

Code Ordinance By: Deputy Mayor Sullivan-Leonard, and Council Members Harris, Woodruff and Wall
Introduced: March 11, 2013
Public Hearing: April 8, 2013
Adopted: April 8, 2013
Vote: Harris, Lovell, Sullivan-Leonard, Wall, Woodruff in favor and Buswell opposed

**City of Wasilla
Ordinance Serial No. 13-08**

An ordinance of the Wasilla City Council amending Wasilla Municipal Code 5.16.030, 5.16.100 and 5.16.210 to increase the rate of the City sales tax by one percent (1%) to three percent (3%) beginning on January 1, 2014, and shall expire on December 31, 2014; amending Wasilla Municipal Code 5.16.210 to allocate one percent (1%) of the sales tax increase to a special account to finance the construction of the new Wasilla Public Library; and authorizing the City Clerk to submit the question of such sales tax rate increase to the qualified voters of the City at the October 1, 2013, regular City election.

WHEREAS, the City Council of the City of Wasilla (the "City") finds that the City requires a new library facility; and

WHEREAS, the City views the construction of a new library facility as necessary and beneficial to the community; and

WHEREAS, the City finds that it is necessary for the City to finance at least 6.5 million dollars as the City's portion of the construction costs; and

WHEREAS, the current 2% rate of City sales tax is insufficient to fund the construction of the City's new library facility; and

WHEREAS, the City finds that an increase in the rate of sales tax is a more equitable method of raising additional revenue than an increase in property tax, because a sales tax increase will be borne by all resident and non-resident users of the City library; and

WHEREAS, the City deems it necessary to increase the rate of the City sales tax by one percent (1%), and to deposit the resulting additional revenue (1%) in a special account restricted to funding a new library facility; and

WHEREAS, the City finds that sufficient funds can be obtained in one calendar year with an increase of one percent (1%), therefore the one percent (1%) tax increase will sunset or be retired after one calendar year.

* **Section 1. Classification.** Sections 2 through 4 of this ordinance are of a general and permanent nature and shall become part of the city code.

Bold and underline, added. Strikethrough, deleted

* **Section 2. Amendment of section.** WMC 5.16.030, Sales Tax – Levy of tax, is amended to read as follows:

5.16.030 Levy of tax.

A. Subject to the remainder of this chapter, a tax of ~~three~~ **two** percent of the price is levied on all sales, rentals and services made in the city **and shall expire on December 31, 2014, and a tax of two percent of the price is levied on all sales, rentals and services made in the city thereafter.**

* **Section 3. Amendment of section.** WMC 5.16.100.B.2, Sales Tax – Collection of sales tax – Addition and separate statement; Exceptions, is amended to read as follows:

2. The amount of sales tax to be added to the price of a sale, rental or service shall be determined in accordance with the following schedule:

| Price of sale, Rental or service | Tax |
|---|------------|
| Under \$0.15 <u>0.25</u> | None |
| \$0.16 through \$0.49 <u>\$0.25 through \$0.74</u> | \$0.01 |
| \$0.50 through \$0.83 <u>\$0.75 through \$1.24</u> | \$0.02 |
| \$0.84 through \$1.16 <u>\$1.25 through \$1.74</u> | \$0.03 |
| \$1.17 through \$1.49 <u>\$1.75 through \$2.24</u> | \$0.04 |
| \$1.50 through \$1.83 <u>\$2.25 through \$2.74</u> | \$0.05 |
| \$1.84 through \$2.16 <u>\$2.75 through \$3.24</u> | \$0.06 |
| \$2.17 through \$2.49 <u>\$3.25 through \$3.74</u> | \$0.07 |
| \$2.50 through \$2.83 <u>\$3.75 through \$4.24</u> | \$0.08 |
| \$2.84 through \$3.16 <u>\$4.25 through \$4.74</u> | \$0.09 |
| \$3.17 through \$3.49 <u>\$4.75 through \$5.24</u> | \$0.10 |
| Over \$3.50 <u>\$5.25</u> , continue on same scale up to five hundred dollars (\$500.00). | |

Bold and underline, added. Strikethrough, deleted

* **Section 7. Effective date.** Sections 1 through 4 of this ordinance shall become effective on January 1, 2014, only if the proposition described in Section 5 is approved by a majority of the qualified voters voting on the proposition at the regular City election on October 1, 2013. The remaining sections of this ordinance shall become effective upon adoption of the Wasilla City Council.

ADOPTED by the Wasilla City Council on April 8, 2013.


VERNE E. RUPRIGHT, Mayor

AS TO FORM ONLY

ATTEST:



KRISTIE SMITHERS, MMC, City Clerk

[SEAL]

Bold and underline, added. Strikethrough, deleted

CITY COUNCIL LEGISLATION STAFF REPORT

Ordinance Serial No. 13-08: Amending Wasilla Municipal Code 5.16.030, 5.16.100 and 5.16.210 to increase the rate of the City sales tax by one percent (1%) to three percent (3%) beginning on January 1, 2014, and shall expire on December 31, 2014; amending Wasilla Municipal Code 5.16.210 to allocate one percent (1%) of the sales tax increase to a special account to finance the construction of the new Wasilla Public Library; and authorizing the City Clerk to submit the question of such sales tax rate increase to the qualified voters of the City at the October 1, 2013, regular City election.

Originator: Deputy Mayor Colleen Sullivan-Leonard *Colleen Sullivan-Leonard*

Date: February 27, 2013 Agenda of: March 11, 2013

| Route to: | Department Head | Signature | Date |
|-----------|----------------------|--------------------|---------|
| X | Finance Director | <i>[Signature]</i> | 3/4/13 |
| X | Deputy Administrator | <i>[Signature]</i> | 3/4/13 |
| X | City Clerk | <i>[Signature]</i> | 3/11/13 |

Reviewed by Mayor Verne E. Rupright: *[Signature]* 3-4-13

AS TO FORM NOT CONTENT

Fiscal Impact: yes or no

Funds Available: yes or no

Account name/number: To be determined upon voter approval

Attachments: Ordinance Serial No. 13-08 (4 pages), Wasilla Public Library Project Development Plan (6 pages), and City of Wasilla Comprehensive Annual Report (2 pages).

Summary Statement: This ordinance was previously submitted as Ordinance Serial No. 13-05 at the February 25, 2013, regular City Council meeting; it failed to be introduced. This proposed Ordinance Serial No. 13-08, has one addition under Section 4, relating to the sales tax collection as items B 1 and 2.

This ordinance reflects funding for a new Wasilla Public Library through a one cent sales tax increase with a sunset clause after one year. One year, one cent for one project.

The Foraker Group's pre-development study estimates that the City's obligation for the new \$16.3 million dollar library would be \$6.5 million dollars. A one year collection of the additional sales tax revenue, from January 1, 2014, to December 31, 2014, would generate between \$6.2 - \$6.5 million dollars toward our obligation. Additional funding, if needed, would come from the General Fund, Fund Balance.

The City has actively worked through its Capital Improvement Plan as well as Council goals and initiatives toward a new library for many years. Like other big capital projects for the City, a plan was needed and required before funding could be considered.

In July 2012 the City Council requested an up-to-date plan that showed the pre-design, feasibility study, community survey and potential funding sources for the new public library before any capital funding could be considered. In September 2012 that pre-development plan moved forward with the coordination of The Foraker Group, the Library Needs Committee, the Friends of the Wasilla Library, administration and City Council. After several meetings with the Foraker Group and McCool, Carlson and Green Architects a final presentation was made to the City Council in January 2013 and was well received.

The concept design from McCool, Carlson and Green Architects shows a one-story 23,500 square foot library with organized and efficient space, ample parking and great access to our schools. It also identifies the funding sources and costs associated with the capital and operating costs for the new library.

The City is now at a point to move forward to acquire funding for the design and construction of a new Wasilla Public Library. The funds have been identified as:

- Community funding through a Capital Campaign obligation of \$600,000
- State Funds requested in the amount of \$8.2 million
- Mat-Su Borough land investment value of \$900,000
- City of Wasilla obligation of \$6.5 million
- Operating costs to show an annual increase of \$115,000 primarily for lighting and heating (Per Foraker, no additional staff is needed due to the one story efficient layout).

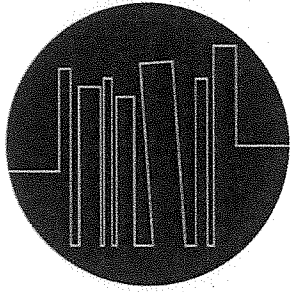
With the passage of this ordinance the City could proceed with a procurement process to secure design assistance. This would be followed by design schematics, development and construction documentation, and initial construction to build our new library. As outlined in the pre-development schedule from the Foraker Group, completion of a new library could be sometime in 2016.

The approval of this ordinance would show all invested members of this project, including State Legislators, the Mat-Su Borough, the Mat-Su School District, and community and corporate sponsors that we are working collaboratively and with accountability toward this major capital City project.

The Council has a fiscal responsibility to spend the tax monies collected to run city government wisely and responsibly. A sales tax increase with a sunset clause does that. Our citizens would see accountability from our city government when the one cent sales tax increase, started on January 1, 2014, ends on December 31, 2014. They will know the funds are for the construction of a new Wasilla Public Library only and not for other unknown, unplanned construction projects, or, for growing general government.

This ordinance finds the balance and accountability necessary to present to the Wasilla City voters for their consideration of funding and construction of a new Wasilla Public Library.

Recommended Action: Introduce and set for public hearing; adopt Ordinance Serial No. 13-08.



WASILLA

PUBLIC LIBRARY



Project Development Plan

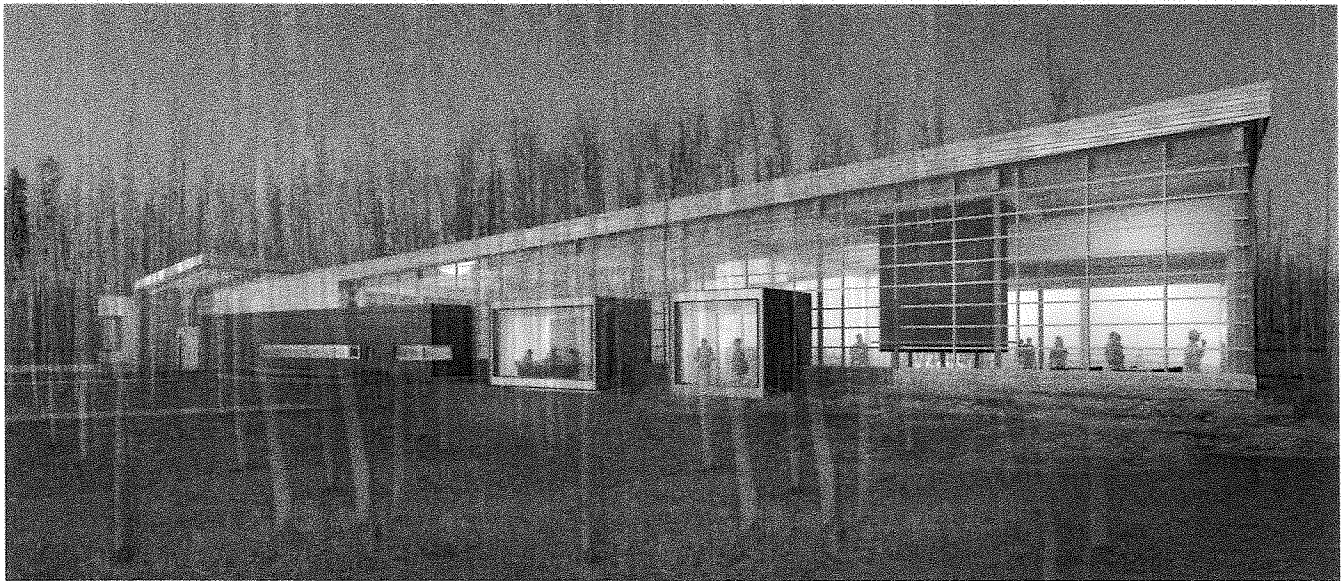
January 7, 2013



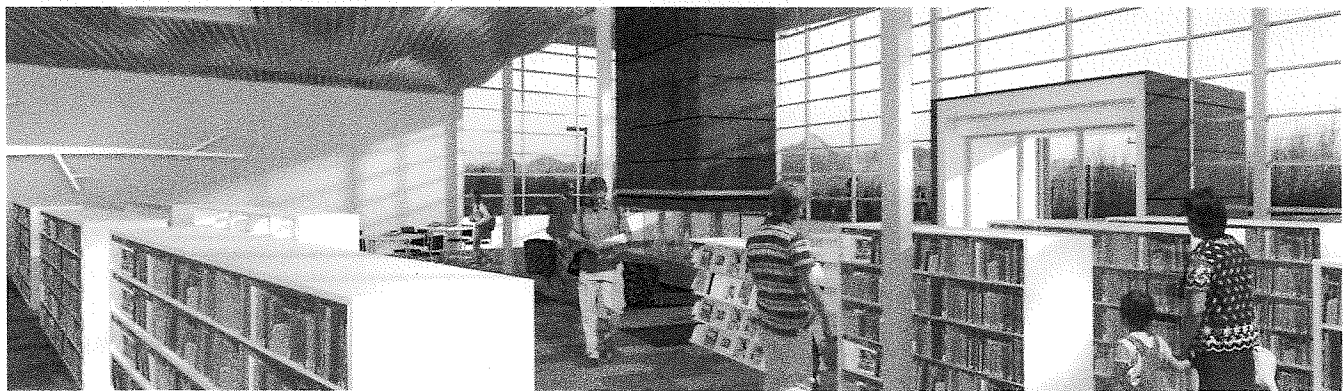
3.0 THE NEW LIBRARY



Architectural rendering of the new library front facade.



Architectural rendering of the new library from the southeast.



Architectural rendering of library interior.



PROJECT SCHEDULE

The City of Wasilla is in the enviable position of having secured funding to immediately begin the design process. Beginning the design process now will “buy” as much as a year in the project schedule. In addition, a public process during the design will help raise the profile of the project in the community and most likely generate additional community support. The following schedule should be considered reasonable and normal process in the design and construction industry. There are many different ways to accelerate this schedule should the community decide it is wanted. Key project schedule benchmarks include:

Procure Design Assistance - With approval from the City Council, a procurement process for securing design services could begin in January, 2013. The amount of time necessary for preparing proposals, receiving and reviewing proposals, negotiating and awarding a contract would be approximately three months.

Schematic Design – The initial phase of design should include topographic surveys, geotechnical analysis, a healthy public process, coordination with Wasilla Middle School and development of a site plan and floor plan. This process would begin in May and require three to four month’s effort.

Design Development and preparation of Construction Documents – While Schematic Design is under way, the City of Wasilla should learn whether or not State of Alaska matching grant monies will be awarded. Should grant monies be secured, the design can continue seamlessly to completion. Design Development and the preparation of Construction Documents will require approximately eight to nine months.

Construction – There are several different methods of procuring construction services. Either a qualifications-based selection of a Construction Manager during design or an Invitation to Bid process will allow construction to start in the summer of 2014. This size facility will require 16 to 18 months construction time.

Opening – The schedule outlined below is reasonable and should not require any extraordinary efforts. The new facility would be placed into service in the early winter of 2016.

WASILLA LIBRARY PROJECT SCHEDULE OVERVIEW

| | 2013 | | | | 2014 | | | | 2015 | | | | 2016 | | | |
|-----------------------------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| | JAN-MAR | APR-JUN | JULY-SEPT | OCT-DEC | JAN-MAR | APR-JUN | JULY-SEPT | OCT-DEC | JAN-MAR | APR-JUN | JULY-SEPT | OCT-DEC | JAN-MAR | APR-JUN | JULY-SEPT | OCT-DEC |
| Design Assistance | | | | | | | | | | | | | | | | |
| Schematic Design | | | | | | | | | | | | | | | | |
| Design Devel. & Const. Doc. | | | | | | | | | | | | | | | | |
| Construct. | | | | | | | | | | | | | | | | |
| Opening | | | | | | | | | | | | | | | | |

Wasilla Public Library replacement project schedule.



4.0 PROJECT & OPERATING COSTS

TOTAL PROJECT COST ESTIMATE

The total project cost is estimated to be \$15,012,000. When adding the value of the land, pre-development costs already committed, and the value of in-kind project management services provided by City staff, the total value of the project is \$16,315,553. These other costs are captured in the column marked "Committed".

This total cost estimate is based upon the 23,500 square foot concept design prepared by McCool Carlson Green Architects. Many individual elements and factors go into the preparing the estimate.

Please refer to the table below for the following discussion.

| Estimate of Total Project Cost | | | | |
|--------------------------------|---|-----|--------------|----------------------|
| Line | Item | % | Committed | Est to Complete |
| 1 | Site Acquisition | | | |
| 2 | Four acre site | | \$ 877,734 | |
| 3 | Closing costs | | \$ 18,819 | |
| 4 | Soft Costs | | | |
| 5 | Wasilla Pre-Development Costs | | \$ 11,500 | |
| 6 | Foraker Group Pre-Development Costs, est'd | | \$ 55,000 | |
| 7 | Other Direct Costs: advertising, printing, legal, public communications, moving expense | | | \$ 30,000 |
| 8 | 1% for Art | 1% | | \$ 113,500 |
| 9 | Management and Design | | | |
| 10 | Project Management, in kind from City of Wasilla | 3% | \$ 340,500 | |
| 11 | Design: includes soils and geotech report, landscaping, interior design, FF&E assistance, acoustics consultant, IT consultant, energy model | 12% | | \$ 1,362,000 |
| 12 | Construction Administration: special inspections, A/E assistance, certification application | 4% | | \$ 454,000 |
| 13 | Construction | | | |
| 14 | Construction Costs: includes upper and lower parking lots, book stacks, site development and amphitheater, 23,500sf@ \$516/sf* | | | \$ 11,350,000 |
| 15 | Furniture, Fixtures and Equipment: tables, chairs, office furniture, IT and A/V, computers | 5% | | \$ 567,500 |
| 16 | Project Contingency, % of construction cost | 10% | | \$ 1,135,000 |
| 17 | Sub-total | | \$ 1,303,553 | \$ 15,012,000 |
| 18 | Estimate of Total Project Cost | | | \$ 16,315,553 |

Estimated Operating Costs
Based on Planned Facility Size and Known Costs in the Area
15 December 2012



| Line # | Item | Mat Su Valley Facility Comparisons | | | | | | | | Est'd Op Cost, New Fac | | Notes |
|--------|--|------------------------------------|-----------------------------|------------------------|----------------------|------------------|---------|------------|---------------|------------------------|--|-------|
| | | Machetanz Elem School | Su Valley Jr/Sr High School | Wasilla Police Station | Wasilla Sports Arena | Existing Library | | Est'd Cost | Est'd Cost/SF | | | |
| 1 | Square Footage | 51,306 | 48,897 | 10,376 | 104,842 | 8,143 | Cost/SF | Cost/SF | New SF: | 23,500 | | |
| 2 | Electricity | \$ 48,972 | \$ 69,932 | \$ 39,175 | \$ 150,000 | \$ 4,216 | | | \$ 29,375 | | more HVAC equipment, more computers, better lighting | |
| 3 | Elect, cost/SF | \$0.95 | \$ 1.43 | \$ 3.78 | \$ 1.43 | \$ 0.52 | | | \$ 1.25 | | | |
| 4 | Natural Gas | \$ 27,825 | | \$ 18,345 | \$ 118,000 | \$ 2,655 | | | \$ 23,500 | | higher indoor air quality, higher volume single story, efficient like Machetanz but operate year round | |
| 5 | Gas, cost/SF | \$0.54 | | \$ 1.77 | \$ 1.13 | \$ 0.33 | | | \$ 1.00 | | | |
| 6 | Fuel Oil | | \$ 124,224 | | | | | | | | | |
| 7 | Oil, cost/SF | | \$ 1.78 | | | | | | | | | |
| 8 | Water/Sewer | \$ 2,165 | | \$ 2,258 | \$ 18,000 | \$ 3,200 | | | \$ 4,700 | | some increase in absolute value due to increased usage | |
| 9 | W/S, cost/SF | \$0.04 | | \$ 0.22 | \$ 0.17 | \$ 0.39 | | | \$ 0.20 | | | |
| 11 | Waste Disposal | | | \$ 3,204 | \$ 5,500 | \$ 660 | | | \$ 1,175 | | some increase in absolute value due to increased usage | |
| 12 | Waste Dis, cost/SF | | | \$ 0.31 | \$ 0.05 | \$ 0.08 | | | \$ 0.05 | | cost per SF goes down with efficiencies, need low maintenance materials | |
| 13 | Cleaning | | | \$ 22,712 | | \$ 20,389 | | | \$ 41,125 | | | |
| 14 | Cleaning, cost/SF | | | \$ 2.19 | | \$ 2.50 | | | \$ 1.75 | | | |
| 15 | Repair & Maint | | | \$ 6,500 | \$ 25,000 | \$ 4,361 | | | \$ 3,525 | | minimal costs in early years | |
| 16 | Repair & Maint, cost/SF | | | \$ 0.63 | \$ 0.24 | \$ 0.54 | | | \$ 0.15 | | | |
| 17 | Insurance | | | \$ 11,996 | \$ 68,855 | \$ 10,126 | | | \$ 19,300 | | includes building replacement and general liability | |
| 18 | Ins., cost /SF | | | \$ 1.16 | \$ 0.66 | \$ 1.24 | | | \$ 1.22 | | | |
| 19 | Total, cost/SF | | | \$ 10.04 | \$ 3.68 | \$ 5.60 | | | \$ 5.62 | | | |
| 20 | Sub-Total, cost | | | | | \$ 28,107 | | | \$ 122,700 | | | |
| 21 | Technology Rpl Fund | | | | | \$ 17,500 | | | \$ 38,000 | 43 | # of public use computers + 2 servers | |
| 22 | Total Est'd Facilities Cost | | | | | \$ 45,607 | | | \$ 160,700 | | | |
| 23 | Estimated Increase In New Facility Operating Cost | | | | | | | | | \$ 115,093 | | |

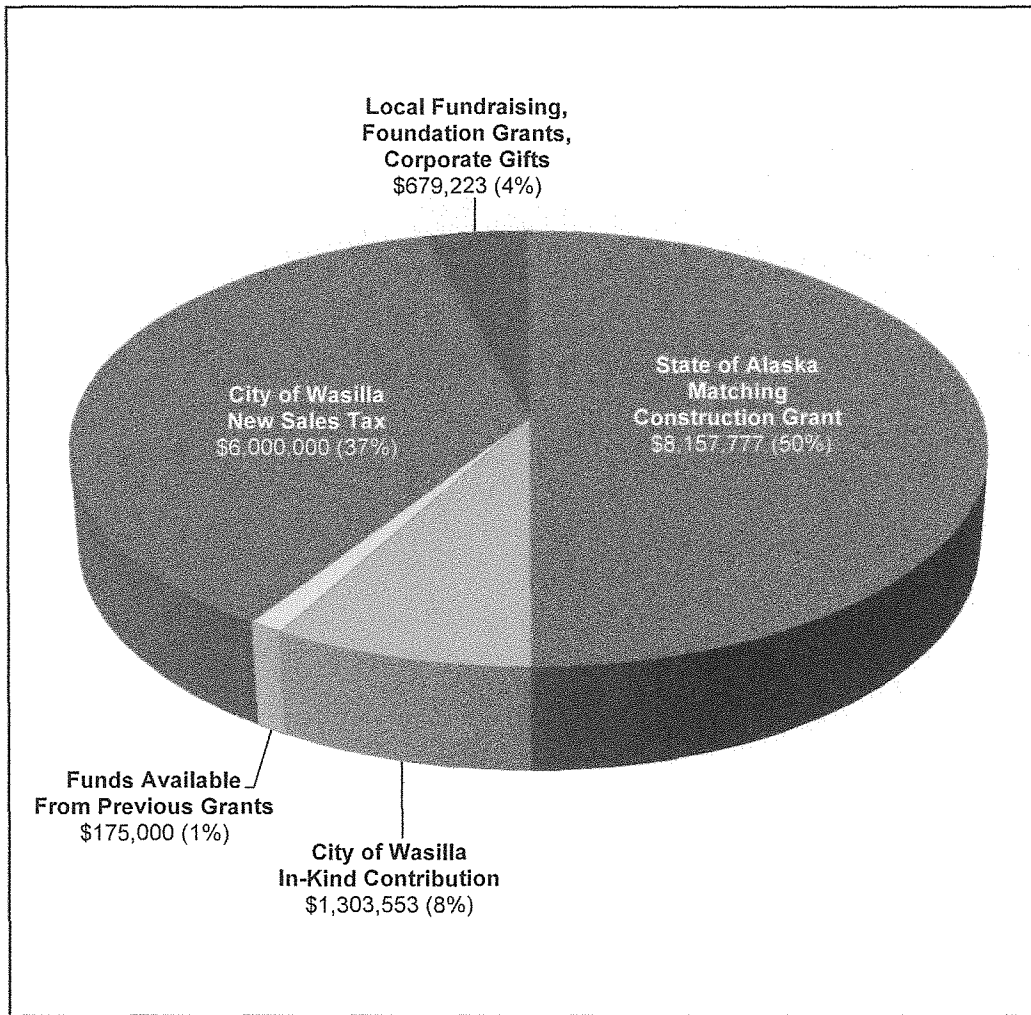
This estimate does not include additional staffing. Current staff supports 40 operating hours per week. New facility design will not require additional staffing, but demand for more operating hours may.



4.0 PROJECT & OPERATING COSTS

Based upon a project value of \$16,315,553, the City of Wasilla should be eligible for a matching grant in the amount of \$8,157,777.

After securing a matching grant and applying funds already secured, the amount required to complete the project is \$6,679,224. The City of Wasilla is contemplating a sales tax increase to raise \$6,000,000. The remainder, \$679,224, is anticipated to be raised through local fundraising, gifts from companies and grants from foundations.



Funding plan for the new Wasilla Public Library.

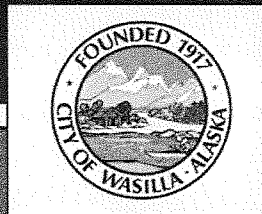


ALASKA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2012



CITY OF WASILLA, ALASKA

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual

Year ended June 30, 2012

| | <u>Original budget</u> | <u>Final budget</u> | <u>Actual</u> | Variance with final budget positive (negative) |
|--|----------------------------|-------------------------|----------------------|---|
| Revenues: | | | | |
| Taxes | \$ 11,613,500 | 11,613,500 | 12,029,178 | 415,678 |
| Licenses and permits | 35,100 | 35,100 | 32,695 | (2,405) |
| Fines, forfeitures, and penalties | 150,000 | 174,000 | 252,101 | 78,101 |
| Intergovernmental | 1,049,487 | 1,312,131 | 2,136,769 | 824,638 |
| Charges for services | 1,538,261 | 1,706,094 | 1,721,924 | 15,830 |
| Investment income | 269,500 | 269,500 | 66,097 | (203,403) |
| Other | 12,950 | 20,042 | 50,006 | 29,964 |
| Total revenues | <u>14,668,798</u> | <u>15,130,367</u> | <u>16,288,770</u> | <u>1,158,403</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 3,022,268 | 3,095,540 | 2,790,919 | (304,621) |
| Public safety | 6,190,508 | 6,506,936 | 6,161,011 | (345,925) |
| Public works | 2,195,174 | 2,262,169 | 2,167,129 | (95,040) |
| Culture and recreation | 867,498 | 1,810,583 | 1,834,867 | 24,284 |
| Nondepartmental | 81,000 | 81,000 | 64,567 | (16,433) |
| Debt service: | | | | |
| Principal | 295,000 | 295,000 | 295,000 | — |
| Interest | 124,844 | 124,844 | 124,844 | — |
| Total expenditures | <u>12,776,292</u> | <u>14,176,072</u> | <u>13,438,337</u> | <u>(737,735)</u> |
| Excess of revenues over expenditures | <u>1,892,506</u> | <u>954,295</u> | <u>2,850,433</u> | <u>1,896,138</u> |
| Other financing sources (uses): | | | | |
| Proceeds from sale of assets | 10,000 | 10,000 | 55,881 | 45,881 |
| Transfers in | 1,000 | 16,000 | 15,079 | (921) |
| Transfers out | <u>(1,881,905)</u> | <u>(1,199,005)</u> | <u>(1,199,005)</u> | — |
| Net other financing sources (uses), net | <u>(1,870,905)</u> | <u>(1,173,005)</u> | <u>(1,128,045)</u> | <u>44,960</u> |
| Net change in fund balance | \$ <u>21,601</u> | <u>(218,710)</u> | 1,722,388 | <u>1,941,098</u> |
| Beginning fund balance | | | <u>8,687,154</u> | |
| Ending fund balance | | | \$ <u>10,409,542</u> | |

See accompanying independent auditors' report.



CITY OF WASILLA

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

To: Council Members
Through: Verne Rupright, Mayor *VR*
From: Troy Tankersley, Finance Director *TT*
Re: Library and General Fund Expenditure Projections

RECEIVED

MAR 18 2013

Office of the City Clerk
City of Wasilla

The intent of this memorandum is to provide Council a high-level outlook as to the City's fiscal health of the General Fund. Finance is requesting Council to consider a forward-looking approach as they move into discussion of Ordinance 13-08, increasing the sales tax rate from the current 2% to 3% with a sunset clause.

The attached worksheet provides a six-year trend to determine future growth of Library expenditures and resources, total General Fund expenditures, sales tax revenue and revenue from other sources. The information provided agrees to the City's Comprehensive Annual Financial Reports for the Fiscal Year(s) 2008 through 2012, the City's adopted budget for FY2013 inclusive of amendments through February 2013, and the proposed budget for FY2014.

The importance of this projection is not merely the Library expenditure cost, but rather the fiscal health of the General Fund as a whole, which includes the Library. The General Fund supports a multitude of governmental services including general government; public safety; public works; cultural and recreational; and non-departmental (i.e., debt service and transfers from the General Fund to other funds). Transfers from the General Fund to other fund(s) supports capital improvement projects (CIP) (i.e., general government, public safety, public works, roads, right-of-way, sewer, water, airport, and sports center), and additionally supports operations of the airport, sports center and in the past, the youth court.

Located at the very bottom of the attached projection indicates an estimated shortfall of revenues over expenditures in the General Fund in FY2015 of \$729,592 and \$1,496,418 by FY2025. Simply stated, the General Fund will consume Fund Balance in order to provide its residents a balanced budget and the current level of services. This use of Fund Balance is not an acceptable long-term approach as it will fail to comply with the Fund Balance Policy per WMC 5.04.025.

Transfer(s) from the General Fund to support CIP has been routine; such that, that the City transfers an average \$1m to capital project funds each fiscal year. To the extent that operational expenditures (to include personnel, operations, minor capital equipment operational transfers to other funds and debt service) increase and fund balance is required to support the general fund, few to no monies will be available for capital improvement projects. The absence of available CIP monies also may jeopardize future federal and state grants that contain matching requirements.

Another point worth noting relates to the sale of the Meta Rose as instructed by Council action with AM 13-07. The sale of this asset could infuse approximately \$1.8m - \$2m of cash to the General Fund; increasing the amount of fund balance. The sale has not been included in the attached projections due to the ambiguity of the sale as it relates to timing and sale price. And most importantly, the sale proceeds may defer our fiscal concerns for a couple of years but does not offer the necessary long-term solution.

As a final comment, the appeal of a "sunset clause" with respect to funding a project is understood. What also must be understood is the burden it places on businesses transacting in the City. While most large-sized businesses may have IT support available to accommodate the requirements of government, including sales tax rate changes, the mid-size and smaller businesses likely do not. Most business owners do not mind an increase in a sales tax rate, but the level of effort required to implement a new sales tax rate and the level of effort to reverse that sales tax rate, absolutely must be a focus when considering a sunset clause.

I am hopeful the information contained herein is helpful in Council's decision process. Should you have any questions, my door is always open for discussion.

Thank you,

Troy Tankersley
Finance Director

City of Wasilla
 Library Expenditure Projections for Fiscal Year(s) 2015 - 2025
 Along with General Fund Projections for Fiscal Year(s) 2015 - 2025

| | FY2008 Actual* | FY2009 Actual* | FY2010 Actual* | FY2011 Actual* | FY2012 Actual* | FY2013 Amended Budget | FY2014 Proposed Budget | 6-year Average Percent |
|---|---------------------|---------------------|-------------------|---------------------|---------------------|-----------------------------|------------------------------|------------------------------|
| Summary of expenditures (Library): | | | | | | | | |
| Personnel | \$ 574,469 | \$ 658,103 | \$ 669,271 | \$ 720,594 | \$ 785,651 | \$ 771,757 | \$ 812,387 | 6.07% |
| Operations | 188,505 | 184,332 | 216,275 | 187,284 | 204,246 | 216,697 | 198,297 | 1.40% |
| Capital Purchases | 6,350 | 15,951 | 8,282 | 685 | 3,615 | - | - | 56.52% |
| Interfund Transfers | 13,000 | 13,000 | 13,000 | 17,000 | 17,500 | 17,500 | 17,500 | 5.62% |
| Division Summary Total: | \$ 782,324 | \$ 871,386 | \$ 906,828 | \$ 925,563 | \$ 1,011,012 | \$ 1,005,954 | \$ 1,028,184 | 4.74% |
| Summary of resources (Library): | | | | | | | | |
| Intergovernmental | \$ 297,174 | \$ 274,324 | \$ 177,537 | \$ 83,796 | \$ 84,519 | \$ 85,442 | \$ 8,000 | -30.74% |
| Library revenue | 34,638 | 38,773 | 52,147 | 46,158 | 35,320 | 35,000 | 34,000 | 1.28% |
| General fund | 450,512 | 558,289 | 677,144 | 795,609 | 891,173 | 885,512 | 986,184 | 14.24% |
| Division Summary Total: | \$ 782,324 | \$ 871,386 | \$ 906,828 | \$ 925,563 | \$ 1,011,012 | \$ 1,005,954 | \$ 1,028,184 | 4.74% |
| Total General Fund Expenditures | 13,732,352 | 13,680,142 | 14,682,700 | 13,581,632 | 14,637,343 | 15,903,226 | 16,835,503 | 3.62% |
| Sales Tax Revenue | 10,386,206 | 11,070,859 | 11,185,917 | 11,681,721 | 11,911,728 | 11,971,485 | 12,090,404 | 2.59% |
| Revenue from Other Sources | 3,242,445 | 3,928,772 | 4,132,758 | 4,108,851 | 4,448,014 | 3,486,479 | 4,201,195 | 5.49% |
| Fund Balance increase(decrease) | \$ (103,701) | \$ 1,319,489 | \$ 635,975 | \$ 2,208,940 | \$ 1,722,399 | \$ (445,262) | \$ (543,904) | |

*Agrees to the City's Comprehensive Annual Financial Report

**Total General Fund Expenditures for FY2008, FY2009 and FY2010 were reduced by transfers made to the Capital Reserve Fund.

These transfers would not have been made under the current accounting rules of GASB 54.

| | 6-year Average Percent | New Library Add'l Costs | FY2015 Projected | FY2016 Projected | FY2017 Projected | FY2018 Projected | FY2019 Projected | FY2025 Projected |
|---|------------------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|
| Summary of expenditures (Library): | | | | | | | | |
| Personnel | 6.07% | | \$ 861,737 | \$ 914,085 | \$ 969,614 | \$ 1,028,515 | \$ 1,090,995 | \$ 1,554,154 |
| Operations | 1.40% | 94,593 | \$ 296,977 | \$ 301,121 | \$ 305,323 | \$ 309,583 | \$ 313,903 | \$ 341,119 |
| Capital Purchases | 56.52% | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interfund Transfers | 5.62% | 20,500 | \$ 40,135 | \$ 42,390 | \$ 44,772 | \$ 47,287 | \$ 49,944 | \$ 52,750 |
| Division Summary Total: | 4.74% | \$ 115,093 | \$ 1,198,849 | \$ 1,257,596 | \$ 1,319,708 | \$ 1,385,385 | \$ 1,454,842 | \$ 1,948,023 |
| Summary of resources (Library): | | | | | | | | |
| Intergovernmental | -30.74% | | \$ 5,541 | \$ 3,837 | \$ 2,658 | \$ 1,841 | \$ 1,275 | \$ - |
| Library revenue | 1.28% | | \$ 34,436 | \$ 34,879 | \$ 35,326 | \$ 35,780 | \$ 36,239 | \$ 39,122 |
| General fund | 14.24% | | 1,158,872 | 1,218,881 | 1,281,724 | 1,347,765 | 1,417,328 | 1,908,901 |
| Division Summary Total: | 4.74% | | \$ 1,198,849 | \$ 1,257,596 | \$ 1,319,708 | \$ 1,385,385 | \$ 1,454,842 | \$ 1,948,023 |
| Total General Fund Expenditures | 3.90% | \$ 115,093 | \$ 17,564,571 | \$ 18,200,785 | \$ 18,860,043 | \$ 19,543,181 | \$ 20,251,063 | \$ 25,070,516 |
| Sales Tax Revenue | 2.59% | | \$ 12,403,295 | \$ 12,724,284 | \$ 13,053,580 | \$ 13,391,398 | \$ 13,737,958 | \$ 16,014,001 |
| Revenue from Other Sources | 5.49% | | \$ 4,431,683 | \$ 4,674,817 | \$ 4,931,289 | \$ 5,201,832 | \$ 5,487,217 | \$ 7,560,097 |
| Fund Balance increase(decrease) | | | \$ (729,592) | \$ (801,684) | \$ (875,175) | \$ (949,952) | \$ (1,025,888) | \$ (1,496,418) |