Cash and investments  | \$ 41,760,601        | \$ 34,474,307        |
| Receivables:  |                      |                      |
| Accounts  | 108,612              | 68,342               |
| Taxes   | 2,206,747            | 2,001,107            |
| Grants  | 21,307               | 23,900               |
| Leases  | 583,821              | -                    |
| Shared revenues   | 414,633              | 285,464              |
| Total receivables   | 3,335,120            | 2,378,813            |
| Prepaid items   | 327,247              | 396,656              |
| <b>Total Assets</b>   | <b>\$ 45,422,968</b> | <b>\$ 37,249,776</b> |
| <b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>       |                      |                      |
| <b>Liabilities</b>  |                      |                      |
| Accounts payable  | \$ 304,951           | \$ 287,480           |
| Accrued payroll and employee benefits                                     | 806,594              | 555,210              |
| Customer deposits   | 10,570               | 2,000                |
| Unearned revenue  | 26,435               | 36,302               |
| <b>Total Liabilities</b>  | <b>1,148,550</b>     | <b>880,992</b>       |
| <b>Deferred Inflows of Resources</b>                                      |                      |                      |
| Related to leases   | 566,037              | -                    |
| <b>Total Liabilities and Deferred Inflows of Resources</b>                | <b>1,714,587</b>     | <b>880,992</b>       |
| <b>Fund Balance</b>   |                      |                      |
| Nonspendable - prepaid items  | 327,247              | 396,656              |
| Committed - capital improvements  | 35,800,514           | 24,419,709           |
| Assigned:   |                      |                      |
| Land bank   | 721,300              | 691,500              |
| Compensated absences  | 789,254              | 944,771              |
| Wings Over Wasilla  | -                    | 25,864               |
| Other purposes  | 87,572               | 33,266               |
| Unassigned  | 5,982,494            | 9,857,018            |
| <b>Total Fund Balance</b>   | <b>43,708,381</b>    | <b>36,368,784</b>    |
| <b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b> | <b>\$ 45,422,968</b> | <b>\$ 37,249,776</b> |

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

| <i>Years Ended June 30,</i>        | 2022              | 2021              |
|------------------------------------|-------------------|-------------------|
| <b>Revenues</b>                    |                   |                   |
| Taxes                              | \$ 22,259,480     | \$ 21,012,162     |
| Licenses and permits               | 84,190            | 76,453            |
| Fines and forfeitures              | 247,621           | 167,850           |
| Intergovernmental                  | 1,863,158         | 1,773,309         |
| Charges for services               | 3,543,736         | 3,569,691         |
| Investment income (loss)           | (815,088)         | 91,610            |
| Other                              | 147,594           | 73,252            |
| <b>Total Revenues</b>              | <b>27,330,691</b> | <b>26,764,327</b> |
| <b>Expenditures</b>                |                   |                   |
| General government:                |                   |                   |
| City clerk                         | 495,078           | 467,733           |
| City council                       | 154,290           | 146,627           |
| Administration                     | 321,057           | 342,613           |
| General administration services    | 968,926           | 759,968           |
| Finance                            | 1,524,419         | 1,380,285         |
| Management information systems     | 477,455           | 417,596           |
| <b>Total general government</b>    | <b>3,941,225</b>  | <b>3,514,822</b>  |
| Public safety:                     |                   |                   |
| Police                             | 551,142           | 299,113           |
| Investigation and drug enforcement | 387,414           | 65,801            |
| Police patrol                      | 2,451,701         | 851,164           |
| School resource officer grant      | 470,145           | 261,543           |
| Dispatch center                    | 2,963,767         | 1,412,460         |
| Code compliance                    | -                 | 90,935            |
| <b>Total public safety</b>         | <b>6,824,169</b>  | <b>2,981,016</b>  |

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

| <i>Years Ended June 30,</i>                   | 2022                 | 2021                 |
|---|----------------------|----------------------|
| <b>Expenditures, continued:</b>               |                      |                      |
| Public works:                                 |                      |                      |
| Administration                                | \$ 391,617           | \$ 394,369           |
| Road maintenance                              | 1,380,134            | 1,214,739            |
| Property maintenance                          | 603,861              | 578,560              |
| <b>Total public works</b>                     | <b>2,375,612</b>     | <b>2,187,668</b>     |
| Culture and recreation:                       |                      |                      |
| Museum  | 335,053              | 243,262              |
| Parks maintenance                             | 709,216              | 687,583              |
| Library                                       | 1,337,708            | 1,295,315            |
| Recreation services                           | 121,611              | 104,295              |
| <b>Total culture and recreation</b>           | <b>2,503,588</b>     | <b>2,330,455</b>     |
| Nondepartmental                               | 87,012               | 148,945              |
| Debt service principal- leases                | 29,354               | -                    |
| Debt service interest- leases                 | 7,546                | -                    |
| Capital outlay- intangible right to use lease | 162,749              | -                    |
| <b>Total Expenditures</b>                     | <b>15,931,255</b>    | <b>11,162,906</b>    |
| <b>Excess of Revenues Over Expenditures</b>   | <b>11,399,436</b>    | <b>15,601,421</b>    |
| <b>Other Financing Sources (Uses)</b>         |                      |                      |
| Proceeds from sale of assets                  | 70,463               | -                    |
| Right to use lease acquisition                | 162,749              | -                    |
| Transfers in                                  | 100                  | 33                   |
| Transfers out                                 | (4,293,151)          | (3,477,600)          |
| <b>Net Other Financing Sources (Uses)</b>     | <b>(4,059,839)</b>   | <b>(3,477,567)</b>   |
| <b>Net Change in Fund Balance</b>             | <b>7,339,597</b>     | <b>12,123,854</b>    |
| <b>Fund Balance, beginning</b>                | <b>36,368,784</b>    | <b>24,244,930</b>    |
| <b>Fund Balance, ending</b>                   | <b>\$ 43,708,381</b> | <b>\$ 36,368,784</b> |

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

| Years Ended June 30,                                | 2022              |                   |                    | 2021              |
|---|-------------------|-------------------|--------------------|-------------------|
|   | Budget            | Actual            | Variance           | Actual            |
| <b>Revenues</b>                                     |                   |                   |                    |                   |
| Taxes:  |                   |                   |                    |                   |
| Sales taxes, including penalty and interest         | \$ 18,225,954     | \$ 22,079,350     | \$ 3,853,396       | \$ 20,834,132     |
| Vehicle taxes                                       | 180,000           | 180,130           | 130                | 178,030           |
| <b>Total taxes</b>                                  | <b>18,405,954</b> | <b>22,259,480</b> | <b>3,853,526</b>   | <b>21,012,162</b> |
| Licenses and permits:                               |                   |                   |                    |                   |
| City business licenses                              | 62,000            | 64,715            | 2,715              | 59,970            |
| Land use permits                                    | 12,000            | 15,350            | 3,350              | 13,578            |
| Other licenses and permits                          | 5,750             | 4,125             | (1,625)            | 2,905             |
| <b>Total licenses and permits</b>                   | <b>79,750</b>     | <b>84,190</b>     | <b>4,440</b>       | <b>76,453</b>     |
| <b>Fines and forfeitures</b>                        | <b>175,000</b>    | <b>247,621</b>    | <b>72,621</b>      | <b>167,850</b>    |
| Intergovernmental:                                  |                   |                   |                    |                   |
| Electric and telephone co-op tax                    | 225,000           | 173,769           | (51,231)           | 189,502           |
| Public safety grants                                | 140,163           | 285,372           | 145,209            | 306,848           |
| Library grants                                      | 8,250             | 7,000             | (1,250)            | 7,000             |
| Alcoholic beverage tax                              | 30,000            | 18,650            | (11,350)           | 23,600            |
| Aviation fuel tax revenue sharing                   | 2,000             | 1,882             | (118)              | 2,166             |
| Matanuska-Susitna Borough - Planning block grant    | 150,000           | 150,000           | -                  | 225,000           |
| Matanuska-Susitna Borough - School resource officer | 361,108           | 352,435           | (8,673)            | 235,585           |
| Fisheries tax                                       | 100               | 229               | 129                | 250               |
| Community assistance                                | 113,556           | 169,720           | 56,164             | 77,939            |
| State PERS relief                                   | -                 | 686,284           | 686,284            | 696,419           |
| Transportation grants                               | 57,376            | 17,817            | (39,559)           | 9,000             |
| <b>Total intergovernmental</b>                      | <b>1,087,553</b>  | <b>1,863,158</b>  | <b>775,605</b>     | <b>1,773,309</b>  |
| Charges for services:                               |                   |                   |                    |                   |
| Police dispatch services                            | 3,478,816         | 3,435,245         | (43,571)           | 3,446,592         |
| Building rentals                                    | 20,100            | 53,953            | 33,853             | 51,981            |
| Other charges for services                          | 64,050            | 54,538            | (9,512)            | 71,118            |
| <b>Total charges for services</b>                   | <b>3,562,966</b>  | <b>3,543,736</b>  | <b>(19,230)</b>    | <b>3,569,691</b>  |
| <b>Investment income (loss)</b>                     | <b>450,000</b>    | <b>(815,088)</b>  | <b>(1,265,088)</b> | <b>91,610</b>     |
| Other:  |                   |                   |                    |                   |
| Administration fee revenue                          | 100               | 38                | (62)               | 18                |
| Donations   | 3,700             | 15,101            | 11,401             | 6,366             |
| Miscellaneous                                       | 60,500            | 132,455           | 71,955             | 66,868            |
| <b>Total other</b>                                  | <b>64,300</b>     | <b>147,594</b>    | <b>83,294</b>      | <b>73,252</b>     |
| <b>Total Revenues</b>                               | <b>23,825,523</b> | <b>27,330,691</b> | <b>3,505,168</b>   | <b>26,764,327</b> |



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

| Years Ended June 30,                         | 2022             |                  |                | 2021             |
|--|------------------|------------------|----------------|------------------|
|  | Budget           | Actual           | Variance       | Actual           |
| <b>Expenditures</b>                          |                  |                  |                |                  |
| General government:                          |                  |                  |                |                  |
| City clerk:                                  |                  |                  |                |                  |
| Salaries                                     | \$ 269,756       | \$ 265,937       | \$ 3,819       | \$ 252,741       |
| Employee benefits                            | 142,511          | 160,061          | (17,550)       | 146,043          |
| Professional and technical services          | 33,675           | 13,401           | 20,274         | 15,330           |
| Property services                            | 17,477           | 13,954           | 3,523          | 14,088           |
| Other purchased services                     | 48,245           | 39,523           | 8,722          | 34,503           |
| Supplies                                     | 4,582            | 2,202            | 2,380          | 5,028            |
| <b>Total city clerk</b>                      | <b>516,246</b>   | <b>495,078</b>   | <b>21,168</b>  | <b>467,733</b>   |
| City council:                                |                  |                  |                |                  |
| Salaries                                     | 33,750           | 31,838           | 1,912          | 31,775           |
| Employee benefits                            | 2,646            | 2,230            | 416            | 2,417            |
| Professional and technical services          | 115,286          | 85,868           | 29,418         | 91,042           |
| Property services                            | 2,850            | (468)            | 3,318          | 2,197            |
| Other purchased services                     | 46,931           | 30,814           | 16,117         | 12,721           |
| Supplies                                     | 4,710            | 4,008            | 702            | 6,475            |
| <b>Total city council</b>                    | <b>206,173</b>   | <b>154,290</b>   | <b>51,883</b>  | <b>146,627</b>   |
| Administration:                              |                  |                  |                |                  |
| Salaries                                     | 176,813          | 179,470          | (2,657)        | 217,991          |
| Employee benefits                            | 92,323           | 108,078          | (15,755)       | 92,472           |
| Professional and technical services          | 21,800           | 16,253           | 5,547          | 12,442           |
| Property services                            | 1,950            | (939)            | 2,889          | 1,647            |
| Other purchased services                     | 20,712           | 15,586           | 5,126          | 12,547           |
| Supplies                                     | 4,800            | 2,609            | 2,191          | 5,514            |
| <b>Total administration</b>                  | <b>318,398</b>   | <b>321,057</b>   | <b>(2,659)</b> | <b>342,613</b>   |
| General administration services:             |                  |                  |                |                  |
| Salaries                                     | 538,666          | 473,837          | 64,829         | 392,020          |
| Employee benefits                            | 284,357          | 297,023          | (12,666)       | 214,497          |
| Professional and technical services          | 75,839           | 54,434           | 21,405         | 72,895           |
| Property services                            | 29,077           | 21,622           | 7,455          | 20,635           |
| Other purchased services                     | 122,850          | 92,387           | 30,463         | 41,394           |
| Supplies                                     | 33,257           | 29,623           | 3,634          | 18,527           |
| <b>Total general administration services</b> | <b>1,084,046</b> | <b>968,926</b>   | <b>115,120</b> | <b>759,968</b>   |
| Finance:                                     |                  |                  |                |                  |
| Salaries                                     | 780,593          | 791,737          | (11,144)       | 717,467          |
| Employee benefits                            | 448,897          | 475,196          | (26,299)       | 461,357          |
| Professional and technical services          | 158,775          | 158,562          | 213            | 125,176          |
| Property services                            | 54,670           | 15,637           | 39,033         | 18,143           |
| Other purchased services                     | 80,000           | 59,926           | 20,074         | 44,023           |
| Supplies                                     | 24,475           | 23,361           | 1,114          | 14,119           |
| <b>Total finance</b>                         | <b>1,547,410</b> | <b>1,524,419</b> | <b>22,991</b>  | <b>1,380,285</b> |

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

| Years Ended June 30,                            | 2022             |                  |                  | 2021             |
|---|------------------|------------------|------------------|------------------|
|   | Budget           | Actual           | Variance         | Actual           |
| General government, continued:                  |                  |                  |                  |                  |
| Management information systems:                 |                  |                  |                  |                  |
| Salaries  | \$ 225,030       | \$ 159,304       | \$ 65,726        | \$ 126,228       |
| Employee benefits                               | 132,017          | 91,428           | 40,589           | 87,052           |
| Professional and technical services             | 13,015           | -                | 13,015           | -                |
| Property services                               | 226,650          | 175,745          | 50,905           | 162,678          |
| Other purchased services                        | 49,325           | 44,123           | 5,202            | 39,238           |
| Supplies  | 16,900           | 6,855            | 10,045           | 2,400            |
| <b>Total management information systems</b>     | <b>662,937</b>   | <b>477,455</b>   | <b>185,482</b>   | <b>417,596</b>   |
| <b>Total general government</b>                 | <b>4,335,210</b> | <b>3,941,225</b> | <b>393,985</b>   | <b>3,514,822</b> |
| Public safety:                                  |                  |                  |                  |                  |
| Police:   |                  |                  |                  |                  |
| Salaries  | 296,480          | 164,894          | 131,586          | 5,476            |
| Employee benefits                               | 182,279          | 89,024           | 93,255           | 33,956           |
| Professional and technical services             | 39,750           | 25,421           | 14,329           | 28,997           |
| Property services                               | 119,613          | 82,755           | 36,858           | 78,251           |
| Other purchased services                        | 101,036          | 80,453           | 20,583           | 69,903           |
| Supplies  | 124,300          | 108,595          | 15,705           | 82,530           |
| <b>Total police</b>                             | <b>863,458</b>   | <b>551,142</b>   | <b>312,316</b>   | <b>299,113</b>   |
| Investigation and drug enforcement:             |                  |                  |                  |                  |
| Salaries  | 450,017          | 198,223          | 251,794          | (34,886)         |
| Employee benefits                               | 239,260          | 123,689          | 115,571          | 44,414           |
| Professional and technical services             | 15,000           | 8,730            | 6,270            | 13,184           |
| Property services                               | 5,026            | 3,761            | 1,265            | 4,830            |
| Other purchased services                        | 46,923           | 40,328           | 6,595            | 29,216           |
| Supplies  | 14,800           | 12,683           | 2,117            | 9,043            |
| <b>Total investigation and drug enforcement</b> | <b>771,026</b>   | <b>387,414</b>   | <b>383,612</b>   | <b>65,801</b>    |
| Police patrol:                                  |                  |                  |                  |                  |
| Salaries  | 2,071,450        | 1,133,508        | 937,942          | 104,497          |
| Employee benefits                               | 1,109,482        | 828,623          | 280,859          | 381,352          |
| Professional and technical services             | 26,044           | 12,297           | 13,747           | 7,755            |
| Property services                               | 95,720           | 78,215           | 17,505           | 62,194           |
| Other purchased services                        | 246,642          | 193,797          | 52,845           | 164,799          |
| Supplies  | 237,484          | 185,834          | 51,650           | 121,547          |
| Capital purchases                               | 21,236           | 19,427           | 1,809            | 9,020            |
| <b>Total police patrol</b>                      | <b>3,808,058</b> | <b>2,451,701</b> | <b>1,356,357</b> | <b>851,164</b>   |
| School resource officer grant:                  |                  |                  |                  |                  |
| Salaries  | 331,005          | 250,653          | 80,352           | 141,070          |
| Employee benefits                               | 198,744          | 156,069          | 42,675           | 90,439           |
| Professional and technical services             | 13,000           | 2,786            | 10,214           | 2,991            |
| Property services                               | 12,582           | 6,381            | 6,201            | -                |
| Other purchased services                        | 40,785           | 29,263           | 11,522           | 19,398           |
| Supplies  | 29,458           | 24,993           | 4,465            | 7,645            |
| <b>Total school resource officer grant</b>      | <b>625,574</b>   | <b>470,145</b>   | <b>155,429</b>   | <b>261,543</b>   |

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

| Years Ended June 30,                | 2022              |                  |                  | 2021             |
|-------------------------------------|-------------------|------------------|------------------|------------------|
|                                     | Budget            | Actual           | Variance         | Actual           |
| <b>Public safety, continued:</b>    |                   |                  |                  |                  |
| <b>Dispatch center:</b>             |                   |                  |                  |                  |
| Salaries                            | \$ 2,496,495      | \$ 1,193,391     | \$ 1,303,104     | \$ 218,512       |
| Employee benefits                   | 1,447,886         | 947,797          | 500,089          | 545,506          |
| Professional and technical services | 148,785           | 140,034          | 8,751            | 106,705          |
| Property services                   | 575,955           | 427,842          | 148,113          | 304,418          |
| Other purchased services            | 231,875           | 164,667          | 67,208           | 136,226          |
| Supplies                            | 128,022           | 90,036           | 37,986           | 101,093          |
| <b>Total dispatch center</b>        | <b>5,029,018</b>  | <b>2,963,767</b> | <b>2,065,251</b> | <b>1,412,460</b> |
| <b>Code compliance:</b>             |                   |                  |                  |                  |
| Salaries                            | -                 | -                | -                | 38,368           |
| Employee benefits                   | -                 | -                | -                | 14,765           |
| Property services                   | -                 | -                | -                | 4,016            |
| Other purchased services            | -                 | -                | -                | 30,534           |
| Supplies                            | -                 | -                | -                | 3,252            |
| <b>Total code compliance</b>        | <b>-</b>          | <b>-</b>         | <b>-</b>         | <b>90,935</b>    |
| <b>Total public safety</b>          | <b>11,097,134</b> | <b>6,824,169</b> | <b>4,272,965</b> | <b>2,981,016</b> |
| <b>Public works:</b>                |                   |                  |                  |                  |
| <b>Administration:</b>              |                   |                  |                  |                  |
| Salaries                            | 257,592           | 227,820          | 29,772           | 225,078          |
| Employee benefits                   | 149,147           | 132,484          | 16,663           | 138,644          |
| Professional and technical services | 12,206            | 10,444           | 1,762            | 1,834            |
| Property services                   | 9,160             | 6,150            | 3,010            | 8,619            |
| Other purchased services            | 11,940            | 11,269           | 671              | 12,805           |
| Supplies                            | 8,200             | 3,450            | 4,750            | 7,389            |
| <b>Total administration</b>         | <b>448,245</b>    | <b>391,617</b>   | <b>56,628</b>    | <b>394,369</b>   |
| <b>Road maintenance:</b>            |                   |                  |                  |                  |
| Salaries                            | 424,409           | 406,229          | 18,180           | 402,829          |
| Employee benefits                   | 240,472           | 271,930          | (31,458)         | 252,557          |
| Property services                   | 333,153           | 300,500          | 32,653           | 208,523          |
| Other purchased services            | 49,649            | 46,086           | 3,563            | 43,629           |
| Supplies                            | 362,308           | 355,389          | 6,919            | 307,201          |
| Capital purchases                   | 5,000             | -                | 5,000            | -                |
| <b>Total road maintenance</b>       | <b>1,414,991</b>  | <b>1,380,134</b> | <b>34,857</b>    | <b>1,214,739</b> |
| <b>Property maintenance:</b>        |                   |                  |                  |                  |
| Salaries                            | 228,040           | 219,054          | 8,986            | 215,665          |
| Employee benefits                   | 133,682           | 144,462          | (10,780)         | 140,434          |
| Property services                   | 99,828            | 90,495           | 9,333            | 84,038           |
| Other purchased services            | 56,985            | 50,143           | 6,842            | 46,845           |
| Supplies                            | 123,120           | 99,707           | 23,413           | 91,578           |
| <b>Total property maintenance</b>   | <b>641,655</b>    | <b>603,861</b>   | <b>37,794</b>    | <b>578,560</b>   |
| <b>Total public works</b>           | <b>2,504,891</b>  | <b>2,375,612</b> | <b>129,279</b>   | <b>2,187,668</b> |

**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>                    | 2022        |             |             | 2021        |
|--|-------------|-------------|-------------|-------------|
|  | Budget      | Actual      | Variance    | Actual      |
| <b>Revenues - intergovernmental</b>            | \$ -        | \$ -        | \$ -        | \$ -        |
| <b>Expenditures - other purchased services</b> | -           | -           | -           | -           |
| Net change in fund balance                     | <u>\$ -</u> | -           | <u>\$ -</u> | -           |
| Fund Balance, beginning                        |             | <u>-</u>    |             | <u>-</u>    |
| Fund Balance, ending                           |             | <u>\$ -</u> |             | <u>\$ -</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>                    | 2022        |             |             | 2021        |
|--|-------------|-------------|-------------|-------------|
|  | Budget      | Actual      | Variance    | Actual      |
| <b>Revenues - intergovernmental</b>            | \$ -        | \$ -        | \$ -        | \$ -        |
| <b>Expenditures - other purchased services</b> | -           | -           | -           | -           |
| Net change in fund balance                     | <u>\$ -</u> | -           | <u>\$ -</u> | -           |
| Fund Balance, beginning                        |             | <u>-</u>    |             | <u>-</u>    |
| Fund Balance, ending                           |             | <u>\$ -</u> |             | <u>\$ -</u> |

## 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.

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

| <i>June 30, 2022</i>                       | Special<br>Revenue<br>Funds | Capital<br>Project<br>Funds | Cemetery<br>Permanent<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|-----------------------------|-----------------------------|-------------------------------|--|
| <b>Assets</b>                              |                             |                             |                               |  |
| Cash and investments                       | \$ 71,471                   | \$ 2,621,531                | \$ 335,078                    | \$ 3,028,080                               |
| Land held for resale                       | -                           | 695,200                     | -                             | 695,200                                    |
| Receivables - grants                       | 9,500                       | 21,837                      | -                             | 31,337                                     |
| Prepaid items                              | 1,369                       | -                           | -                             | 1,369                                      |
| <b>Total Assets</b>                        | <b>\$ 82,340</b>            | <b>\$ 3,338,568</b>         | <b>\$ 335,078</b>             | <b>\$ 3,755,986</b>                        |
| <b>Liabilities and Fund Balances</b>       |                             |                             |                               |  |
| <b>Liabilities</b>                         |                             |                             |                               |  |
| Accounts payable                           | \$ 165                      | \$ 44,994                   | \$ -                          | \$ 45,159                                  |
| Accrued payroll and employee benefits      | 4,803                       | -                           | -                             | 4,803                                      |
| Unearned revenue                           | 3,124                       | -                           | -                             | 3,124                                      |
| <b>Total Liabilities</b>                   | <b>8,092</b>                | <b>44,994</b>               | <b>-</b>                      | <b>53,086</b>                              |
| <b>Fund Balances</b>                       |                             |                             |                               |  |
| Nonspendable:                              |                             |                             |                               |  |
| Prepaid items                              | 1,369                       | -                           | -                             | 1,369                                      |
| Permanent fund principal                   | -                           | -                           | 335,078                       | 335,078                                    |
| Land held for resale - Main street couplet | -                           | 695,200                     | -                             | 695,200                                    |
| Committed - youth court                    | 72,879                      | -                           | -                             | 72,879                                     |
| Assigned:                                  |                             |                             |                               |  |
| Road projects                              | -                           | 611,502                     | -                             | 611,502                                    |
| Vehicle replacement                        | -                           | 960,181                     | -                             | 960,181                                    |
| Right-of-way acquisition                   | -                           | 160,654                     | -                             | 160,654                                    |
| Technology replacement                     | -                           | 866,037                     | -                             | 866,037                                    |
| <b>Total Fund Balances</b>                 | <b>74,248</b>               | <b>3,293,574</b>            | <b>335,078</b>                | <b>3,702,900</b>                           |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 82,340</b>            | <b>\$ 3,338,568</b>         | <b>\$ 335,078</b>             | <b>\$ 3,755,986</b>                        |

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

| <i>Year Ended June 30, 2022</i>           | Special<br>Revenue<br>Funds | Capital<br>Project<br>Funds | Cemetery<br>Permanent<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|-----------------------------|-----------------------------|-------------------------------|--|
| <b>Revenues</b>                           |                             |                             |                               |  |
| Charges for services                      | \$ 4,770                    | \$ -                        | \$ -                          | \$ 4,770                                   |
| Intergovernmental                         | 82,864                      | 21,837                      | -                             | 104,701                                    |
| Other                                     | 4,526                       | -                           | -                             | 4,526                                      |
| <b>Total Revenues</b>                     | <b>92,160</b>               | <b>21,837</b>               | <b>-</b>                      | <b>113,997</b>                             |
| <b>Expenditures</b>                       |                             |                             |                               |  |
| Public safety                             | 101,545                     | -                           | -                             | 101,545                                    |
| Capital outlay                            | -                           | 2,024,534                   | -                             | 2,024,534                                  |
| <b>Total Expenditures</b>                 | <b>101,545</b>              | <b>2,024,534</b>            | <b>-</b>                      | <b>2,126,079</b>                           |
| Deficiency of revenues over expenditures  | (9,385)                     | (2,002,697)                 | -                             | (2,012,082)                                |
| <b>Other Financing Sources (Uses)</b>     |                             |                             |                               |  |
| Transfers in                              | 25,000                      | 1,823,400                   | -                             | 1,848,400                                  |
| Transfers out                             | -                           | -                           | (100)                         | (100)                                      |
| <b>Net Other Financing Sources (Uses)</b> | <b>25,000</b>               | <b>1,823,400</b>            | <b>(100)</b>                  | <b>1,848,300</b>                           |
| Net change in fund balances               | 15,615                      | (179,297)                   | (100)                         | (163,782)                                  |
| <b>Fund Balances, beginning</b>           | <b>58,633</b>               | <b>3,472,871</b>            | <b>335,178</b>                | <b>3,866,682</b>                           |
| <b>Fund Balances, ending</b>              | <b>\$ 74,248</b>            | <b>\$ 3,293,574</b>         | <b>\$ 335,078</b>             | <b>\$ 3,702,900</b>                        |



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

| <i>June 30, 2022</i>                       | Youth<br>Court   | Federal<br>Asset<br>Forfeiture | Totals           |
|--|------------------|--------------------------------|------------------|
| <b>Assets</b>                              |                  |                                |                  |
| Cash and investments                       | \$ 70,847        | \$ 624                         | \$ 71,471        |
| Receivables - grants                       | 9,500            | -                              | 9,500            |
| Prepaid items                              | 1,369            | -                              | 1,369            |
| <b>Total Assets</b>                        | <b>\$ 81,716</b> | <b>\$ 624</b>                  | <b>\$ 82,340</b> |
| <b>Liabilities and Fund Balances</b>       |                  |                                |                  |
| <b>Liabilities</b>                         |                  |                                |                  |
| Accounts payable                           | \$ 165           | \$ -                           | \$ 165           |
| Accrued payroll and employee benefits      | 4,803            | -                              | 4,803            |
| Unearned revenue                           | 2,500            | 624                            | 3,124            |
| <b>Total Liabilities</b>                   | <b>7,468</b>     | <b>624</b>                     | <b>8,092</b>     |
| <b>Fund Balances</b>                       |                  |                                |                  |
| Nonspendable - prepaid items               | 1,369            | -                              | 1,369            |
| Committed - youth court                    | 72,879           | -                              | 72,879           |
| <b>Total Fund Balances</b>                 | <b>74,248</b>    | <b>-</b>                       | <b>74,248</b>    |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 81,716</b> | <b>\$ 624</b>                  | <b>\$ 82,340</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>                          | 2022              |                  |                  | 2021             |
|--|-------------------|------------------|------------------|------------------|
|  | Budget            | Actual           | Variance         | Actual           |
| <b>Revenues</b>                                      |                   |                  |                  |                  |
| Charges for services                                 | \$ 3,500          | \$ 4,770         | \$ 1,270         | \$ 390           |
| Intergovernmental                                    | 52,700            | 82,864           | 30,164           | 56,420           |
| Other  | -                 | 4,526            | 4,526            | 2,500            |
| <b>Total Revenues</b>                                | <b>56,200</b>     | <b>92,160</b>    | <b>35,960</b>    | <b>59,310</b>    |
| <b>Expenditures</b>                                  |                   |                  |                  |                  |
| Public Safety:                                       |                   |                  |                  |                  |
| Salaries   | 48,115            | 45,741           | 2,374            | 43,125           |
| Employee benefits                                    | 32,856            | 34,110           | (1,254)          | 32,666           |
| Professional and technical services                  | 243               | 243              | -                | 233              |
| Other purchased services                             | 5,494             | 11,059           | (5,565)          | 3,304            |
| Supplies   | 2,400             | 10,392           | (7,992)          | 1,237            |
| <b>Total Expenditures</b>                            | <b>89,108</b>     | <b>101,545</b>   | <b>(12,437)</b>  | <b>80,565</b>    |
| Excess (deficiency) of revenues<br>over expenditures | (32,908)          | (9,385)          | 23,523           | (21,255)         |
| <b>Other Financing Sources - transfers in</b>        | <b>25,000</b>     | <b>25,000</b>    | <b>-</b>         | <b>25,000</b>    |
| Net change in fund balance                           | <u>\$ (7,908)</u> | 15,615           | <u>\$ 23,523</u> | 3,745            |
| <b>Fund Balance, beginning</b>                       |                   | <u>58,633</u>    |                  | <u>54,888</u>    |
| <b>Fund Balance, ending</b>                          |                   | <u>\$ 74,248</u> |                  | <u>\$ 58,633</u> |

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## **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, 2022</i>                       | Road<br>Projects    | Vehicle<br>Replacement | Right-of-way<br>Acquisition | Technology<br>Replacement | Totals              |
|--|---------------------|------------------------|-----------------------------|---------------------------|---------------------|
| <b>Assets</b>                              |                     |                        |                             |                           |                     |
| Cash and investments                       | \$ 634,146          | \$ 960,181             | \$ 160,654                  | \$ 866,550                | \$ 2,621,531        |
| Receivables - grants                       | 21,837              | -                      | -                           | -                         | 21,837              |
| Land held for resale                       | 695,200             | -                      | -                           | -                         | 695,200             |
| <b>Total Assets</b>                        | <b>\$ 1,351,183</b> | <b>\$ 960,181</b>      | <b>\$ 160,654</b>           | <b>\$ 866,550</b>         | <b>\$ 3,338,568</b> |
| <b>Liabilities and Fund Balances</b>       |                     |                        |                             |                           |                     |
| <b>Liabilities</b>                         |                     |                        |                             |                           |                     |
| Accounts payable                           | \$ 44,481           | \$ -                   | \$ -                        | \$ 513                    | \$ 44,994           |
| <b>Fund Balances</b>                       |                     |                        |                             |                           |                     |
| Nonspendable - land held for resale        | 695,200             | -                      | -                           | -                         | 695,200             |
| Assigned - capital improvements            | 611,502             | 960,181                | 160,654                     | 866,037                   | 2,598,374           |
| <b>Total Fund Balances</b>                 | <b>1,306,702</b>    | <b>960,181</b>         | <b>160,654</b>              | <b>866,037</b>            | <b>3,293,574</b>    |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 1,351,183</b> | <b>\$ 960,181</b>      | <b>\$ 160,654</b>           | <b>\$ 866,550</b>         | <b>\$ 3,338,568</b> |

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

| <i>Year Ended June 30, 2022</i>               | Road<br>Projects   | Vehicle<br>Replacement | Right-of-way<br>Acquisition | Technology<br>Replacement | Totals              |
|---|--------------------|------------------------|-----------------------------|---------------------------|---------------------|
| <b>Revenues</b>                               |                    |                        |                             |                           |                     |
| Intergovernmental                             | \$ 21,837          | \$ -                   | \$ -                        | \$ -                      | \$ 21,837           |
| <b>Expenditures</b>                           |                    |                        |                             |                           |                     |
| Capital outlay                                | 1,213,018          | 733,435                | 3,000                       | 75,081                    | 2,024,534           |
| Deficiency of revenues over expenditures      | (1,191,181)        | (733,435)              | (3,000)                     | (75,081)                  | (2,002,697)         |
| <b>Other Financing Sources - transfers in</b> | <b>1,060,000</b>   | <b>580,000</b>         | <b>25,000</b>               | <b>158,400</b>            | <b>1,823,400</b>    |
| Net change in fund balances                   | (131,181)          | (153,435)              | 22,000                      | 83,319                    | (179,297)           |
| <b>Fund Balances, beginning</b>               | <b>1,437,883</b>   | <b>1,113,616</b>       | <b>138,654</b>              | <b>782,718</b>            | <b>3,472,871</b>    |
| <b>Fund Balances, ending</b>                  | <b>\$1,306,702</b> | <b>\$ 960,181</b>      | <b>\$ 160,654</b>           | <b>\$ 866,037</b>         | <b>\$ 3,293,574</b> |

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

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*Year Ended June 30, 2022*

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**Expenditures**

|   |            |
|---|------------|
| Equipment and vehicles                  | \$ 395,414 |
| Townsite parking lot                    | 175,969    |
| E911 upgrades and software subscription | 129,131    |
| Maureen Combs running trail enhancement | 95,276     |
| Police maintenance building             | 88,261     |
| Land acquisitions                       | 67,904     |
| City Hall remodel                       | 43,967     |
| Park improvements                       | 35,845     |
| Salary survey                           | 27,000     |
| Library parking lot expansion           | 18,741     |
| Other                                   | 9,294      |
| Website and audio equipment             | 5,651      |
| Museum renovation                       | 3,570      |
| Veterans Wall of Honor                  | 2,850      |

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|                           |                     |
|---------------------------|---------------------|
| <b>Total Expenditures</b> | <b>\$ 1,098,873</b> |
|---------------------------|---------------------|

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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**

| <i>June 30,</i>                            | 2022              | 2021              |
|--|-------------------|-------------------|
| <b>Assets</b>                              |                   |                   |
| Cash and investments                       | \$ 335,078        | \$ 335,378        |
| <b>Liabilities and Fund Balance</b>        |                   |                   |
| <b>Liabilities</b>                         |                   |                   |
| Accounts payable                           | \$ -              | \$ 200            |
| <b>Fund Balance</b>                        |                   |                   |
| Nonspendable - Permanent Fund principal    | 335,078           | 335,178           |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 335,078</b> | <b>\$ 335,378</b> |

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

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| <i>Years Ended June 30,</i>                 | 2022       | 2021       |
|---|------------|------------|
| <b>Revenues - lot sales</b>                 | \$ -       | \$ 2,200   |
| <b>Other Financing Uses - transfers out</b> | (100)      | (33)       |
| Net change in fund balance                  | (100)      | 2,167      |
| <b>Fund Balance, beginning</b>              | 335,178    | 333,011    |
| <b>Fund Balance, ending</b>                 | \$ 335,078 | \$ 335,178 |

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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>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Assets and Deferred Outflows of Resources</b>       |                      |                      |
| <b>Current Assets</b>                                  |                      |                      |
| Cash and investments                                   | \$ 9,286,089         | \$ 8,423,972         |
| Receivables:   |                      |                      |
| Accounts   | 295,211              | 256,763              |
| Allowance for doubtful accounts                        | (47,886)             | (47,860)             |
| Special assessments                                    | 36                   | 36                   |
| Payment in lieu of assessments                         | 1,458                | 83,907               |
| Prepaid expenses                                       | 14,810               | 17,592               |
| Inventory  | 57,949               | 30,987               |
| <b>Total Current Assets</b>                            | <b>9,607,667</b>     | <b>8,765,397</b>     |
| <b>Noncurrent Assets</b>                               |                      |                      |
| Prepaid expenses                                       | 6,545                | 6,926                |
| Net other postemployment benefits asset                | 371,205              | 51,650               |
| Capital assets:  |                      |                      |
| Land   | 178,740              | 178,740              |
| Collection/distribution system                         | 33,310,827           | 33,310,828           |
| Water tank and fence                                   | 6,847,577            | 6,847,577            |
| Wells/well house                                       | 1,360,101            | 1,360,101            |
| Equipment  | 387,169              | 433,944              |
| Construction in progress                               | 818,224              | 255,204              |
| Total capital assets                                   | 42,902,638           | 42,386,394           |
| Less accumulated depreciation                          | (16,820,346)         | (16,013,477)         |
| Net capital assets                                     | 26,082,292           | 26,372,917           |
| <b>Total Noncurrent Assets</b>                         | <b>26,460,042</b>    | <b>26,431,493</b>    |
| <b>Total Assets</b>                                    | <b>36,067,709</b>    | <b>35,196,890</b>    |
| <b>Deferred Outflows of Resources</b>                  |                      |                      |
| Related to pensions                                    | 77,401               | 93,899               |
| Related to other postemployment benefits               | 13,417               | 35,542               |
| <b>Total Deferred Outflows of Resources</b>            | <b>90,818</b>        | <b>129,441</b>       |
| <b>Total Assets and Deferred Outflows of Resources</b> | <b>\$ 36,158,527</b> | <b>\$ 35,326,331</b> |

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

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Liabilities, Deferred Inflows of Resources and Net Position</b>       |                      |                      |
| <b>Current Liabilities</b>   |                      |                      |
| Accounts payable   | \$ 107,331           | \$ 79,547            |
| Accounts payable - capital   | 29,176               | 34,523               |
| Accrued payroll and employee benefits                                    | 33,212               | 24,396               |
| Compensated absences   | 31,851               | 48,219               |
| Customer deposits  | 44,136               | 40,626               |
| Accrued interest   | -                    | 2,407                |
| Unearned revenue   | 1,027,233            | 117,217              |
| Current portion of notes payable   | -                    | 165,450              |
| <b>Total Current Liabilities</b>   | <b>1,272,939</b>     | <b>512,385</b>       |
| <b>Noncurrent Liabilities</b>  |                      |                      |
| Notes payable, net of current portion                                    | -                    | 330,900              |
| Net pension liability  | 508,980              | 635,661              |
| Net other postemployment benefits liability                              | -                    | 1,172                |
| <b>Total Noncurrent Liabilities</b>                                      | <b>508,980</b>       | <b>967,733</b>       |
| <b>Total Liabilities</b>   | <b>1,781,919</b>     | <b>1,480,118</b>     |
| <b>Deferred Inflows of Resources</b>                                     |                      |                      |
| Related to pensions  | 202,970              | -                    |
| Related to other postemployment benefits                                 | 199,472              | 41,706               |
| <b>Total Deferred Inflows of Resources</b>                               | <b>402,442</b>       | <b>41,706</b>        |
| <b>Net Position</b>  |                      |                      |
| Net investment in capital assets   | 26,053,116           | 25,842,044           |
| Unrestricted   | 7,921,050            | 7,962,463            |
| <b>Total Net Position</b>  | <b>33,974,166</b>    | <b>33,804,507</b>    |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b> | <b>\$ 36,158,527</b> | <b>\$ 35,326,331</b> |

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

| <i>Years Ended June 30,</i>                      | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Operating Revenues</b>                        |                      |                      |
| Sales and user charges                           | \$ 2,126,555         | \$ 1,996,091         |
| Water meters                                     | 13,415               | 14,320               |
| <b>Total Operating Revenues</b>                  | <b>2,139,970</b>     | <b>2,010,411</b>     |
| <b>Operating Expenses</b>                        |                      |                      |
| Salaries   | 380,227              | 374,413              |
| Employee benefits                                | 181,729              | 282,758              |
| Professional and technical services              | 27,049               | 40,770               |
| Repair and maintenance                           | 209,860              | 169,587              |
| Other purchased services                         | 90,226               | 159,035              |
| Supplies   | 217,637              | 221,503              |
| <b>Total Operating Expenses</b>                  | <b>1,106,728</b>     | <b>1,248,066</b>     |
| Operating income before depreciation             | 1,033,242            | 762,345              |
| Depreciation                                     | 853,644              | 853,643              |
| Operating income (loss)                          | 179,598              | (91,298)             |
| <b>Nonoperating Revenues (Expenses)</b>          |                      |                      |
| Payments in lieu of assessments                  | 16,463               | 32,647               |
| Interest expense                                 | (5,452)              | (9,125)              |
| Other income                                     | 430                  | -                    |
| Debt service assessments                         | -                    | 71                   |
| State PERS relief                                | 99                   | 32,510               |
| Gain on disposal of capital assets               | 11,200               | -                    |
| Investment income                                | 1,307                | -                    |
| <b>Net Nonoperating Revenues (Expenses)</b>      | <b>24,047</b>        | <b>56,103</b>        |
| Income (loss) before transfers and contributions | 203,645              | (35,195)             |
| Transfers out                                    | (34,400)             | (34,400)             |
| Capital contributions                            | 414                  | -                    |
| Change in net position                           | 169,659              | (69,595)             |
| <b>Net Position, beginning</b>                   | <b>33,804,507</b>    | <b>33,874,102</b>    |
| <b>Net Position, ending</b>                      | <b>\$ 33,974,166</b> | <b>\$ 33,804,507</b> |

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

| <i>Years Ended June 30,</i>   | 2022                | 2021                |
|---|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>   |                     |                     |
| Receipts from customers and users   | \$ 3,015,504        | \$ 2,005,221        |
| Payments to suppliers for goods and services  | (540,787)           | (530,283)           |
| Payments to employees for services  | (617,458)           | (593,490)           |
| <b>Net cash flows from operating activities</b>   | <b>1,857,259</b>    | <b>881,448</b>      |
| <b>Cash Flows for Noncapital Financing Activities - transfers out</b>                         | <b>(34,400)</b>     | <b>(34,400)</b>     |
| <b>Cash Flows for Capital and Related Financing Activities</b>                                |                     |                     |
| Principal paid on notes payable   | (496,350)           | (165,450)           |
| Interest paid on notes payable  | (7,859)             | (9,927)             |
| Special assessments received  | -                   | 1,742               |
| Payments in lieu of assessments received  | 98,912              | 32,647              |
| Acquisition and construction of capital assets  | (568,366)           | (220,681)           |
| Capital contributions received  | 414                 | -                   |
| <b>Net cash flows for capital and related financing activities</b>                            | <b>(973,249)</b>    | <b>(361,669)</b>    |
| <b>Cash Flows from Investing Activities</b>   |                     |                     |
| Gain on disposal of capital assets  | 11,200              | -                   |
| Investment income received  | 1,307               | -                   |
| <b>Net cash flows from investing activities</b>   | <b>12,507</b>       | <b>-</b>            |
| <b>Net Increase in Cash and Investments</b>   | <b>862,117</b>      | <b>485,379</b>      |
| <b>Cash and Investments, beginning</b>  | <b>8,423,972</b>    | <b>7,938,593</b>    |
| <b>Cash and Investments, ending</b>   | <b>\$ 9,286,089</b> | <b>\$ 8,423,972</b> |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Flows from Operating Activities</b>  |                     |                     |
| Operating income (loss)   | \$ 179,598          | \$ (91,298)         |
| Adjustments to reconcile operating income (loss) to net cash flows from operating activities: |                     |                     |
| Depreciation  | 853,644             | 853,643             |
| State of Alaska on-behalf payments - PERS relief  | 99                  | 32,510              |
| Nonoperating revenues   | 430                 | -                   |
| Changes in operating assets and liabilities that provided (used) cash:                        |                     |                     |
| Accounts receivable and related allowance   | (38,422)            | (34,976)            |
| Inventory   | (26,962)            | 3,850               |
| Prepaid expenses  | 3,163               | 8,949               |
| Net other postemployment benefits asset   | (319,555)           | (46,846)            |
| Deferred outflows of resources related to pensions  | 16,498              | (24,343)            |
| Deferred outflows of resources related to other postemployment benefits                       | 22,125              | 8,573               |
| Accounts payable  | 27,784              | 47,813              |
| Accrued payroll and employee benefits   | 8,816               | (8,240)             |
| Compensated absences  | (16,368)            | 5,816               |
| Customer deposits   | 3,510               | 17,290              |
| Unearned revenue  | 910,016             | 12,496              |
| Net pension liability   | (126,681)           | 101,874             |
| Net other postemployment benefits liability   | (1,172)             | (5,231)             |
| Deferred inflows of resources related to pensions   | 202,970             | (24,388)            |
| Deferred inflows of resources related to other postemployment benefits                        | 157,766             | 23,956              |
| <b>Net Cash Flows from Operating Activities</b>   | <b>\$ 1,857,259</b> | <b>\$ 881,448</b>   |
| <b>Noncash Capital and Related Financing Activities</b>                                       |                     |                     |
| Capital assets purchased on account   | \$ 29,176           | \$ 34,523           |



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

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Assets and Deferred Outflows of Resources</b>       |                      |                      |
| <b>Current Assets</b>                                  |                      |                      |
| Cash and investments                                   | \$ 6,028,995         | \$ 5,344,784         |
| Receivables:   |                      |                      |
| Accounts   | 191,931              | 166,720              |
| Allowance for doubtful accounts                        | (28,479)             | (28,405)             |
| Special assessments                                    | 5,496                | 5,342                |
| Grants   | -                    | 78,592               |
| Prepaid expenses                                       | 16,373               | 16,549               |
| Inventory  | 36,460               | 48,892               |
| <b>Total Current Assets</b>                            | <b>6,250,776</b>     | <b>5,632,474</b>     |
| <b>Noncurrent Assets</b>                               |                      |                      |
| Net other postemployment benefits asset                | 407,400              | 63,295               |
| <b>Capital assets:</b>                                 |                      |                      |
| Land   | 964,024              | 964,024              |
| Building   | 301,760              | 301,760              |
| Treatment system                                       | 9,181,759            | 9,181,759            |
| Collection/distribution system                         | 12,211,212           | 12,211,212           |
| Equipment  | 5,557,372            | 5,576,272            |
| Construction in progress                               | 26,948               | -                    |
| Total capital assets                                   | 28,243,075           | 28,235,027           |
| Less accumulated depreciation                          | (15,662,422)         | (15,155,266)         |
| Net capital assets                                     | 12,580,653           | 13,079,761           |
| <b>Total Noncurrent Assets</b>                         | <b>12,988,053</b>    | <b>13,143,056</b>    |
| <b>Total Assets</b>                                    | <b>19,238,829</b>    | <b>18,775,530</b>    |
| <b>Deferred Outflows of Resources</b>                  |                      |                      |
| Related to pensions                                    | 84,948               | 117,868              |
| Related to other postemployment benefits               | 14,725               | 43,555               |
| <b>Total Deferred Outflows of Resources</b>            | <b>99,673</b>        | <b>161,423</b>       |
| <b>Total Assets and Deferred Outflows of Resources</b> | <b>\$ 19,338,502</b> | <b>\$ 18,936,953</b> |

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

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Liabilities, Deferred Inflows of Resources and Net Position</b>       |                      |                      |
| <b>Current Liabilities</b>   |                      |                      |
| Accounts payable   | \$ 51,597            | \$ 79,665            |
| Accounts payable - capital   | 1,191                | -                    |
| Accrued payroll and employee benefits                                    | 43,808               | 31,053               |
| Compensated absences   | 82,830               | 92,932               |
| Customer deposits  | 60,398               | 53,014               |
| Unearned revenue   | 308,887              | -                    |
| <b>Total Current Liabilities</b>   | <b>548,711</b>       | <b>256,664</b>       |
| <b>Noncurrent Liabilities</b>  |                      |                      |
| Net pension liability  | 558,608              | 858,675              |
| Net other postemployment benefits liability                              | -                    | 1,437                |
| <b>Total Noncurrent Liabilities</b>                                      | <b>558,608</b>       | <b>860,112</b>       |
| <b>Total Liabilities</b>   | <b>1,107,319</b>     | <b>1,116,776</b>     |
| <b>Deferred Inflows of Resources</b>                                     |                      |                      |
| Related to pensions  | 222,760              | -                    |
| Related to other postemployment benefits                                 | 218,921              | 51,109               |
| <b>Total Deferred Inflows of Resources</b>                               | <b>441,681</b>       | <b>51,109</b>        |
| <b>Net Position</b>  |                      |                      |
| Net investment in capital assets   | 12,579,462           | 13,079,761           |
| Unrestricted   | 5,210,040            | 4,689,307            |
| <b>Total Net Position</b>  | <b>17,789,502</b>    | <b>17,769,068</b>    |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b> | <b>\$ 19,338,502</b> | <b>\$ 18,936,953</b> |

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

| <i>Years Ended June 30,</i>                        | 2022          | 2021          |
|--|---------------|---------------|
| <b>Operating Revenues - sales and user charges</b> | \$ 1,631,995  | \$ 1,509,562  |
| <b>Operating Expenses</b>                          |               |               |
| Salaries   | 472,643       | 468,066       |
| Employee benefits                                  | 85,490        | 291,884       |
| Professional and technical services                | 9,815         | 8,957         |
| Repair and maintenance                             | 320,515       | 334,177       |
| Other purchased services                           | 63,587        | 64,019        |
| Supplies   | 248,885       | 231,133       |
| <b>Total Operating Expenses</b>                    | 1,200,935     | 1,398,236     |
| Operating income before depreciation               | 431,060       | 111,326       |
| Depreciation                                       | 526,056       | 528,084       |
| Operating loss                                     | (94,996)      | (416,758)     |
| <b>Nonoperating Revenues</b>                       |               |               |
| Payments in lieu of assessments                    | 15,388        | 42,112        |
| Other income                                       | 244           | -             |
| Investment income                                  | 403           | -             |
| Gain on disposal of capital assets                 | 6,900         | -             |
| Nonoperating grants                                | 123,637       | 242,884       |
| Debt service assessments                           | 849           | 883           |
| State PERS relief                                  | 109           | 39,840        |
| <b>Total Nonoperating Revenues</b>                 | 147,530       | 325,719       |
| Income (loss) before transfers and contributions   | 52,534        | (91,039)      |
| Transfers out                                      | (32,100)      | (32,100)      |
| Capital contributions                              | -             | 41,631        |
| Change in net position                             | 20,434        | (81,508)      |
| <b>Net Position, beginning</b>                     | 17,769,068    | 17,850,576    |
| <b>Net Position, ending</b>                        | \$ 17,789,502 | \$ 17,769,068 |

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

| Years Ended June 30,   | 2022         | 2021         |
|--|--------------|--------------|
| <b>Cash Flows from Operating Activities</b>  |              |              |
| Receipts from customers and users  | \$ 1,923,373 | \$ 1,538,670 |
| Payments to suppliers for goods and services   | (658,262)    | (605,994)    |
| Payments to employees for services   | (748,658)    | (716,343)    |
| Net cash flows from operating activities   | 516,453      | 216,333      |
| <b>Cash Flows from Noncapital Financing Activities</b>                               |              |              |
| Nonoperating grants received   | 202,229      | 447,188      |
| Transfers out  | (32,100)     | (32,100)     |
| Net cash flows from noncapital financing activities                                  | 170,129      | 415,088      |
| <b>Cash Flows for Capital and Related Financing Activities</b>                       |              |              |
| Special assessments received   | 695          | 3,736        |
| Payments in lieu of assessments received   | 15,388       | 42,112       |
| Acquisition and construction of capital assets                                       | (25,757)     | (221,730)    |
| Net cash flows for capital and related financing activities                          | (9,674)      | (175,882)    |
| <b>Cash Flows from Investing Activities</b>  |              |              |
| Gain on disposal of capital assets   | 6,900        | -            |
| Investment income received   | 403          | -            |
| Net cash flows from investing activities   | 7,303        | -            |
| <b>Net Increase in Cash and Investments</b>  | 684,211      | 455,539      |
| <b>Cash and Investments, beginning</b>   | 5,344,784    | 4,889,245    |
| <b>Cash and Investments, ending</b>  | \$ 6,028,995 | \$ 5,344,784 |
| <b>Reconciliation of Operating Loss to Net Cash Flows from Operating Activities</b>  |              |              |
| Operating loss   | \$ (94,996)  | \$ (416,758) |
| Adjustments to reconcile operating loss to net cash flows from operating activities: |              |              |
| Depreciation   | 526,056      | 528,084      |
| State of Alaska on-behalf payments - PERS relief                                     | 109          | 39,840       |
| Nonoperating revenues  | 244          | -            |
| Changes in operating assets and liabilities that provided (used) cash:               |              |              |
| Accounts receivable and related allowance  | (25,137)     | (23,906)     |
| Inventory  | 12,432       | (2,356)      |
| Prepaid expenses   | 176          | 7,779        |
| Net other postemployment benefits asset  | (344,105)    | (57,634)     |
| Deferred outflows of resources related to pensions                                   | 32,920       | (29,832)     |
| Deferred outflows of resources related to other postemployment benefits              | 28,830       | 11,814       |
| Accounts payable   | (28,068)     | 26,869       |
| Accrued payroll and employee benefits  | 12,755       | (3,836)      |
| Compensated absences   | (10,102)     | 16,722       |
| Customer deposits  | 7,384        | 53,014       |
| Unearned revenue   | 308,887      | -            |
| Net pension liability  | (300,067)    | 124,843      |
| Net other postemployment benefits liability  | (1,437)      | (30,977)     |
| Deferred inflows of resources related to pensions                                    | 222,760      | (44,822)     |
| Deferred inflows of resources related to other postemployment benefits               | 167,812      | 17,489       |
| <b>Net Cash Flows from Operating Activities</b>                                      | \$ 516,453   | \$ 216,333   |
| <b>Noncash Capital and Related Financing Activities</b>                              |              |              |
| Sewer extensions and other assets contributed by developers                          | \$ -         | \$ 41,631    |
| Capital assets purchased on account  | 1,191        | -            |

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

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Assets and Deferred Outflows of Resources</b>       |                      |                      |
| <b>Current Assets</b>                                  |                      |                      |
| Cash and investments                                   | \$ 909,113           | \$ 442,297           |
| Receivables:   |                      |                      |
| Accounts   | 13,694               | 10,605               |
| Allowance for doubtful accounts                        | (2,047)              | (2,047)              |
| Leases   | 318,068              | -                    |
| Grants   | 139,195              | 292,739              |
| Prepaid expenses                                       | 4,765                | 3,106                |
| <b>Total Current Assets</b>                            | <b>1,382,788</b>     | <b>746,700</b>       |
| <b>Noncurrent Assets</b>                               |                      |                      |
| Net other postemployment benefits asset                | 65,675               | 8,962                |
| Capital assets:  |                      |                      |
| Land   | 2,375,587            | 2,375,587            |
| Land improvements                                      | 20,753,250           | 20,753,250           |
| Buildings  | 993,282              | 993,282              |
| Equipment  | 1,625,460            | 1,619,703            |
| Total capital assets                                   | 25,747,579           | 25,741,822           |
| Less accumulated depreciation                          | (14,099,518)         | (13,340,287)         |
| Net capital assets                                     | 11,648,061           | 12,401,535           |
| <b>Total Noncurrent Assets</b>                         | <b>11,713,736</b>    | <b>12,410,497</b>    |
| <b>Total Assets</b>                                    | <b>13,096,524</b>    | <b>13,157,197</b>    |
| <b>Deferred Outflows of Resources</b>                  |                      |                      |
| Related to pensions                                    | 13,694               | 7,234                |
| Related to other postemployment benefits               | 2,374                | 6,167                |
| <b>Total Deferred Outflows of Resources</b>            | <b>16,068</b>        | <b>13,401</b>        |
| <b>Total Assets and Deferred Outflows of Resources</b> | <b>\$ 13,112,592</b> | <b>\$ 13,170,598</b> |

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

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Liabilities, Deferred Inflows of Resources and Net Position</b>       |                      |                      |
| <b>Current Liabilities</b>   |                      |                      |
| Accounts payable   | \$ 206,195           | \$ 13,183            |
| Accrued payroll and employee benefits                                    | 8,129                | 4,296                |
| Compensated absences   | 11,036               | 8,211                |
| Unearned revenue   | 5,053                | 9,190                |
| <b>Total Current Liabilities</b>   | <b>230,413</b>       | <b>34,880</b>        |
| <b>Noncurrent Liabilities</b>  |                      |                      |
| Net pension liability  | 90,051               | 66,685               |
| Net other postemployment benefits liability                              | -                    | 203                  |
| <b>Total Noncurrent Liabilities</b>                                      | <b>90,051</b>        | <b>66,888</b>        |
| <b>Total Liabilities</b>   | <b>320,464</b>       | <b>101,768</b>       |
| <b>Deferred Inflows of Resources</b>                                     |                      |                      |
| Related to leases  | 309,545              | -                    |
| Related to pensions  | 35,910               | -                    |
| Related to other postemployment benefits                                 | 35,291               | 7,237                |
| <b>Total Deferred Inflows of Resources</b>                               | <b>380,746</b>       | <b>7,237</b>         |
| <b>Net Position</b>  |                      |                      |
| Net investment in capital assets   | 11,648,061           | 12,401,535           |
| Unrestricted   | 763,321              | 660,058              |
| <b>Total Net Position</b>  | <b>12,411,382</b>    | <b>13,061,593</b>    |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b> | <b>\$ 13,112,592</b> | <b>\$ 13,170,598</b> |

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

| <i>Years Ended June 30,</i>             | 2022                 | 2021                 |
|---|----------------------|----------------------|
| <b>Operating Revenues</b>               |                      |                      |
| Fees and rentals                        | \$ 152,458           | \$ 141,549           |
| <b>Operating Expenses</b>               |                      |                      |
| Salaries                                | 75,538               | 65,842               |
| Employee benefits                       | 69,689               | 48,684               |
| Professional and technical services     | 415                  | 398                  |
| Repair and maintenance                  | 67,759               | 83,361               |
| Other purchased services                | 463,049              | 60,093               |
| Supplies                                | 43,123               | 27,895               |
| <b>Total Operating Expenses</b>         | <b>719,573</b>       | <b>286,273</b>       |
| Operating loss before depreciation      | (567,115)            | (144,724)            |
| Depreciation                            | 759,232              | 843,912              |
| Operating loss                          | (1,326,347)          | (988,636)            |
| <b>Nonoperating Revenues</b>            |                      |                      |
| Other income                            | 150                  | 1,780                |
| State PERS relief                       | 18                   | 5,641                |
| <b>Total Nonoperating Revenues</b>      | <b>168</b>           | <b>7,421</b>         |
| Loss before transfers and contributions | (1,326,179)          | (981,215)            |
| Transfers in                            | 350,000              | 400,000              |
| Transfers out                           | (300)                | (300)                |
| Capital contributions                   | 326,268              | 129,903              |
| Change in net position                  | (650,211)            | (451,612)            |
| <b>Net Position, beginning</b>          | <b>13,061,593</b>    | <b>13,513,205</b>    |
| <b>Net Position, ending</b>             | <b>\$ 12,411,382</b> | <b>\$ 13,061,593</b> |

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

| <i>Years Ended June 30,</i>  | 2022                | 2021                |
|--|---------------------|---------------------|
| <b>Cash Flows for Operating Activities</b>   |                     |                     |
| Receipts from customers and users  | \$ 136,859          | \$ 143,855          |
| Payments to suppliers for goods and services   | (382,993)           | (171,905)           |
| Payments to employees for services   | (110,804)           | (103,042)           |
| <b>Net cash flows for operating activities</b>   | <b>(356,938)</b>    | <b>(131,092)</b>    |
| <b>Cash Flows for Noncapital Financing Activities</b>                                  |                     |                     |
| Transfers out  | (300)               | (300)               |
| <b>Cash Flows from Capital and Related Financing Activities</b>                        |                     |                     |
| Acquisition and construction of capital assets   | (5,758)             | (429,595)           |
| Transfers in   | 350,000             | 400,000             |
| Capital contributions received   | 479,812             | 361,690             |
| <b>Net cash flows from capital and related financing activities</b>                    | <b>824,054</b>      | <b>332,095</b>      |
| <b>Net Increase in Cash and Investments</b>  | <b>466,816</b>      | <b>200,703</b>      |
| <b>Cash and Investments, beginning</b>   | <b>442,297</b>      | <b>241,594</b>      |
| <b>Cash and Investments, ending</b>  | <b>\$ 909,113</b>   | <b>\$ 442,297</b>   |
| <b>Reconciliation of Operating Loss to Net Cash Flows for Operating Activities</b>     |                     |                     |
| Operating loss   | \$ (1,326,347)      | \$ (988,636)        |
| Adjustments to reconcile operating loss<br>to net cash flows for operating activities: |                     |                     |
| Depreciation   | 759,232             | 843,912             |
| State of Alaska on-behalf payments - PERS relief                                       | 18                  | 5,641               |
| Nonoperating revenues  | 150                 | 1,780               |
| Changes in operating assets and liabilities the provided (used) cash:                  |                     |                     |
| Accounts receivable and related allowances   | (3,089)             | 977                 |
| Leases receivable  | 16,388              | -                   |
| Prepaid expenses   | (1,659)             | 1,296               |
| Net other postemployment benefits asset  | (56,713)            | (8,211)             |
| Deferred outflows of resources related to pensions                                     | (6,460)             | (4,224)             |
| Deferred outflows of resources related to other postemployment benefits                | 3,793               | 1,623               |
| Accounts payable   | 193,012             | (1,454)             |
| Accrued payroll and employee benefits  | 3,833               | (944)               |
| Compensated absences   | 2,825               | 1,860               |
| Unearned revenue   | (4,137)             | (451)               |
| Net pension liability  | 23,366              | 17,677              |
| Net other postemployment benefits liability  | (203)               | (2,550)             |
| Deferred inflows of resources related to leases  | (24,911)            | -                   |
| Deferred inflows of resources related to pensions                                      | 35,910              | (3,275)             |
| Deferred inflows of resources related to other postemployment benefits                 | 28,054              | 3,887               |
| <b>Net Cash Flows for Operating Activities</b>   | <b>\$ (356,938)</b> | <b>\$ (131,092)</b> |



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

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Assets and Deferred Outflows of Resources</b>       |                      |                      |
| <b>Current Assets</b>                                  |                      |                      |
| Cash and investments                                   | \$ 2,328,100         | \$ 1,905,996         |
| Receivables:   |                      |                      |
| Accounts   | 53,056               | 42,972               |
| Allowance for doubtful accounts                        | (27,595)             | (27,595)             |
| Leases   | 36,191               | -                    |
| Prepaid expenses                                       | 12,648               | 12,527               |
| <b>Total Current Assets</b>                            | <b>2,402,400</b>     | <b>1,933,900</b>     |
| <b>Noncurrent Assets</b>                               |                      |                      |
| Net other postemployment benefits asset                | 334,815              | 58,346               |
| Capital assets:  |                      |                      |
| Land   | 1,771,990            | 1,771,990            |
| Buildings  | 17,271,917           | 17,271,917           |
| Equipment  | 802,512              | 822,671              |
| Total capital assets                                   | 19,846,419           | 19,866,578           |
| Less accumulated depreciation                          | (7,747,957)          | (7,397,407)          |
| Net capital assets                                     | 12,098,462           | 12,469,171           |
| <b>Total Noncurrent Assets</b>                         | <b>12,433,277</b>    | <b>12,527,517</b>    |
| <b>Total Assets</b>                                    | <b>14,835,677</b>    | <b>14,461,417</b>    |
| <b>Deferred Outflows of Resources</b>                  |                      |                      |
| Related to pensions                                    | 69,813               | 110,977              |
| Related to other postemployment benefits               | 12,101               | 40,149               |
| <b>Total Deferred Outflows of Resources</b>            | <b>81,914</b>        | <b>151,126</b>       |
| <b>Total Assets and Deferred Outflows of Resources</b> | <b>\$ 14,917,591</b> | <b>\$ 14,612,543</b> |

## City of Wasilla, Alaska

Curtis D. Menard Memorial Sports Center Enterprise Fund  
Statement of Net Position, continued

| <i>June 30,</i>  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Liabilities, Deferred Inflows of Resources and Net Position</b>       |                      |                      |
| <b>Current Liabilities</b>   |                      |                      |
| Accounts payable   | \$ 18,580            | \$ 33,667            |
| Accrued payroll and employee benefits                                    | 30,987               | 19,694               |
| Compensated absences   | 47,800               | 52,723               |
| Customer deposits  | 3,600                | 3,000                |
| Unearned revenue   | 20,014               | 26,907               |
| <b>Total Current Liabilities</b>   | <b>120,981</b>       | <b>135,991</b>       |
| <b>Noncurrent Liabilities</b>  |                      |                      |
| Net pension liability  | 459,083              | 735,798              |
| Net other postemployment benefits liability                              | -                    | 1,324                |
| <b>Total Noncurrent Liabilities</b>                                      | <b>459,083</b>       | <b>737,122</b>       |
| <b>Total Liabilities</b>   | <b>580,064</b>       | <b>873,113</b>       |
| <b>Deferred Inflows of Resources</b>                                     |                      |                      |
| Related to leases  | 34,175               | -                    |
| Related to pensions  | 183,072              | -                    |
| Related to other postemployment benefits                                 | 179,917              | 47,112               |
| <b>Total Deferred Inflows of Resources</b>                               | <b>397,164</b>       | <b>47,112</b>        |
| <b>Net Position</b>  |                      |                      |
| Net investment in capital assets   | 12,098,462           | 12,469,171           |
| Unrestricted   | 1,841,901            | 1,223,147            |
| <b>Total Net Position</b>  | <b>13,940,363</b>    | <b>13,692,318</b>    |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b> | <b>\$ 14,917,591</b> | <b>\$ 14,612,543</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>         | 2022          | 2021          |
|-------------------------------------|---------------|---------------|
| <b>Operating Revenues</b>           |               |               |
| Fees and rentals                    | \$ 852,357    | \$ 645,681    |
| <b>Operating Expenses</b>           |               |               |
| Salaries                            | 461,812       | 464,754       |
| Employee benefits                   | 80,045        | 321,599       |
| Professional and technical services | 3,372         | 2,627         |
| Repair and maintenance              | 143,313       | 133,346       |
| Other purchased services            | 114,905       | 120,268       |
| Supplies                            | 331,762       | 313,513       |
| <b>Total Operating Expenses</b>     | 1,135,209     | 1,356,107     |
| Operating loss before depreciation  | (282,852)     | (710,426)     |
| Depreciation                        | 370,709       | 518,972       |
| Operating loss                      | (653,561)     | (1,229,398)   |
| <b>Nonoperating Revenues</b>        |               |               |
| Investment income                   | -             | 3             |
| Gain on disposal of capital assets  | 10,200        | -             |
| Other income                        | 717           | -             |
| State PERS relief                   | 89            | 36,724        |
| <b>Total Nonoperating Revenues</b>  | 11,006        | 36,727        |
| Loss before transfers               | (642,555)     | (1,192,671)   |
| Transfers in                        | 900,000       | 500,000       |
| Transfers out                       | (9,400)       | (9,400)       |
| Change in net position              | 248,045       | (702,071)     |
| <b>Net Position, beginning</b>      | 13,692,318    | 14,394,389    |
| <b>Net Position, ending</b>         | \$ 13,940,363 | \$ 13,692,318 |

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

| Years Ended June 30,   | 2022                | 2021                |
|--|---------------------|---------------------|
| <b>Cash Flows for Operating Activities</b>   |                     |                     |
| Receipts from customers and users  | \$ 834,681          | \$ 659,671          |
| Payments to suppliers for goods and services   | (608,560)           | (541,053)           |
| Payments to employees for services   | (704,817)           | (735,674)           |
| <b>Net cash flows for operating activities</b>   | <b>(478,696)</b>    | <b>(617,056)</b>    |
| <b>Cash Flows from Noncapital Financing Activities</b>                                 |                     |                     |
| Transfers in   | 900,000             | 500,000             |
| Transfers out  | (9,400)             | (9,400)             |
| <b>Net cash flows from noncapital financing activities</b>                             | <b>890,600</b>      | <b>490,600</b>      |
| <b>Cash Flows from Investing Activities</b>  |                     |                     |
| Gain on disposal of capital assets   | 10,200              | -                   |
| Investment income received   | -                   | 3                   |
| <b>Net cash flows from investing activities</b>  | <b>10,200</b>       | <b>3</b>            |
| <b>Net Increase (Decrease) in Cash and Investments</b>                                 | <b>422,104</b>      | <b>(126,453)</b>    |
| <b>Cash and Investments, beginning</b>   | <b>1,905,996</b>    | <b>2,032,449</b>    |
| <b>Cash and Investments, ending</b>  | <b>\$ 2,328,100</b> | <b>\$ 1,905,996</b> |
| <b>Reconciliation of Operating Loss to Net Cash Flows for Operating Activities</b>     |                     |                     |
| Operating loss   | \$ (653,561)        | \$ (1,229,398)      |
| Adjustments to reconcile operating loss<br>to net cash flows for operating activities: |                     |                     |
| Depreciation   | 370,709             | 518,972             |
| State of Alaska on-behalf payments - PERS relief                                       | 89                  | 36,724              |
| Nonoperating revenues  | 717                 | -                   |
| Changes in operating assets and liabilities that provided (used) cash:                 |                     |                     |
| Accounts receivable and related allowance  | (10,084)            | 84,831              |
| Leases receivable  | (36,191)            | -                   |
| Prepaid expenses   | (121)               | 9,627               |
| Net other postemployment benefits asset  | (276,469)           | (53,172)            |
| Deferred outflows of resources related to pensions                                     | 41,164              | (27,499)            |
| Deferred outflows of resources related to other postemployment benefits                | 28,048              | 7,985               |
| Accounts payable   | (15,087)            | 19,074              |
| Accrued payroll and employee benefits  | 11,293              | (15,388)            |
| Compensated absences   | (4,923)             | (3,784)             |
| Customer deposits  | 600                 | (3,400)             |
| Unearned revenue   | (6,893)             | (67,441)            |
| Net pension liability  | (276,715)           | 115,080             |
| Net other postemployment benefits liability  | (1,324)             | (8,189)             |
| Deferred inflows of resources related to leases  | 34,175              | -                   |
| Deferred inflows of resources related to pensions                                      | 183,072             | (27,864)            |
| Deferred inflows of resources related to other postemployment benefits                 | 132,805             | 26,786              |
| <b>Net Cash Flows for Operating Activities</b>   | <b>\$ (478,696)</b> | <b>\$ (617,056)</b> |

# City of Wasilla, Alaska

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 tables 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

These tables contain information to help the reader assess the City's most significant local revenue source, sales tax as well as other information relating to property tax.

|         |   |     |
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### Debt Capacity

These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

|          |  |     |
|----------|--|-----|
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### Demographic and Economic Information

This table 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 table will no longer be presented.

|          |                                     |     |
|----------|-------------------------------------|-----|
| Table 13 | Demographic and economic statistics | 131 |
|----------|-------------------------------------|-----|

### Operating Information

These tables 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)**

|  | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental activities:</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 27,146,916        | \$ 31,959,213        | \$ 39,126,772        | \$ 50,741,890        | \$ 58,174,797        | \$ 59,340,731        | \$ 59,714,647        | \$ 66,813,168        | \$ 67,011,488        | \$ 66,112,480        |
| Restricted   | 266,891              | 3,256,647            | 7,720,055            | 5,055,457            | 2,034,157            | 4,427,078            | 8,023,860            | 1,028,211            | 1,030,378            | 1,030,278            |
| Unrestricted                                       | 13,214,102           | 14,351,166           | 10,721,131           | 10,710,820           | 9,317,559            | 7,086,803            | 9,740,561            | 20,468,446           | 31,154,914           | 39,798,162           |
| <b>Total governmental activities net position</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>77,479,068</b>    | <b>88,309,825</b>    | <b>99,196,780</b>    | <b>106,940,920</b>   |
| <b>Business-type activities:</b>                   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | 69,269,258           | 67,433,798           | 66,616,428           | 64,763,372           | 63,800,432           | 62,422,397           | 66,725,331           | 65,458,035           | 63,792,511           | 62,379,101           |
| Restricted   | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Unrestricted                                       | 6,343,898            | 7,973,193            | 7,910,326            | 8,706,223            | 10,019,918           | 11,259,818           | 12,228,877           | 14,174,237           | 14,534,975           | 15,706,809           |
| <b>Total business-type activities net position</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>78,954,208</b>    | <b>79,632,272</b>    | <b>78,327,486</b>    | <b>78,085,910</b>    |
| <b>Total activities:</b>                           |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in capital assets                   | 96,416,174           | 99,393,011           | 105,743,200          | 115,505,262          | 121,975,229          | 121,763,128          | 126,439,978          | 132,271,203          | 130,803,999          | 128,491,581          |
| Restricted   | 266,891              | 3,256,647            | 7,720,055            | 5,055,457            | 2,034,157            | 4,427,078            | 8,023,860            | 1,028,211            | 1,030,378            | 1,030,278            |
| Unrestricted                                       | 19,558,000           | 22,324,359           | 18,631,457           | 19,417,043           | 19,337,477           | 18,346,621           | 21,969,438           | 34,642,683           | 45,689,889           | 55,504,971           |
| <b>Total Net Position</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> | <b>\$156,433,276</b> | <b>\$167,942,097</b> | <b>\$177,524,266</b> | <b>\$185,026,830</b> |

**City of Wasilla, Alaska**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

|  | 2013                   | 2014                  | 2015                  | 2016                   | 2017                   | 2018                   | 2019                   | 2020                   | 2021                   | 2022                   |
|--|------------------------|-----------------------|-----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Expenses</b>  |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities:                               |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| General government                                     | \$ 3,215,470           | \$ 3,340,921          | \$ 3,038,869          | \$ 3,466,671           | \$ 3,689,430           | \$ 3,501,793           | \$ 3,907,795           | \$ 3,334,705           | \$ 8,749,832           | \$ 3,784,912           |
| Public safety  | 7,108,991              | 7,075,807             | 7,418,375             | 7,621,942              | 8,368,172              | 8,293,624              | 8,565,952              | 8,849,497              | 10,975,731             | 12,716,847             |
| Public works   | 4,029,730              | 4,431,710             | 4,033,097             | 5,681,096              | 4,330,629              | 3,752,738              | 4,150,204              | 3,840,190              | 4,010,392              | 4,106,578              |
| Cultural and recreation                                | 2,086,325              | 2,043,477             | 2,021,445             | 2,288,903              | 2,903,528              | 2,863,653              | 2,962,633              | 2,789,631              | 3,198,720              | 2,915,499              |
| Interest on long-term debt                             | 113,071                | 85,651                | 76,516                | 59,559                 | 11,916                 | 10,749                 | (1,994)                | -                      | -                      | 7,546                  |
| <b>Total governmental activities expenses</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>      | <b>19,584,590</b>      | <b>18,814,023</b>      | <b>26,934,675</b>      | <b>23,531,382</b>      |
| Business-type activities:                              |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| Water Utility  | 1,522,151              | 1,601,031             | 1,628,907             | 2,024,454              | 1,731,372              | 1,644,995              | 1,866,664              | 1,900,560              | 2,110,834              | 1,965,824              |
| Sewer Utility  | 1,490,873              | 1,557,178             | 1,635,212             | 1,902,514              | 1,670,499              | 2,003,549              | 2,030,125              | 1,918,092              | 1,926,320              | 1,726,991              |
| Municipal Airport                                      | 833,245                | 859,904               | 1,103,297             | 976,676                | 988,841                | 946,906                | 964,040                | 1,063,877              | 1,130,185              | 1,478,805              |
| Curtis D. Menard Memorial Sports Center                | 1,725,391              | 1,716,810             | 1,699,787             | 1,835,765              | 1,700,624              | 1,664,470              | 1,776,769              | 1,723,174              | 1,875,079              | 1,507,969              |
| <b>Total business-type activities expenses</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>6,637,598</b>       | <b>6,605,703</b>       | <b>7,042,418</b>       | <b>6,679,589</b>       |
| <b>Total expenses</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>26,222,188</b>      | <b>25,419,726</b>      | <b>33,977,093</b>      | <b>30,210,971</b>      |
| <b>Program Revenues</b>                                |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities:                               |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| Fees, fines & charges for services:                    |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| General government                                     | 31,055                 | 39,781                | 65,334                | 74,509                 | 77,403                 | 77,841                 | 126,828                | 124,439                | 133,993                | 123,378                |
| Public safety  | 1,710,651              | 1,779,073             | 1,883,808             | 1,916,013              | 2,178,985              | 3,033,037              | 3,408,470              | 3,532,827              | 3,606,886              | 3,683,651              |
| Public works   | 221,723                | 148,579               | 190,078               | 187,385                | 209,440                | 225,171                | 62,924                 | 41,375                 | 65,559                 | 69,303                 |
| Cultural and recreation                                | 64,789                 | 87,724                | 30,255                | 25,022                 | 34,445                 | 46,489                 | 34,529                 | 18,516                 | 12,646                 | 8,511                  |
| Operating grants and contributions                     | 731,335                | 594,799               | 1,295,063             | 1,166,891              | 664,240                | 1,023,779              | 859,201                | 3,624,452              | 12,510,999             | 6,528,247              |
| Capital grants and contributions                       | 1,034,593              | 4,577,040             | 7,974,785             | 7,170,916              | 5,915,710              | 1,847,996              | 1,031,489              | 1,329,989              | 847,870                | (38,829)               |
| <b>Total governmental activities program revenues</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>       | <b>5,523,441</b>       | <b>8,671,598</b>       | <b>17,177,953</b>      | <b>10,374,261</b>      |
| Business-type activities:                              |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| Water Utility  | 1,537,994              | 1,805,376             | 1,839,517             | 1,964,369              | 1,906,725              | 1,888,079              | 1,929,774              | 1,988,914              | 2,010,411              | 2,139,970              |
| Sewer Utility  | 1,308,737              | 1,447,990             | 1,511,553             | 1,549,405              | 1,535,775              | 1,501,942              | 1,469,713              | 1,460,337              | 1,509,562              | 1,631,995              |
| Municipal Airport                                      | 69,522                 | 72,121                | 85,669                | 86,581                 | 111,764                | 121,189                | 131,022                | 139,039                | 141,549                | 152,458                |
| Curtis D. Menard Memorial Sports Center                | 651,344                | 732,704               | 728,688               | 695,112                | 712,947                | 751,940                | 873,465                | 676,457                | 645,681                | 853,205                |
| Operating grants and contributions                     | 160,748                | 181,441               | 91,294                | 506,656                | 111,881                | 483,842                | 376,404                | 712,292                | 357,599                | 123,952                |
| Capital grants and contributions                       | 2,641,162              | 2,284,514             | 1,388,429             | 234,831                | 956,673                | 618,536                | 5,327,888              | 1,470,565              | 171,534                | 326,682                |
| <b>Total business-type activities program revenues</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>10,108,266</b>      | <b>6,447,604</b>       | <b>4,836,336</b>       | <b>5,228,262</b>       |
| <b>Total primary government program revenues</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>      | <b>15,631,707</b>      | <b>15,119,202</b>      | <b>22,014,289</b>      | <b>15,602,523</b>      |
| Net (expenses)/revenue:                                |                        |                       |                       |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities                                | (12,759,441)           | (9,750,570)           | (5,148,979)           | (8,577,435)            | (10,223,452)           | (12,168,244)           | (14,061,149)           | (10,142,425)           | (9,756,722)            | (13,157,121)           |
| Business-type activities                               | 797,847                | 789,223               | (422,053)             | (1,702,455)            | (755,571)              | (894,392)              | 3,470,668              | (158,099)              | (2,206,082)            | (1,451,327)            |
| <b>Total primary government net expenses</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> | <b>\$ (10,590,481)</b> | <b>\$ (10,300,524)</b> | <b>\$ (11,962,804)</b> | <b>\$ (14,608,448)</b> |

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

|   | 2013                | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>General Revenues and Other Changes<br/>in Net Position</b>   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities:  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Sales taxes   | \$12,346,152        | \$15,481,431        | \$19,579,568        | \$16,975,061        | \$13,319,335        | \$16,724,587        | \$21,046,076        | \$20,079,919        | \$20,834,132        | \$22,079,350        |
| Property and vehicle taxes                                      | 120,969             | 57,441              | 58,550              | 57,920              | 59,270              | 60,920              | 287,628             | 176,020             | 178,030             | 180,130             |
| Grants and entitlements not restricted<br>to a specific purpose | 1,798,256           | 1,745,300           | 744,130             | 720,520             | 567,868             | 540,979             | 489,881             | 439,931             | 293,207             | 382,671             |
| Investment income (loss)  | 85,725              | 83,197              | 103,799             | 169,528             | 119,083             | 271,966             | 829,737             | 983,264             | 93,114              | (813,447)           |
| Loss on land held for resale                                    | -                   | -                   | -                   | -                   | -                   | (862,536)           | (165,000)           | -                   | -                   | -                   |
| Loss on sale of capital assets                                  | -                   | -                   | -                   | -                   | -                   | -                   | (220,011)           | -                   | -                   | -                   |
| Other   | 35,261              | 92,719              | 105,843             | 123,683             | 219,742             | 147,091             | 50,794              | 95,698              | 68,994              | 246,357             |
| Transfers   | (741,215)           | 1,229,599           | (662,348)           | (529,068)           | (1,043,500)         | (1,067,494)         | (1,633,500)         | (801,650)           | (823,800)           | (1,173,800)         |
| <b>Total governmental activities</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>   | <b>20,685,605</b>   | <b>20,973,182</b>   | <b>20,643,677</b>   | <b>20,901,261</b>   |
| Business-type activities  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Investment income   | 6,542               | 3,479               | 3,453               | 1,166               | 7,702               | 5,918               | 3,875               | 205                 | 3                   | 1,710               |
| Other   | 25,466              | 230,732             | 77,265              | 115,062             | 55,124              | 47,386              | 163,950             | 34,308              | 77,493              | 34,241              |
| Transfers   | 741,215             | (1,229,599)         | 662,348             | 529,068             | 1,043,500           | 1,067,494           | 1,633,500           | 801,650             | 823,800             | 1,173,800           |
| <b>Total business-type activities</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>1,801,325</b>    | <b>836,163</b>      | <b>901,296</b>      | <b>1,209,751</b>    |
| <b>Total primary government</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>22,486,930</b>   | <b>21,809,345</b>   | <b>21,544,973</b>   | <b>22,111,012</b>   |
| <b>Changes in Net Position</b>                                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities   | 3,894,578           | 13,540,708          | 14,780,563          | 8,940,209           | 3,018,346           | 3,647,269           | 6,624,456           | 10,830,757          | 10,886,955          | 7,744,140           |
| Business-type activities  | 1,562,446           | (1,417,441)         | 321,013             | (1,057,159)         | 350,755             | 226,406             | 5,271,993           | 678,064             | (1,304,786)         | (241,576)           |
| <b>Total Primary Government</b>                                 | <b>\$ 5,457,024</b> | <b>\$12,123,267</b> | <b>\$15,101,576</b> | <b>\$ 7,883,050</b> | <b>\$ 3,369,101</b> | <b>\$ 3,873,675</b> | <b>\$11,896,449</b> | <b>\$11,508,821</b> | <b>\$ 9,582,169</b> | <b>\$ 7,502,564</b> |



**City of Wasilla, Alaska**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

|   | 2013               | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                |
|---|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>General Fund:</b>                      |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ 96,268          | \$ 88,911           | \$ 54,514           | \$ 285,279          | \$ 366,795          | \$ 227,785          | \$ 464,491          | \$ 559,810          | \$ 396,656          | \$ 327,247          |
| Committed                                 | 3,636,891          | 4,041,840           | 5,075,895           | 7,907,835           | 6,220,757           | 6,010,411           | 7,911,995           | 12,710,762          | 24,419,709          | 35,800,514          |
| Assigned                                  | 675,829            | 747,179             | 1,614,659           | 1,275,939           | 1,160,942           | 1,259,127           | 1,435,900           | 1,629,245           | 1,695,401           | 1,598,126           |
| Unassigned                                | 7,539,574          | 8,064,088           | 8,366,493           | 8,076,870           | 8,829,752           | 8,080,284           | 8,122,474           | 9,345,113           | 9,857,018           | 6,032,058           |
| <b>Total General Fund</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>17,934,860</b>   | <b>24,244,930</b>   | <b>36,368,784</b>   | <b>43,757,945</b>   |
| <b>All Other Governmental Funds:</b>      |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Nonspendable:</b>                      |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Permanent fund                            | 253,745            | 285,734             | 289,215             | 290,615             | 298,275             | 321,160             | 330,911             | 333,011             | 335,178             | 335,078             |
| Special revenue funds                     | 14                 | 13                  | 13                  | 7,017               | 4,804               | 1,201               | 1,284               | 2,555               | 1,316               | 1,369               |
| Capital projects funds                    | 5,819              | -                   | -                   | -                   | -                   | 984,016             | 40,345              | 23,028              | 2,435               | 695,200             |
| <b>Restricted for:</b>                    |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Special revenue funds                     | 13,146             | 13,146              | 13,146              | 13,146              | 13,146              | 13,146              | 13,146              | -                   | -                   | -                   |
| Capital projects funds                    | -                  | 2,957,767           | 7,417,694           | 4,751,696           | 1,722,736           | 3,232,572           | 7,679,803           | 695,200             | 695,200             | -                   |
| <b>Committed for:</b>                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Youth court                               | -                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 72,312              |
| <b>Assigned to:</b>                       |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Special revenue funds                     | 93,560             | 60,572              | 65,551              | 57,903              | 51,833              | 54,528              | 43,404              | 52,333              | 57,317              | -                   |
| Capital projects funds                    | 1,750,832          | 1,984,955           | 2,807,235           | 1,750,651           | 3,865,649           | 4,450,340           | 4,800,380           | 7,403,187           | 6,295,161           | 6,230,136           |
| <b>Total all other governmental funds</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> | <b>\$12,909,273</b> | <b>\$ 8,509,314</b> | <b>\$ 7,386,607</b> | <b>\$ 7,334,095</b> |

**City of Wasilla, Alaska**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

|   | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues</b>   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Sales taxes   | \$ 12,346,152        | \$ 15,481,431        | \$ 19,579,568        | \$ 16,975,061        | \$ 13,319,335        | \$ 16,724,587        | \$ 21,046,076        | \$ 20,079,919        | \$ 21,012,162        | \$ 22,079,350        |
| Property and vehicle taxes                              | 120,969              | 57,441               | 58,550               | 57,920               | 59,270               | 60,920               | 287,628              | 176,020              | 244,303              | 180,130              |
| Intergovernmental                                       | 3,556,911            | 4,184,465            | 8,406,454            | 8,231,625            | 1,899,617            | 3,012,014            | 2,222,667            | 5,117,521            | 13,500,506           | 7,501,893            |
| Investment income (loss)                                | 85,725               | 83,197               | 103,799              | 169,528              | 119,083              | 271,996              | 829,737              | 983,264              | 93,114               | (813,447)            |
| Loss on land held for resale                            | -                    | -                    | -                    | -                    | -                    | (862,536)            | (165,000)            | -                    | -                    | -                    |
| Other revenues  | 2,114,907            | 2,147,361            | 2,275,749            | 2,819,905            | 3,135,509            | 3,512,494            | 4,059,085            | 3,958,140            | 3,770,703            | 4,090,546            |
| <b>Total Revenues</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>\$ 28,280,193</b> | <b>\$ 30,314,864</b> | <b>\$ 38,620,788</b> | <b>\$ 33,038,472</b> |
| <b>Expenditures</b>                                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Current:  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General government                                      | \$ 2,815,187         | \$ 2,913,068         | \$ 3,148,955         | \$ 2,921,203         | \$ 2,839,646         | \$ 3,062,835         | \$ 3,126,684         | \$ 3,246,098         | \$ 8,130,970         | \$ 3,941,225         |
| Public safety   | 6,292,968            | 6,303,802            | 7,531,076            | 6,230,856            | 6,522,876            | 7,688,792            | 8,050,495            | 8,650,706            | 9,391,010            | 12,561,089           |
| Public works  | 2,208,004            | 2,241,846            | 2,418,483            | 2,090,240            | 2,212,748            | 2,327,502            | 2,263,134            | 2,151,700            | 2,187,668            | 2,375,612            |
| Culture and recreation                                  | 1,917,983            | 1,929,493            | 2,186,076            | 1,913,045            | 2,049,395            | 2,244,820            | 2,251,103            | 2,198,550            | 2,330,455            | 2,501,541            |
| Nondepartmental   | 139,725              | 205,565              | 97,983               | 53,171               | 55,701               | 172,435              | 253,745              | 207,561              | 148,945              | 87,012               |
| Youth court   | 173,429              | 190,111              | 217,417              | 171,912              | 191,280              | -                    | -                    | -                    | -                    | -                    |
| Capital outlay  | 1,805,060            | 2,789,674            | 6,317,946            | 15,220,960           | 5,165,907            | 3,661,800            | 5,092,715            | 11,248,060           | 4,606,793            | 3,286,156            |
| Debt service:   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Principal   | 320,505              | 320,000              | 340,000              | 355,000              | 390,000              | 395,000              | 405,000              | -                    | -                    | 29,354               |
| Interest  | 112,744              | 97,744               | 82,263               | 65,819               | 23,323               | 20,150               | 8,100                | -                    | -                    | 7,546                |
| Other debt service costs                                | -                    | -                    | -                    | -                    | 12,333               | -                    | -                    | -                    | -                    | -                    |
| <b>Total Expenditures</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>    | <b>21,450,976</b>    | <b>27,702,675</b>    | <b>26,795,841</b>    | <b>24,789,535</b>    |
| Excess of revenues over<br>(under) expenditures         | 2,439,059            | 4,962,592            | 8,083,921            | (768,167)            | (930,395)            | 3,146,141            | 6,829,217            | 2,612,189            | 11,824,947           | 8,248,937            |
| <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                            | 13,295               | 56,495               | 38,637               | 9,771                | 79,300               | 21,234               | 1,013,846            | 99,572               | -                    | 98,763               |
| Right to use lease acquisition                          | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 162,749              |
| Transfers in  | 947,273              | 1,146,054            | 859,968              | 959,643              | 3,169,645            | 3,111,973            | 1,165,289            | 2,568,350            | 2,653,833            | 3,119,451            |
| Transfers out   | (1,688,488)          | (1,986,617)          | (1,522,316)          | (1,488,711)          | (4,213,145)          | (4,179,467)          | (2,798,789)          | (3,370,000)          | (3,477,633)          | (4,293,251)          |
| <b>Net other financing sources (uses)</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>(619,654)</b>     | <b>(702,078)</b>     | <b>(823,800)</b>     | <b>(912,288)</b>     |
| <b>Net change in fund balances</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>     | <b>6,209,563</b>     | <b>1,910,111</b>     | <b>11,001,147</b>    | <b>7,336,649</b>     |
| Debt service as a percentage of noncapital expenditures | 2.94%                | 2.94%                | 2.43%                | 2.57%                | 2.79%                | 2.58%                | 2.36%                | 0.00%                | 0.00%                | 0.17%                |
| Total noncapital expenditures                           | \$ 14,715,904        | \$ 15,370,471        | \$ 17,386,845        | \$ 16,360,208        | \$ 14,793,861        | \$ 16,100,264        | \$ 17,524,075        | \$ 17,351,499        | \$ 23,195,627        | \$ 22,057,026        |

**City of Wasilla, Alaska**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

| Fiscal Year<br>Ended<br>June 30, | Total<br>Taxes | Property<br>Taxes | Sales<br>Taxes | Vehicle<br>Taxes |
|----------------------------------|----------------|-------------------|----------------|------------------|
| 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           |
| 2019                             | 21,333,704     | -                 | 21,046,076     | 287,628          |
| 2020                             | 20,255,939     | -                 | 20,079,919     | 176,020          |
| 2021                             | 21,012,162     | -                 | 20,834,132     | 178,030          |
| 2022                             | 22,259,480     | -                 | 22,079,350     | 180,130          |

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 increase was dedicated to fund construction of a new police station. The rate remained in effect until December 1, 2019. At that time, the rate was reduced to 2.5%, and remains at this rate.
- (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**  
**Current Year and Nine Years Ago**

| Category                                       | 2022                       |                        | 2013                       |                        |
|--|----------------------------|------------------------|----------------------------|------------------------|
|  | Total Sales<br>Tax Revenue | Percentage<br>of Total | Total Sales<br>Tax Revenue | Percentage<br>of Total |
| Trade Retail & Wholesale                       | \$ 16,117,493              | 73.00%                 | \$ 9,358,165               | 75.80%                 |
| Entertainment, Recreation & Food Service       | 3,312,382                  | 15.00%                 | 1,419,346                  | 11.50%                 |
| Utilities & Information                        | 755,719                    | 3.42%                  | 695,601                    | 5.63%                  |
| Real Estate, Rental, Leasing & Transportation  | 319,476                    | 1.45%                  | 187,483                    | 1.52%                  |
| Manufacturing (primarily construction related) | 230,773                    | 1.05%                  | 112,004                    | 0.91%                  |
| All Other Services                             | 1,343,507                  | 6.08%                  | 573,553                    | 4.65%                  |
|  | <u>\$ 22,079,350</u>       | <u>100.00%</u>         | <u>\$ 12,346,152</u>       | <u>100.0%</u>          |

Source: City of Wasilla Finance Department

- (1) Wasilla Municipal Code restricts the publication of sale 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<br>Ended<br>June 30, | Real             | Total Assessed<br>Value Net of<br>Exemptions | Total<br>Direct<br>Tax<br>Rate | Estimated Actual<br>Value | Assessed<br>Value as a<br>Percentage of<br>Actual Value |
|----------------------------------|------------------|--|--------------------------------|---------------------------|---|
| 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%  |
| 2019                             | 1,480,845,389    | 1,099,451,239                                | 12.482                         | 1,184,377,925             | 92.83%  |
| 2020                             | 1,539,394,714    | 1,131,459,107                                | 12.536                         | 1,210,816,913             | 93.45%  |
| 2021                             | 1,575,605,429    | 1,152,127,117                                | 12.472                         | 1,264,483,246             | 91.11%  |
| 2022                             | 1,727,869,209    | 1,282,100,531                                | 12.092                         | 1,297,137,228             | 98.84%  |

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<br>Year<br>Ended<br>June 30, | Sales Tax          |                   | Property Tax                       |                    |        |
|-------------------------------------|--------------------|-------------------|------------------------------------|--------------------|--------|
|                                     | City of<br>Wasilla | Mat-Su<br>Borough | Wasilla<br>Fire<br>Service<br>Area | City of<br>Wasilla | Total  |
| 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 |
| 2019                                | 3.00               | 10.332            | 2.15                               | 0.00               | 12.482 |
| 2020                                | 2.50               | 10.386            | 2.15                               | 0.00               | 12.536 |
| 2021                                | 2.50               | 10.322            | 2.15                               | 0.00               | 12.472 |
| 2022                                | 2.50               | 9.942             | 2.15                               | 0.00               | 12.092 |

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**  
**Current Year and Nine Years Ago**

| Taxpayer                        | Nature of Business                   | 2022                       |      |  | 2013                       |      |  |
|---------------------------------|--------------------------------------|----------------------------|------|--|----------------------------|------|--|
|                                 |                                      | Taxable assessed Value (1) | Rank | Percentage of total taxable assessed value | Taxable assessed Value (1) | Rank | Percentage of total taxable assessed value |
| Wal-Mart Stores Inc.            | Retail Store                         | \$ 20,858,100              | 1    | 1.63%                                      | \$ 19,618,400              | 1    | 2.08%                                      |
| Fred Meyer Stores Inc.          | Retail Store                         | 20,229,800                 | 2    | 1.58%                                      | 18,718,600                 | 3    | 1.99%                                      |
| DBC LLC                         | Property Development and Retail Mall | 18,831,200                 | 3    | 1.47%                                      | 19,243,500                 | 2    |  |
| Primrose Senior Holdings        | Retirement Facility                  | 16,026,200                 | 4    | 1.25%                                      |                            |      | 0.00%                                      |
| Schweiger John Loving TR        | Entertainment                        | 10,841,900                 | 5    | 0.85%                                      |                            |      |  |
| Lowe's HIW Inc.                 | Retail Store                         | 10,428,000                 | 6    | 0.81%                                      | 14,680,500                 | 4    |  |
| Corporate Way Properties        | Real Estate Rental and Leasing       | 9,366,000                  | 7    | 0.73%                                      |                            |      | 0.00%                                      |
| The Home Depot                  | Retail Store                         | 8,490,000                  | 8    | 0.66%                                      |                            |      | 0.00%                                      |
| Schweiger John Loving TR        | Entertainment                        | 8,339,400                  | 9    | 0.65%                                      |                            |      | 0.00%                                      |
| Mat-Su Valley Medical Center    | Medical Facilities                   | 8,282,400                  | 10   | 0.65%                                      | 10,775,000                 | 10   | 1.14%                                      |
| Gary Lundgren                   | Individual                           |                            |      |  | 13,479,300                 | 5    | 1.43%                                      |
| BDC Wasilla LP                  | Real Estate Rental and Leasing       |                            |      |  | 13,156,300                 | 6    | 1.40%                                      |
| Wasilla Retirement LLC          | Retirement Facility                  |                            |      |  | 12,883,200                 | 7    | 1.37%                                      |
| Wasilla LLC                     | Property Development and Retail Mall |                            |      |  | 11,240,000                 | 8    |  |
| Global Finance & Investment Co. | Real Estate Rental and Leasing       |                            |      |  | 10,936,700                 | 9    |  |
| <b>Total</b>                    |                                      | <b>\$ 131,693,000</b>      |      | <b>10.28%</b>                              | <b>\$ 144,731,500</b>      |      | <b>9.41%</b>                               |

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

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

| Fiscal<br>Year<br>Ended<br>June 30, | Governmental Activities        |                      |              | Total<br>General<br>Obligation<br>Bonds | Percentage<br>of<br>Personal<br>Income (1) | Percentage<br>of<br>Assessed<br>Value (2) | Per<br>Capita<br>(1) |
|-------------------------------------|--------------------------------|----------------------|--------------|---|--|---|----------------------|
|                                     | General<br>Obligation<br>Bonds | Retired<br>Principal | Total        |   |  |   |                      |
| 2013                                | \$ 2,542,425                   | \$ 263,627           | \$ 2,278,798 | \$ 2,278,798                            | 0.01%                                      | 0.22%                                     | \$ 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%                                      | 0.11%                                     | 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%                                     | 48                   |
| 2019                                | 413,743                        | 413,743              | -            | -                                       | 0.00%                                      | 0.00%                                     | -                    |
| 2020                                | -                              | -                    | -            | -                                       | 0.00%                                      | 0.00%                                     | -                    |
| 2021                                | -                              | -                    | -            | -                                       | 0.00%                                      | 0.00%                                     | -                    |
| 2022                                | -                              | -                    | -            | -                                       | 0.00%                                      | 0.00%                                     | -                    |

(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<br>Year<br>Ended<br>June 30, | Governmental Activities        |                   | Business-Type<br>Activities |                  | Total<br>Primary<br>Government | Percentage<br>of<br>Personal<br>Income | Percentage<br>of<br>Assessed<br>Value (3) | Per<br>Capita<br>(2) |
|-------------------------------------|--------------------------------|-------------------|-----------------------------|------------------|--------------------------------|--|---|----------------------|
|                                     | General<br>Obligation<br>Bonds | Leases<br>Payable |                             | Loans<br>Payable |                                |  |   |                      |
| 2013                                | \$ 2,278,798                   | \$ -              | \$ -                        | \$ -             | \$ 2,278,798                   | 0.64%                                  | 0.24%                                     | \$ 278               |
| 2014                                | 1,945,665                      | -                 | -                           | -                | 1,945,665                      | 0.51%                                  | 0.19%                                     | 233                  |
| 2015                                | 1,592,532                      | -                 | -                           | 1,925,189        | 3,517,721                      | 0.91%                                  | 0.34%                                     | 425                  |
| 2016                                | 1,224,399                      | -                 | -                           | 1,584,656        | 2,809,055                      | 0.75%                                  | 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                      | 0.34%                                  | 0.13%                                     | 160                  |
| 2019                                | -                              | -                 | -                           | 827,250          | 827,250                        | 0.20%                                  | 0.07%                                     | 94                   |
| 2020                                | -                              | -                 | -                           | 661,800          | 661,800                        | 0.15%                                  | 0.06%                                     | 76                   |
| 2021                                | -                              | -                 | -                           | 496,350          | 496,350                        | 0.11%                                  | 0.04%                                     | 55                   |
| 2022                                | -                              | -                 | 133,395                     | -                | 133,395                        | 0.03%                                  | 0.01%                                     | 14                   |

(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 Table 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, 2022

| Name of Governmental Unit           | Net Debt<br>Outstanding | Percentage<br>Applicable<br>to this<br>Governmental<br>Unit | City of<br>Wasilla's<br>Share<br>of Debt |
|-------------------------------------|-------------------------|---|--|
| City of Wasilla                     | \$ -                    | 0.00%   | \$ -                                     |
| Matanuska Susitna Borough           | 220,780,000             | 10.75%  | 23,733,850                               |
| <b>Total Direct and Overlapping</b> | <b>\$ 220,780,000</b>   |   | <b>\$23,733,850</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 %) |
| 2013            | 8,207      | 4,126             | 93,801                    | \$ 43,498                  | 35.0       | 17,247            | 7.2                          |
| 2014            | 8,365      | 4,158             | 96,074                    | 45,452                     | 35.0       | 17,843            | 7.4                          |
| 2015            | 8,275      | 4,143             | 98,063                    | 46,785                     | 35.0       | 18,037            | 8.3                          |
| 2016            | 8,468      | 3,829             | 100,178                   | 44,454                     | 35.0       | 18,745            | 8.3                          |
| 2017            | 8,704      | 3,866             | 102,598                   | 44,803                     | 35.0       | 18,721            | 8.6                          |
| 2018            | 8,797      | 3,975             | 104,166                   | 47,026                     | 35.0       | 19,369            | 8.0                          |
| 2019            | 8,801      | 3,805             | 105,743                   | 48,943                     | 35.0       | 19,101            | 7.4                          |
| 2020            | 8,736      | 3,959             | 106,438                   | 48,943                     | 35.0       | 19,114            | 13.1                         |
| 2021            | 8,963      | 4,744             | 107,305                   | 48,943                     | 35.2       | 17,935            | 7.2                          |
| 2022            | 9,227      | 4,221             | 108,805                   | 50,386                     | 35.5       | 18,957            | 5.3                          |

Source: (2) State of Alaska and U.S. Census; State of Alaska Dept of Education & Early Development; (2) State of Alaska and U.S. Census; (1) Bureau of Economic Analysis; (1) State of Alaska; State of Alaska Dept of Education & Early Development; (1) State of Alaska

(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**

|                          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| City Clerk               | 3.00          | 3.00          | 2.00          | 3.00          | 3.00          | 3.00          | 3.00          | 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   | 6.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          |
| Finance/MIS              | 10.00         | 10.00         | 10.00         | 11.00         | 13.00         | 14.00         | 14.00         | 14.00         | 14.00         | 15.00         |
| Police                   | 49.00         | 49.00         | 49.00         | 50.00         | 60.00         | 62.00         | 64.00         | 65.00         | 65.00         | 66.00         |
| Youth Court              | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 0.75          | 0.75          | 0.75          | 0.75          | 0.75          |
| Public Works             | 23.00         | 23.00         | 23.00         | 23.00         | 21.00         | 21.00         | 21.00         | 21.00         | 23.00         | 23.00         |
| Museum                   | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 2.00          |
| Recreation Facilities    |               |               |               |               |               |               |               |               |               |               |
| Maintenance              | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          |
| Sports Center/Recreation |               |               |               |               |               |               |               |               |               |               |
| Services                 | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          |
| Library                  | 9.50          | 9.50          | 9.50          | 9.50          | 9.50          | 10.00         | 10.00         | 10.00         | 10.50         | 10.50         |
| <b>Total</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> | <b>131.25</b> | <b>132.25</b> | <b>134.75</b> | <b>137.25</b> |

Source: City of Wasilla Finance Department

(1) This table 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**

|                              | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019      | 2020      | 2021    | 2022      |
|------------------------------|---------|---------|---------|---------|---------|---------|-----------|-----------|---------|-----------|
| <b>Function</b>              |         |         |         |         |         |         |           |           |         |           |
| <b>Public Safety:</b>        |         |         |         |         |         |         |           |           |         |           |
| Police Services:             |         |         |         |         |         |         |           |           |         |           |
| Police requests for service  | 20,856  | 24,374  | 26,758  | 26,026  | 27,451  | 26,823  | 26,963    | 26,753    | 29,500  | 24,921    |
| Criminal arrests             | 1,006   | 1,315   | 1,484   | 1,448   | 1,292   | 1,252   | 1,401     | 1,703     | 1,279   | 1,196     |
| <b>Water and Wastewater:</b> |         |         |         |         |         |         |           |           |         |           |
| Water production average     |         |         |         |         |         |         |           |           |         |           |
| gallons per day average      |         |         |         |         |         |         |           |           |         |           |
| July readings                | 779,454 | 909,806 | 758,613 | 705,253 | 696,907 | 823,830 | 1,194,825 | 1,020,846 | 855,381 | 1,804,525 |
| Wastewater treatment avg.    |         |         |         |         |         |         |           |           |         |           |
| gallons per day average      |         |         |         |         |         |         |           |           |         |           |
| July readings                | 324,100 | 445,483 | 375,767 | 345,733 | 331,767 | 343,073 | 369,295   | 342,560   | 356,839 | 369,295   |

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**

|   | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  | 2021  | 2022  |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Miles of streets  | 70.24 | 71.28 | 73.29 | 73.65 | 75.36 | 76.49 | 76.62 | 76.62 | 76.62 | 76.62 |
| Miles of water lines                                      | 43.64 | 44.93 | 46.50 | 46.82 | 47.49 | 47.49 | 48.95 | 48.95 | 48.95 | 48.95 |
| Miles of sewer lines                                      | 26.78 | 26.89 | 26.89 | 26.89 | 26.89 | 26.89 | 27.53 | 27.53 | 27.53 | 27.53 |
| Police protection -<br>Police Stations & Dispatch Centers | 1.00  | 1.00  | 1.00  | 1.00  | 1.00  | 1.00  | 1.00  | 2.00  | 2.00  | 2.00  |
| Recreation:<br>Number of facilities:                      |       |       |       |       |       |       |       |       |       |       |
| Parks   | 5.00  | 5.00  | 5.00  | 5.00  | 6.00  | 7.00  | 7.00  | 7.00  | 7.00  | 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  | 3.00  | 3.00  | 3.00  | 3.00  | 3.00  | 3.00  | 4.00  | 4.00  | 4.00  | 4.00  |
| Soccer fields   | 2.00  | 2.00  | 2.00  | 2.00  | 2.00  | 2.00  | 3.00  | 3.00  | 3.00  | 3.00  |
| Campground  | 1.00  | 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