

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WASILLA, ALASKA
FISCAL YEAR JULY 1, 1996 - JUNE 30, 1997

Sarah H. Palin
Mayor

Prepared by
Finance Department

Erling P. Nelson
Finance Director



CITY OF WASILLA, ALASKA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Year Ended June 30, 1997

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November 20, 1997

To the Citizens of The City of Wasilla:

The comprehensive annual financial report of the City of Wasilla for the fiscal year ended June 30, 1997, is hereby submitted. The report was prepared by the City's Finance Department. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The City of Wasilla is required to undergo an annual single audit in conformity with the provisions of the Federal and State Single Audit Acts. Information related to assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in the single audit section of this report.

This report includes all funds and account groups of the City. The City provides a full range of municipal services contemplated by state statute and city code. This includes police, planning and land use control, animal control, sewer, water, road maintenance, parks and recreation, museums, library and other cultural services. In addition to general governmental activities, the City provides financial support to certain community service organizations which promote education, health care, recreation, arts, and economic stability for the citizens of the community.

The Reporting Entity

The City of Wasilla is a First Class City incorporated under Title 29 of the Alaska State Statutes. City code establishes a June 30 fiscal year end. There are no component units included in our financial statements.

Summary of Local Economy

The City of Wasilla serves as the retail trade center for the Matanuska-Susitna Borough. As measured by increased population and sales tax receipts, the service oriented economy of the City of Wasilla maintains a slow, steady growth. We remain primarily a bedroom community of Anchorage without any large scale primary industry. The City of Wasilla offers an alternative lifestyle where the cost of housing is much less than in Anchorage due to the availability of less expensive land. Workers who are willing to endure the daily two hour commute find the lifestyle attractive. There are also large numbers of people who are on some form of public assistance living in the City of Wasilla. Tourism is a growing part of our economy, as it is in all of Alaska.

The Future

The City continues to look toward growth in the tourism and service industries to maintain our position as trade center for the Matanuska-Susitna Valley. Although the outlook for the oil industry is somewhat negative, other resource extraction industries will continue to fuel our economic growth in an indirect way.

Major Initiatives for the Year

The most significant action that the City took in FY97 was the completion of reconstruction and paving of Peck Street and Glenwood Avenue, along with paving roads inside several Local Improvement Districts. A major rewrite of the development code was completed.

Accounting System and Budgetary Control

The City's financial statement for governmental funds has been prepared on the modified accrual basis of accounting in conformity with generally accepted accounting principles. Revenues on this basis are recognized when measurable and available to finance current expenditures; expenditures are recognized when goods and services are received and liabilities are due and payable at year end.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition and 2)

the reliability of financial records for preparing the financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived and 2) the evaluation of the costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City adopts fiscal year budgets for all governmental funds. Budget amendments over \$5,000 within funds and transfers between funds require approval of the City Council. All budgets are controlled on a line item basis. The City's policy is that estimated purchase order amounts are encumbered prior to the release of the order to the vendor. When an encumbrance exceeds the available appropriation authority, policy is that the order is delayed until the budget is amended. Operating budgets lapse at year end. Any outstanding operating encumbrances are charged against the new year's budget. Capital budget funds remaining are reappropriated in the new year's budget.

General Government Functions

Revenues for general governmental functions accounted for in the General and Special Revenue Funds totaled \$6,467,505 in FY97, an increase of 6.53 percent over FY96. Sales tax produced 68.13 percent of FY97 General and Special Revenue Funds revenues compared to 68.84 percent in FY96.

| <u>Revenue Source</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) From FY96</u> |
|--------------------------------|----------------|-------------------------|--------------------------------------|
| Sales Taxes | \$4,406,359 | 68.13 | \$227,043 |
| Property Taxes | 553,962 | 8.57 | 106,414 |
| Licenses and Permits | 51,005 | .79 | (1,580) |
| Fines, Forfeitures & Penalties | 44,134 | .68 | (2,743) |
| State of Alaska | 626,913 | 9.69 | 41,571 |
| Matanuska-Susitna Borough | 345,711 | 5.35 | 30,212 |
| Other | <u>439,421</u> | <u>6.79</u> | <u>(4,218)</u> |
| Total | \$6,467,505 | 100.00 | \$396,699 |

Assessed valuation for CY96 (Net of Exempt) of \$273,538,950 represented a decrease of under one percent over CY95. This decrease is attributable mainly to an decrease in real property valuation.

Current tax collections were 119.13 percent of the tax levy as compared to 95.47 percent for FY96. Variation in the collection rate from year to year is normal.

Expenditures for general governmental purposes totaled \$4,353,733 not including transfers to other funds. Increase (decrease) in levels of expenditures for major functions of the City over the preceding year are shown in the following tabulation:

| <u>Function</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) From FY96</u> |
|--------------------------------|----------------|-----------------------------|--|
| Administration | \$284,336 | 6.53 | (\$62,583) |
| City Council | 328,995 | 7.56 | 26,333 |
| Planning | 186,088 | 4.27 | 19,534 |
| Finance | 520,264 | 11.95 | 49,805 |
| Police | 1,280,540 | 29.41 | 190,235 |
| Engineering | 44,732 | 1.03 | 44,732 |
| Property Maintenance | 189,570 | 4.35 | 13,969 |
| Road Maintenance | 434,414 | 9.98 | 22,706 |
| Museum and Recreation Services | 477,911 | 10.98 | 34,924 |
| Adm fee Allocation-Other Funds | (46,359) | (1.06) | (1,112) |
| Library & Youth Court | <u>653,242</u> | <u>15.00</u> | <u>132,875</u> |
| Total | \$4,353,733 | 100.00 | \$471,418 |

Debt Administration

At the end of FY97 the City of Wasilla has no General Obligation Debt. The City has not been rated by a bond rating firm. Special Assessment Bond Debt of \$1,176,017 is secured by liens levied against the properties specifically benefited by the improvement within each district. The City is obligated to the extent of making timely payments to the bondholders from assessment payments collected and or from the bond guarantee fund.

Cash Management

All funds of the City are invested and earn interest every day of the year. Funds not needed for daily outlay are invested in overnight repurchase agreements with the National Bank of Alaska.

All investments are made according to the City's conservative investment and collateralization policy approved by the City Council in 1986, Chapter 6.30 of the Wasilla Municipal Code.

Proprietary Operations

The City of Wasilla operates proprietary funds to provide water and sewer services to parts of the city, and an airport which serves everybody in the city.

Water Fund

The Water Utility has shown a small operating loss the past two years.

Sewer Fund

The Sewer Utility continues to show an operating loss as it has since operations began.

Airport

The Airport continues to show an operating loss. Lack of paving, fencing and other amenities have slowed growth in revenue while the maintenance costs have remained stable.

Fiduciary Operations

Full-time, permanent part time and seasonal employees participate in the State of Alaska Public Employees' Retirement System (PERS). Council participation is optional. PERS is a defined benefit plan in which policemen and firemen contribute 7.5% and other employees are required to contribute 6.75% of their compensation. The City's contribution rate for FY97 was 11.79%.

The City participates in two deferred compensation programs where the assets involved are still considered assets of the City until the employee is paid, although we don't have custody of those funds.

The City also maintains a fund for the cemetery where funds are being accumulated to pay for maintenance in perpetuity after all the lots are sold.

General Fixed Assets

The general fixed assets of the city are those assets such as buildings, land and equipment that are used in the performance of general governmental functions and exclude certain improvements, such as streets, drainage systems etc. which are considered infrastructure. As of June 30, 1997, the general fixed assets of the City amounted to \$6,839,096. This amount represents the original cost, or fair market value at date of gift of the assets and may be less than their replacement cost. Depreciation of general fixed assets is not recognized in the City's accounting system.

Risk Management

The City of Wasilla is a member in good standing in the Alaska Municipal League Joint Insurance Association, Inc., which is a pooling arrangement of Alaskan cities, boroughs and school districts. The concept of shared risk was originally started to make sure that all municipalities had access to insurance coverage on a long term basis, although not necessarily the least expensive coverage. Claims are covered on an occurrence basis. The JIA provides risk management services, appraisal services and there is also a separate pool for police liability.

Independent Audit

The City Code, Section 6.04.050 requires examination of the City's financial records and statements by a Certified Public Accounting Firm, licensed to perform financial audits in the State of Alaska. The completion of this examination with the Accountants' opinion on the financial statements must be completed by November 30 of each year.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to Dean Baugh, April Kilgore, Rene Harms and Sharon Sinko for their capable help. Also thanks to Steve Stanchina, Audit Manager, and the staff of Cook & Haugeberg for their very professional manner, patience, and communication skills.

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

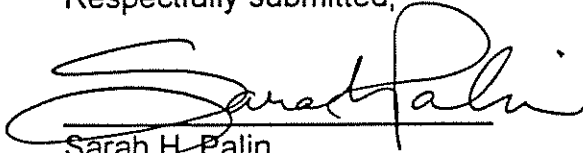
Certificate of Achievement

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, 1996. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Respectfully submitted,



Sarah H. Palin
Mayor



Erling P. Nelson
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wasilla,
Alaska

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1996

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

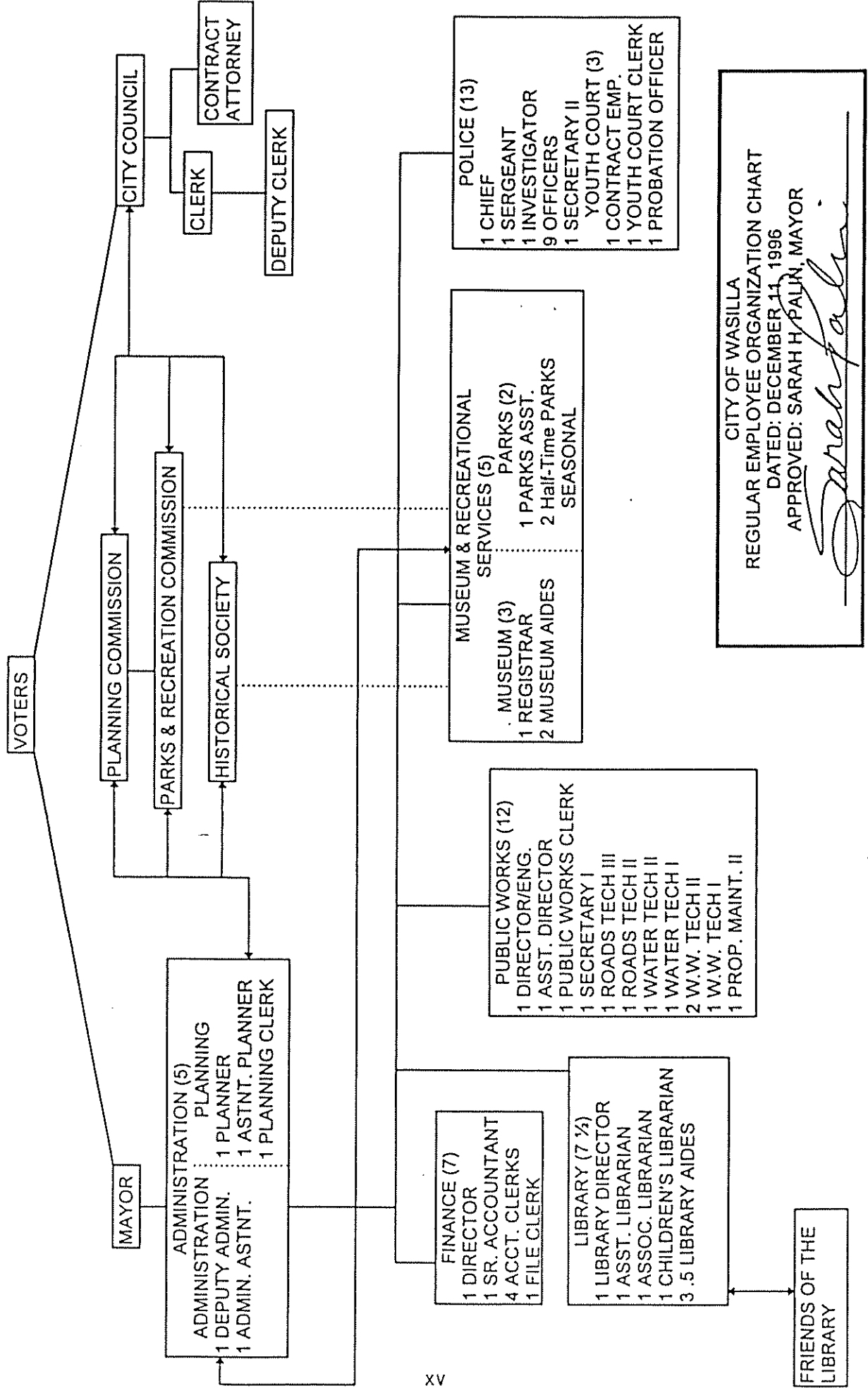


Linda K. Savitsky
President

Jeffrey L. Esser
Executive Director

CITY OF WASILLA EMPLOYEE ORGANIZATION CHART

APPROVED FY-97
DATED: DEC. 1996



CITY OF WASILLA
REGULAR EMPLOYEE ORGANIZATION CHART
DATED: DECEMBER 11, 1996
APPROVED: SARAH H. PALIN, MAYOR
Sarah Palin

CITY OF WASILLA, ALASKA

CITY OFFICIALS

CITY COUNCIL

Council Members:

Domonic Carney
David Chappel
Norman Fuller
Dianne Keller
Darlene Langill
Judy Patrick

STAFF

Mayor
Deputy Administrator
Public Works Director
City Clerk
Finance Director
Library Director
Police Chief
Senior Accountant

Sarah H. Palin
John Cramer
John T. Felton
Marjorie D. Harris
Erling P. Nelson
Mary Ellen Emmons
DeWayne Fannon
Dean W. Baugh

PLANNING COMMISSION

Don Bennett
John Cannon
Steve Glos
Dan Kelly

Harold Newcomb
Jim Tapscott
Pandora Willingham

PARKS AND RECREATION COMMISSION

Cathy Boitz
Bill Fletcher
Traighli Hardy
Denise Loyer
Maureen McCombs

Johanna Munson
Debra Remus
Jim Ressler
Donald Thomas

CONSULTANTS

City Attorney
Auditors
Insurance Broker

Richard Deuser
Cook & Haugeberg
Mike Combs Insurance Inc.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

We have audited the accompanying general purpose financial statements of the City of Wasilla, Alaska as of and for the year ended June 30, 1997. These general purpose financial statements are the responsibility of the City of Wasilla, Alaska's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

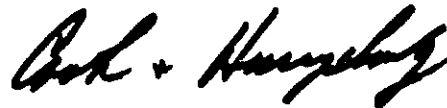
We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Wasilla, Alaska as of June 30, 1997, and the results of its operations and the cash flows of its proprietary fund type and nonexpendable trust fund for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 10, 1997 on our consideration of the City of Wasilla Alaska's internal control structure and a report dated September 10, 1997 on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Wasilla, Alaska. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The other data included in this report, designated as the "Statistical Section" in the table of contents, has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on it.

A handwritten signature in black ink, appearing to read "Bob + Hanzel". The signature is written in a cursive, flowing style.

September 10, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENTS - OVERVIEW

CITY OF WASILLA, ALASKA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1997

With Comparative Totals for 1996

| <u>ASSETS</u> | <u>Governmental Fund Types</u> | | | |
|--|--------------------------------|------------------------|---------------------|-------------------------|
| | <u>General</u> | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> |
| Equity in central treasury and cash funds | \$ 4,258,514 | \$ 35,333 | \$ 713,958 | \$ 2,222,499 |
| Investments | | | | |
| Accounts receivable, less allowance for doubtful accounts 1996, \$8,000 | 396,039 | 6,837 | | 31,973 |
| Grants receivable | 148,245 | 20,991 | | 7,663 |
| Other receivables | | | | |
| Special assessments receivable, net | 6,841 | | 1,269,370 | |
| Notes receivable | | | | |
| Due from other funds | | | 18,913 | |
| Interest and penalty receivable | 61,586 | | 13,728 | 24,031 |
| Inventory | | | | |
| Advances to other funds | 140,270 | | | |
| Deferred charge | | | | |
| Property, plant and equipment, net of accumulated depreciation, where applicable | | | | |
| Amount available for payment of long-term debt | | | | |
| Amount to be provided for payment of long-term debt | | | | |
| Total assets | <u>\$ 5,011,495</u> | <u>\$ 63,161</u> | <u>\$ 2,015,969</u> | <u>\$ 2,286,166</u> |

(Continued)

| Proprietary Fund Type | Fiduciary Fund Type | Account Groups | | Totals (Memorandum Only) | |
|--------------------------|------------------------|----------------------------|------------------------------|-----------------------------|----------------------|
| | | General Fixed Assets | General Long-Term Debt | 1997 | 1996 |
| Enterprise | Trust and Agency | | | | |
| \$ 1,183,252 | \$ 81,017 | \$ | \$ | \$ 8,494,573 | \$ 6,966,695 |
| | 226,824 | | | 226,824 | 136,361 |
| 60,084 | | | | 494,933 | 487,808 |
| 56,778 | | | | 233,677 | 299,933 |
| 8,278 | | | | 8,278 | |
| | | | | 1,276,211 | 1,313,188 |
| 118,096 | | | | 118,096 | 135,661 |
| | | | | 18,913 | 28,591 |
| 8,924 | 1,435 | | | 109,704 | 102,206 |
| 96,080 | | | | 96,080 | 78,552 |
| | | | | 140,270 | 191,120 |
| 16,075 | | | | 16,075 | 16,393 |
| 22,911,539 | | 6,839,096 | | 29,750,635 | 29,955,216 |
| | | | 595,684 | 595,684 | 493,364 |
| | | | 682,178 | 682,178 | 622,621 |
| <u>\$ 24,459,106</u> | <u>\$ 309,276</u> | <u>\$ 6,839,096</u> | <u>\$ 1,277,862</u> | <u>\$ 42,262,131</u> | <u>\$ 40,827,709</u> |

CITY OF WASILLA, ALASKA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1997

With Comparative Totals for 1996

| LIABILITIES, EQUITY AND OTHER CREDITS | Governmental Fund Types | | | |
|--|-------------------------|--------------------|---------------------|---------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| Liabilities | | | | |
| Advance from central treasury | \$ | \$ 8,112 | \$ 65 | \$ |
| Accounts, contracts and retained payable | 177,945 | 3,864 | | 15,446 |
| Deferred compensation payable | | | | |
| Accrued annual and sick leave | 181,769 | 37,301 | | |
| Due to other funds | | | 5,794 | |
| Customer deposits | | | | |
| Revenue billed in advance | | | | |
| Deferred revenue | 13,041 | 11,099 | 1,261,037 | 38,905 |
| Advances from other funds | | | 153,389 | |
| Bonds payable | | | | |
| Other | | | | |
| Total liabilities | <u>372,755</u> | <u>60,376</u> | <u>1,420,285</u> | <u>54,351</u> |
| Equity and other credits | | | | |
| Investment in general fixed assets | | | | |
| Contributions in aid of construction, net of accumulated amortization | | | | |
| Retained earnings (accumulated deficit) | | | | |
| Unreserved | | | | |
| Fund balance (deficit) | | | | |
| Reserved for encumbrances | 76,084 | 468 | | 122,735 |
| Reserved for debt service | | | 418,905 | |
| Reserved for advances | 140,270 | | | |
| Reserved for investment | | | | |
| Reserved for insurance | | | | |
| Premium increases | 8,000 | | | |
| Unreserved | | | | |
| Undesignated | 4,414,386 | (468) | (18,978) | 1,922,719 |
| Designated for subsequent years' expenditures | | 2,785 | 195,757 | 186,361 |
| Total equity and other credits | <u>4,638,740</u> | <u>2,785</u> | <u>595,684</u> | <u>2,231,815</u> |
| Total liabilities, equity and other credits | <u>\$5,011,495</u> | <u>\$ 63,161</u> | <u>\$ 2,015,969</u> | <u>\$ 2,286,166</u> |

The accompanying notes are an integral part
of these financial statements.

Exhibit 1
(Continued)

| Proprietary Fund Type | Fiduciary Fund Type | Account Groups | | Totals (Memorandum Only) | |
|--------------------------|------------------------|----------------------------|------------------------------|-----------------------------|----------------------|
| | | General Fixed Assets | General Long-Term Debt | 1997 | 1996 |
| Enterprise | Trust and Agency | | | | |
| \$ 187 | \$ | \$ | \$ | \$ 8,364 | \$ 295,759 |
| 31,473 | 1,000 | | | 229,728 | 550,847 |
| | 226,824 | | | 226,824 | 136,361 |
| 22,241 | | | | 241,311 | 205,920 |
| | | | | 5,794 | 28,591 |
| 13,570 | | | | 13,570 | 9,533 |
| 29,511 | | | | 29,511 | 29,511 |
| | | | | 1,324,082 | 1,342,584 |
| | | | | 153,389 | 191,120 |
| | | | 1,176,017 | 1,176,017 | 1,115,985 |
| 10,600 | | | 101,845 | 112,445 | 6,100 |
| <u>107,582</u> | <u>227,824</u> | | <u>1,277,862</u> | <u>3,521,035</u> | <u>3,912,311</u> |
| | | 6,839,096 | | 6,839,096 | 6,623,973 |
| 23,261,960 | | | | 23,261,960 | 23,782,816 |
| 1,089,564 | | | | 1,089,564 | 234,881 |
| | | | | 199,287 | 182,277 |
| | | | | 418,905 | 517,862 |
| | | | | 140,270 | 191,120 |
| | 69,205 | | | 69,205 | 60,405 |
| | | | | 8,000 | |
| | | | | 6,317,659 | 5,087,722 |
| | 12,247 | | | 397,150 | 234,342 |
| <u>24,351,524</u> | <u>81,452</u> | <u>6,839,096</u> | | <u>38,741,096</u> | <u>36,915,398</u> |
| <u>\$ 24,459,106</u> | <u>\$ 309,276</u> | <u>\$ 6,839,096</u> | <u>\$ 1,277,862</u> | <u>\$ 42,262,131</u> | <u>\$ 40,827,709</u> |

CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES

Year Ended June 30, 1997
With Comparative Totals for 1996

| | Governmental | |
|--|------------------|--------------------|
| | General | Special Revenue |
| Revenues | | |
| Sales taxes | \$ 4,406,359 | \$ |
| Property taxes | 553,962 | |
| Licenses and permits | 51,005 | |
| Fines, forfeitures and penalties | 44,134 | |
| State of Alaska | 545,017 | 81,896 |
| Matanuska-Susitna Borough | 11,000 | 334,711 |
| Special assessments | | |
| Interest | | |
| Free main allowances | | |
| Library fines | | 14,507 |
| Other | 423,201 | 1,713 |
| Total revenues | <u>6,034,678</u> | <u>432,827</u> |
| Expenditures | | |
| Current | | |
| General Government | 1,797,594 | |
| Police | 1,280,540 | |
| Public Works | 668,716 | |
| Allocation of administrative expenditures to other funds | (46,359) | |
| Library and youth court | | 653,242 |
| Capital outlay | | |
| Debt service | | |
| Total expenditures | <u>3,700,491</u> | <u>653,242</u> |
| Excess (deficiency) of revenues over expenditures | <u>2,334,187</u> | <u>(220,415)</u> |

(Continued)

Exhibit 2
(Continued)

| Fund Types | | Totals (Memorandum Only) | |
|-----------------|---------------------|-----------------------------|------------------|
| Debt Service | Capital Projects | 1997 | 1996 |
| \$ | \$ | \$ 4,406,359 | 4,179,316 |
| | | 553,962 | 447,548 |
| | | 51,005 | 52,585 |
| | | 44,134 | 46,877 |
| | 514,034 | 1,140,947 | 879,473 |
| | | 345,711 | 315,499 |
| 407,887 | | 407,887 | 407,258 |
| 25,550 | 57,874 | 83,424 | 110,929 |
| 5,028 | | 5,028 | 3,525 |
| | | 14,507 | 6,851 |
| | 44,651 | 469,565 | 481,056 |
| <u>438,465</u> | <u>616,559</u> | <u>7,522,529</u> | <u>6,930,917</u> |
| | | 1,797,594 | 1,729,581 |
| | | 1,280,540 | 1,090,305 |
| | | 668,716 | 587,309 |
| | | (46,359) | (45,247) |
| | | 653,242 | 520,367 |
| | 1,376,179 | 1,376,179 | 2,309,488 |
| <u>264,826</u> | <u>1,376,179</u> | <u>264,826</u> | <u>390,385</u> |
| <u>264,826</u> | <u>1,376,179</u> | <u>5,994,738</u> | <u>6,582,188</u> |
| <u>173,639</u> | <u>(759,620)</u> | <u>1,527,791</u> | <u>348,729</u> |

CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES

Year Ended June 30, 1997
With Comparative Totals for 1996

| | Governmental | |
|---|---------------------|-----------------------------|
| | General | Special Revenue |
| Other financing sources (uses) | | |
| Bond proceeds | \$ | \$ |
| Operating transfers in | 13,077 | 216,800 |
| Operating transfers out | <u>(2,069,268)</u> | <u> </u> |
| Net other financing sources (uses) | <u>(2,056,191)</u> | <u>216,800</u> |
| Excess (deficiency) of revenues over expenditures and net other financing sources (uses) | 277,996 | (3,615) |
| Fund balances, July 1 | <u>4,360,744</u> | <u>6,400</u> |
| Fund balances, June 30 | <u>\$ 4,638,740</u> | <u>\$ 2,785</u> |

The accompanying notes are an integral part
of these financial statements.

Exhibit 2
(Continued)

| Fund Types | | Totals (Memorandum Only) | |
|-------------------|---------------------|-----------------------------|---------------------|
| Debt Service | Capital Projects | 1997 | 1996 |
| \$ | \$ 278,717 | \$ 278,717 | \$ 261,942 |
| | 1,508,285 | 1,738,162 | 1,487,456 |
| <u>(71,319)</u> | <u>(139,402)</u> | <u>(2,279,989)</u> | <u>(1,556,963)</u> |
| <u>(71,319)</u> | <u>1,647,600</u> | <u>(263,110)</u> | <u>192,435</u> |
| 102,320 | 887,980 | 1,264,681 | 541,164 |
| <u>493,364</u> | <u>1,343,835</u> | <u>6,204,343</u> | <u>5,663,179</u> |
| <u>\$ 595,684</u> | <u>\$ 2,231,815</u> | <u>\$ 7,469,024</u> | <u>\$ 6,204,343</u> |

CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUE AND CERTAIN DEBT SERVICE FUNDS

Year Ended June 30, 1997

| | General Fund | | | |
|--|-----------------------|---------------------|-------------------------------------|---------------------------------|
| | Budget | Actual | Adjustment to Budgetary Basis | Actual on Budgetary Basis |
| Revenues | | | | |
| Sales taxes | \$ 3,900,000 | \$ 4,406,359 | \$ | \$ 4,406,359 |
| Property taxes | 486,899 | 553,962 | | 553,962 |
| Licenses and permits | 42,650 | 51,005 | | 51,005 |
| Fines, forfeitures and penalties | 49,879 | 44,134 | | 44,134 |
| State of Alaska | 455,867 | 545,017 | | 545,017 |
| Matanuska-Susitna Borough | 11,600 | 11,000 | | 11,000 |
| Special assessments | | | | |
| Interest | | | | |
| Library fines | | | | |
| Other | 204,218 | 423,201 | | 423,201 |
| | <u>5,151,113</u> | <u>6,034,678</u> | | <u>6,034,678</u> |
| Expenditures | | | | |
| Current | | | | |
| General Government | 1,968,495 | 1,797,594 | 24,578 | 1,822,172 |
| Police | 1,428,983 | 1,280,540 | 1,022 | 1,281,562 |
| Public Works | 773,911 | 668,716 | 12,336 | 681,052 |
| Allocation of administrative expenditures to other funds | (46,037) | (46,359) | | (46,359) |
| Library | | | | |
| Youth court | | | | |
| Debt service | | | | |
| | <u>4,125,352</u> | <u>3,700,491</u> | <u>37,936</u> | <u>3,738,427</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,025,761</u> | <u>2,334,187</u> | <u>(37,936)</u> | <u>2,296,251</u> |
| Other financing sources (uses) | | | | |
| Operating transfers in | | 13,077 | | 13,077 |
| Operating transfers out | <u>(2,053,383)</u> | <u>(2,069,268)</u> | | <u>(2,069,268)</u> |
| | <u>(2,053,383)</u> | <u>(2,056,191)</u> | | <u>(2,056,191)</u> |
| Excess (deficiency) of revenues over expenditures and net other financing sources (uses) | \$ <u>(1,027,622)</u> | 277,996 | (37,936) | 240,060 |
| Fund balances, July 1 | | <u>4,360,744</u> | <u>(13,243)</u> | <u>4,347,501</u> |
| Fund balances, June 30 | | \$ <u>4,638,740</u> | \$ <u>(51,179)</u> | \$ <u>4,587,561</u> |

(Continued)

| Special Revenue Funds | | | | | |
|--|------------|-----------|-------------------------------------|---------------------------------|--|
| Variance Favorable (Unfavorable) | Budget | Actual | Adjustment to Budgetary Basis | Actual on Budgetary Basis | Variance Favorable (Unfavorable) |
| \$ 506,359 | \$ | \$ | \$ | \$ | \$ |
| 67,063 | | | | | |
| 8,355 | | | | | |
| (5,745) | | | | | |
| 89,150 | 101,772 | 81,896 | | 81,896 | (19,876) |
| (600) | 338,685 | 334,711 | | 334,711 | (3,974) |
| | 10,000 | 14,507 | | 14,507 | 4,507 |
| 218,983 | 5,000 | 1,713 | | 1,713 | (3,287) |
| 883,565 | 455,457 | 432,827 | | 432,827 | (22,630) |
| 146,323 | | | | | |
| 147,421 | | | | | |
| 92,859 | | | | | |
| 322 | | | | | |
| | 559,256 | 556,981 | (6,476) | 550,505 | 8,751 |
| | 117,360 | 96,261 | | 96,261 | 21,099 |
| 386,925 | 676,616 | 653,242 | (6,476) | 646,766 | 29,850 |
| 1,270,490 | (221,159) | (220,415) | 6,476 | (213,939) | 7,220 |
| 13,077 | 214,759 | 216,800 | | 216,800 | 2,041 |
| (15,885) | | | | | |
| (2,808) | 214,759 | 216,800 | | 216,800 | 2,041 |
| \$ 1,267,682 | \$ (6,400) | (3,615) | 6,476 | 2,861 | \$ 9,261 |
| | | 6,400 | 8,770 | 15,170 | |
| | | \$ 2,785 | \$ 15,246 | \$ 18,031 | |

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CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUE AND CERTAIN DEBT SERVICE FUNDS

Year Ended June 30, 1997

| | Debt Service Funds with Annual Budgets | | | Bond Guarantee | Gas Assessment | Total Debt |
|--|--|----------------------------|----------------------------------|------------------|------------------------|----------------------|
| | Budget | Actual and Budgetary Basis | Variance Favorable (Unfavorable) | Fund Actual | Districts Bonds Actual | Service Funds Actual |
| Revenues | | | | | | |
| Sales taxes | \$ | \$ | \$ | \$ | \$ | \$ |
| Property taxes | | | | | | |
| Licenses and permits | | | | | | |
| Fines, forfeitures and penalties | | | | | | |
| State of Alaska | | | | | | |
| Matanuska-Susitna Borough | | | | | | |
| Special assessments | 203,840 | 391,020 | 187,180 | | 16,867 | 407,887 |
| Interest | 15,795 | 18,631 | 2,836 | 3,581 | 3,338 | 25,550 |
| Library fines | | | | | | |
| Other | | | | | 5,028 | 5,028 |
| | <u>219,635</u> | <u>409,651</u> | <u>190,016</u> | <u>3,581</u> | <u>25,233</u> | <u>438,465</u> |
| Expenditures | | | | | | |
| Current | | | | | | |
| General Government | | | | | | |
| Police | | | | | | |
| Public Works | | | | | | |
| Allocation of administrative expenditures to other funds | | | | | | |
| Library | | | | | | |
| Youth Court | | | | | | |
| Debt service | <u>303,541</u> | <u>264,826</u> | <u>38,715</u> | | | <u>264,826</u> |
| | <u>303,541</u> | <u>264,826</u> | <u>38,715</u> | | | <u>264,826</u> |
| Excess (deficiency) of revenues over expenditures | <u>(83,906)</u> | <u>144,825</u> | <u>228,731</u> | <u>3,581</u> | <u>25,233</u> | <u>173,639</u> |
| Other financing sources (uses) | | | | | | |
| Operating transfers in | | | | | | |
| Operating transfers out | <u>(58,242)</u> | <u>(62,682)</u> | <u>(4,440)</u> | <u>(8,637)</u> | | <u>(71,319)</u> |
| | <u>(58,242)</u> | <u>(62,682)</u> | <u>(4,440)</u> | <u>(8,637)</u> | | <u>(71,319)</u> |
| Excess (deficiency) of revenues over expenditures and net other financing sources (uses) | <u>\$ (142,148)</u> | <u>82,143</u> | <u>\$ 224,291</u> | <u>(5,056)</u> | <u>25,233</u> | <u>102,320</u> |
| Fund balances, July 1 | | <u>402,909</u> | | <u>19,026</u> | <u>71,429</u> | <u>493,364</u> |
| Fund balances, June 30 | | <u>\$ 485,052</u> | | <u>\$ 13,970</u> | <u>\$ 96,662</u> | <u>\$ 595,684</u> |

The accompany notes are an integral part of these financial statements.

CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS/FUND BALANCE
PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND

Year Ended June 30, 1997
With Comparative Totals for 1996

| | Proprietary | Fiduciary | Totals | |
|--|------------------|----------------------|-------------------|------------------|
| | Fund Type | Fund Type | (Memorandum Only) | |
| | Enterprise | Non-Expendable Trust | 1997 | 1996 |
| Operating revenues | | | | |
| Sales and user charges | \$ 605,758 | \$ 8,800 | \$ 614,558 | \$ 611,729 |
| Fees and rentals | 12,455 | | 12,455 | 14,517 |
| Connections | | | | 1,909 |
| Meters | 2,438 | | 2,438 | 2,503 |
| Interest income | | 3,267 | 3,267 | 2,718 |
| Other | 10,629 | | 10,629 | 24,940 |
| | <u>631,280</u> | <u>12,067</u> | <u>643,347</u> | <u>658,316</u> |
| Operating expenses | | | | |
| Salaries and benefits | 404,220 | | 404,220 | 328,650 |
| Operations | 8,752 | | 8,752 | 8,924 |
| Utilities | 65,100 | | 65,100 | 61,912 |
| Outside services | 39,345 | | 39,345 | 43,151 |
| Insurance | 23,222 | | 23,222 | 19,629 |
| Materials and supplies | 36,130 | | 36,130 | 39,022 |
| Maintenance | 77,168 | | 77,168 | 37,516 |
| Rent | 8,831 | | 8,831 | 8,831 |
| Transportation | 15,230 | | 15,230 | 5,190 |
| Contingency | 2,929 | | 2,929 | 4,501 |
| Other | 101,307 | | 101,307 | 132,719 |
| | <u>782,234</u> | | <u>782,234</u> | <u>690,045</u> |
| Operating income (loss) before depreciation | (150,954) | 12,067 | (138,887) | (31,729) |
| Depreciation | <u>701,562</u> | | <u>701,562</u> | <u>697,915</u> |
| Operating income (loss) | <u>(852,516)</u> | <u>12,067</u> | <u>(840,449)</u> | <u>(729,644)</u> |

The accompanying notes are an integral part of these financial statements.

| | Fund Type | | Totals | |
|---|--------------|----------------------|-------------------|------------|
| | Proprietary | Fiduciary | (Memorandum Only) | |
| | Enterprise | Non-Expendable Trust | 1997 | 1996 |
| Nonoperating revenues | | | | |
| Accounts payable write off | \$ 343,087 | | \$ 343,087 | \$ |
| Payments in lieu of assessments | 20,183 | | 20,183 | 27,136 |
| Interest income | 64,355 | | 64,355 | 33,735 |
| Total net nonoperating revenues | 427,625 | | 427,625 | 60,871 |
| Income (loss) before operating transfers | (424,891) | 12,067 | (412,824) | (668,773) |
| Operating transfers in | | | | |
| General fund | 495,192 | | 495,192 | 69,507 |
| Sewer plant construction capital projects funds | 139,402 | | 139,402 | |
| | 634,594 | | 634,594 | 69,507 |
| Net income (loss) | 209,703 | 12,067 | 221,770 | (599,266) |
| Depreciation on plant assets acquired by grants restricted for capital acquisition and construction | 644,980 | | 644,980 | 646,642 |
| Change in retained earnings/fund balance | 854,683 | 12,067 | 866,750 | 47,376 |
| Retained earnings/fund balance, July 1 | 234,881 | 69,385 | 304,266 | 256,890 |
| Retained earnings/fund balance, June 30 | \$ 1,089,564 | \$ 81,452 | \$ 1,171,016 | \$ 304,266 |

CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND

Year Ended June 30, 1997
 With Comparative Totals for 1996

| Increase (Decrease) in Cash and Cash Equivalents | Proprietary | | Fiduciary | |
|--|------------------|----------------------|-----------------------------|-----------------|
| | Fund Type | | Fund Type | |
| | Enterprise | Non-Expendable Trust | Totals (Memorandum Only) | |
| | | | 1997 | 1996 |
| Cash flows from operating activities | | | | |
| Cash received from customers | \$ 634,375 | \$ 8,800 | \$ 643,175 | \$ 632,648 |
| Cash payments to suppliers for goods and services | (344,834) | | (344,834) | (406,119) |
| Cash payments to employees for services | (426,943) | | (426,943) | (327,733) |
| Other operating revenues | 10,629 | | 10,629 | 15,340 |
| Net cash provided by (used in) operating activities | (126,773) | 8,800 | (117,973) | (85,864) |
| Cash flows from noncapital financing activities | | | | |
| Operating transfers in | 495,192 | | 495,192 | 69,507 |
| Net advances received from (paid to) central treasury | (330,597) | | (330,597) | 87,816 |
| Payments on advances from funds | | | | (4,158) |
| Net cash provided by noncapital financing activities | 164,595 | | 164,595 | 153,165 |
| Cash flows from capital and related financing activities | | | | |
| Receipts from special assessments and payments in lieu of assessments | 20,183 | | 20,183 | 27,136 |
| Acquisition and construction of capital assets | (265,858) | | (265,858) | (1,961) |
| Cash received from capital grants | 201,266 | | 201,266 | |
| Net cash provided by (used in) capital and related financing activities | (44,409) | | (44,409) | 25,175 |

(Continued)

| | <u>Proprietary Fund Type</u> | <u>Fiduciary Fund Type</u> | <u>Totals</u> | |
|--|----------------------------------|--------------------------------|-------------------|-------------------|
| | Enterprise | Non- Expendable Trust | (Memorandum Only) | |
| | | 1997 | 1996 | |
| Cash flows from investing activities | | | | |
| Interest | \$ 45,078 | \$ 1,542 | \$ 46,620 | \$ 20,411 |
| Issuance of notes receivable | (16,000) | | (16,000) | (97,625) |
| Principal payments on notes receivable | <u>33,565</u> | | <u>33,565</u> | <u>7,228</u> |
| Net cash provided by (used in) investing activities | <u>62,643</u> | <u>1,542</u> | <u>64,185</u> | <u>(69,986)</u> |
| Net increase in cash and cash equivalents | 56,056 | 10,342 | 66,398 | 22,490 |
| Cash and cash equivalents | | | | |
| Beginning of year | <u>377,635</u> | <u>39,214</u> | <u>416,849</u> | <u>394,359</u> |
| End of year | <u>\$ 433,691</u> | <u>\$ 49,556</u> | <u>\$ 483,247</u> | <u>\$ 416,849</u> |
| Reconciliation of Cash and Equivalents to the Balance Sheet | | | | |
| Equity in central treasury and cash funds per the balance sheet | \$1,183,252 | \$80,017 | \$1,263,269 | \$699,743 |
| Less: Investments not meeting the definition of cash equivalents | <u>(749,561)</u> | <u>(30,461)</u> | <u>(780,022)</u> | <u>(282,894)</u> |
| Cash and equivalents at end of year | <u>\$ 433,691</u> | <u>\$ 49,556</u> | <u>\$ 483,247</u> | <u>\$ 416,849</u> |

CITY OF WASILLA, ALASKA

COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND

Year Ended June 30, 1997
With Comparative Totals for 1996

| | Proprietary Fund Type | Fiduciary Fund Type | Totals (Memorandum Only) | |
|--|--------------------------|-----------------------------|-----------------------------|--------------------|
| | Enterprise | Non- Expendable Trust | 1997 | 1996 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities | | | | |
| Operating income (loss) | \$ (852,516) | \$ 12,067 | \$ (840,449) | \$ (729,644) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities | | | | |
| Depreciation | 701,562 | | 701,562 | 697,915 |
| Amortization | 318 | | 318 | 444 |
| Interest income | | (3,267) | (3,267) | (2,718) |
| (Increase) decrease in assets | | | | |
| Accounts receivable - trade | 14,861 | | 14,861 | (6,914) |
| Accounts receivable - other | (5,515) | | (5,515) | (618) |
| Inventory | (17,528) | | (17,528) | (24,579) |
| Increase (decrease) in liabilities | | | | |
| Accounts payable | 20,905 | | 20,905 | (20,589) |
| Due to other funds | (4,159) | | (4,159) | (4,792) |
| Revenue billed in advance | | | | 2,429 |
| Accrued annual and sick leave | 6,762 | | 6,762 | 917 |
| Customer deposits | 4,037 | | 4,037 | 1,335 |
| Other | 4,500 | | 4,500 | 950 |
| Total adjustments | 725,743 | (3,267) | 722,476 | 643,780 |
| Net cash provided by (used in) operating activities | \$ (126,773) | \$ 8,800 | \$ (117,973) | \$ (85,864) |

Noncash Capital and Related Financing Activities

During 1997 and 1996, The City of Wasilla received \$16,000 and \$168,396, respectively, of property plant and equipment that was contributed to the sewer utility. The water utility received \$182,723 in private and general government contributions in 1996. The utilities recorded the contributions as contributed capital and fixed assets.

The accompany notes are an integral
part of these financial statements.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General - The accompanying financial statements include all activities of the City of Wasilla, a municipal corporation operating as a first class city under the provisions of Alaska statutes.

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles (GAAP). Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Reporting Entity - In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Based upon the application of these criteria, no entities are considered to be component units.

Fund Accounting - The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three categories: governmental, proprietary and fiduciary.

Governmental Funds

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS (Continued)

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest and related costs.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds

Trust and agency funds account for assets held in a trustee capacity or as an agent for individuals, private organizations and other funds. These include nonexpendable trust funds and agency funds. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other general fixed assets.

Portions of the property, plant and equipment of the Enterprise Funds have been constructed through the use of contributions in aid of construction from state and federal agencies and private sources. Depreciation of all assets has been charged against operations.

Depreciation for property, plant and equipment of the Enterprise Funds is computed by use of the straight-line method over the estimated economic life of the asset. Estimated lives of major assets are as follows:

| | |
|--|---------------|
| Distribution System and Plant in Service | 40 - 50 years |
| Equipment | 5 years |
| Land improvements | 20 years |

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

The only long-term debt of the City is the special assessment bonds. The long-term portion of this debt is accounted for in the General Long-Term Debt Account Group with the accumulation of resources for, and the payment of, this debt accounted for in the Debt Service Fund.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS (Continued)

The modified accrual basis of accounting is utilized in the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, meaning both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred.

Sales taxes and property taxes are recognized as revenue when they are collected or when they become available to finance expenditures of the current period. Sales taxes are considered available if they are collected within 30 days after year-end. Property taxes are considered available if they have been collected by the Matanuska-Susitna Borough by the City's year-end. Certain grant revenues are dependent upon expenditures and revenues from these grants are recognized when the expenditures are made; revenues from other grants are recognized on the cash basis. Revenues from licenses, permits, fines, forfeitures and penalties are recognized on the cash basis. Interest income is accrued when earned.

The Proprietary Funds and the Nonexpendable Trust Fund are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Statement Number 20 of the Government Accounting Standards Board (GASB), Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, requires that proprietary activities follow GASB pronouncements. It also allows proprietary activities to elect either to follow, or not to follow, Financial Accounting Standards Board (FASB) Statements and Interpretations which are not in conflict with GASB pronouncements and have been issued after November 30, 1989. All of the City's funds, which use proprietary fund accounting, have elected to follow the FASB pronouncements subsequent to November 30, 1989.

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, except for the Bond Guarantee Fund and Gas Assessment Districts Bonds Fund which are not budgeted and the Capital Projects Funds which have project 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 City Mayor is authorized to transfer budgeted amounts within any department, function, or activity up to \$5,000 per line item. The legal level of budgetary control for all funds is at the same level for which the funds are

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

originally appropriated. All appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered, except for capital projects.

Annual budgets for the General, Special Revenue and Debt Service Funds, excluding the Bond Guarantee Fund and Gas Assessment Districts Bonds Fund, are legally adopted on a basis consistent with generally accepted accounting principles, except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase. Budgetary comparisons presented in this report are on this budgetary basis.

Annual budgets are also adopted for the enterprise funds. However, generally accepted accounting principles do not require the adoption of budgets for enterprise funds, and budgetary comparisons are not included for these funds since the measurement focus is upon determination of net income and financial position.

A summary of legal appropriations for governmental fund - types at the fund level follows:

| | <u>Original</u> | <u>Revisions</u> | <u>Revised</u> |
|-----------------------|-----------------|------------------|----------------|
| General Fund | \$5,251,125 | \$ 973,647 | \$6,224,772 |
| Special Revenue Funds | 552,256 | 124,360 | 676,616 |
| Debt Service Funds | 251,907 | 109,876 | 361,783 |

Encumbrances - Encumbrances outstanding at year end, including purchase orders, contracts and other commitments for the expenditure of monies, are reported as reservations of fund balances in the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds since they do not constitute expenditures or liabilities.

Estimates - In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

Central Treasury - The cash transactions of the City's funds are handled primarily in an overnight repurchase agreement account. Interest earned by the central treasury is recorded in all of the funds based on their equity in the central treasury.

Short-Term Interfund Receivables/Payables - Short-term interfund loans are classified as "due from other funds" or "due to other funds" on the balance sheet.

Advances to Other Funds - Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments with a maturity of three months or less when purchased.

Investments - Investments are recorded at cost, or amortized cost, plus accrued interest which approximates market. Investments in the deferred compensation plans are recorded at market value.

Inventory - Inventory is valued at the lower of average cost or market.

Accrued Leave - Annual and sick leave are recorded as expenditures in the period in which they are earned by the employees. The long-term portions of annual and sick leave are not considered material.

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.

Grant Revenues - State entitlements are recorded as revenue in the period of allocation. All other grant revenues are dependent upon expenditures, and revenues from these grants are recognized when the expenditures are made.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS (Continued)

Administrative Fees - Grants are charged an administrative fee if allowable under the terms of the grants. The fee is recorded as revenue in the General Fund.

Reclassifications - Certain reclassifications, which have no effect on fund equity, have been made to the June 30, 1996 financial statements to conform them to current classifications.

CASH AND INVESTMENTS

Deposits

At June 30, 1997, the carrying amount of the City's deposits was \$1,935,910 and the bank balances were \$2,206,857. Of the bank balances, \$2,204,244 were covered by federal depository insurance or by collateral held by the City's agent in the City's name and \$2,613 were uninsured and uncollateralized.

In compliance with the current banking services contract with National Bank of Alaska, the City is required to keep a minimum of \$500,000 on deposit with the bank. In consideration of the services provided by the bank under the contract, the City is required to keep a \$78,000 noninterest bearing time certificate of deposit with the bank.

Investments

The City is authorized to invest in the following:

- Obligations of, or obligations insured or guaranteed by, the United States government or an agency or instrumentality of the United States.
- Negotiable certificates of deposit issued by rated banks.
- Certificates of deposit issued by banks with a main or branch office within the State of Alaska.
- Repurchase agreements secured by obligations insured or guaranteed by the United States government or agencies or instrumentalities of the United States government.
- The Alaska Municipal League Investment Pool, Inc.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

- Federally insured deposits in banks with a main or branch office within the State of Alaska.

The City's investments are categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution or by its trust department or agent, but not in the City's name.

| | Category | | | Carrying Amount | Market Value |
|--|--------------------|---------------------|---------------------|---------------------|---------------------|
| | 1 | 2 | 3 | | |
| Repurchase agreements | \$ | \$ 1,688,291 | \$ 2,245,022 | \$ 3,933,313 | \$ 3,933,313 |
| U.S. government securities | <u>2,010,000</u> | | | <u>2,010,000</u> | <u>2,010,000</u> |
| Categorized investments | <u>\$2,010,000</u> | <u>\$ 1,688,291</u> | <u>\$ 2,245,022</u> | 5,943,313 | 5,943,313 |
| Investments in deferred compensation plans | | | | 226,824 | 226,824 |
| AML pool | | | | <u>606,986</u> | <u>606,986</u> |
| Total investments | | | | <u>\$ 6,777,123</u> | <u>\$ 6,777,123</u> |

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

Estimated fair value of proprietary fund financial instruments were as follows as of June 30, 1996:

| | <u>Carrying Amount</u> | <u>Fair Value</u> |
|---|----------------------------|-----------------------|
| Equity in central treasury and cash funds | \$1,183,065 | \$1,183,065 |
| Accrued interest receivable | 8,924 | 8,924 |
| Notes receivable | 118,096 | 118,096 |

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Equity in central treasury and cash funds and accrued interest receivable - The carrying amount approximates fair value because of the short maturity of these instruments.

Notes receivable - The carrying amount approximates fair value based on current market rates.

FIXED ASSETS

A summary of the changes in the general fixed assets account group and property, plant and equipment for the enterprise funds is as follows:

General Fixed Assets

| | <u>Balance July 1, 1996</u> | <u>Additions/ Transfers In</u> | <u>Deletions/ Transfers Out</u> | <u>Balance June 30, 1997</u> |
|--------------------------------|-------------------------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Land | \$ 1,557,430 | \$ 41,470 | \$ 88 | \$ 1,598,812 |
| Buildings | 2,398,588 | 99,287 | | 2,497,875 |
| Office furniture and equipment | 342,449 | 66,525 | 1,511 | 407,463 |
| Vehicles and equipment | 714,791 | 57,654 | | 772,445 |
| Library collections | 1,532,876 | 53,841 | 94,690 | 1,492,027 |
| Construction in progress | <u>77,839</u> | <u>123,004</u> | <u>130,369</u> | <u>70,474</u> |
| | <u>\$ 6,623,973</u> | <u>\$ 441,781</u> | <u>\$ 226,658</u> | <u>\$ 6,839,096</u> |

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

Enterprise Funds

| | Balance July 1, 1996 | Additions/ Transfers In | Deletions/ Transfers Out | Balance June 30, 1997 |
|-----------------------------------|-----------------------------|----------------------------|-----------------------------|------------------------------|
| Treatment system | \$ 4,475,623 | \$ | \$ | \$ 4,475,623 |
| Collection/distribution system | 11,990,886 | 26,139 | | 12,017,025 |
| Wells/well house | 271,276 | | | 271,276 |
| Water tank and fence | 2,337,975 | | | 2,337,975 |
| Other plant in service | 2,546,506 | 52,000 | | 2,598,506 |
| Equipment | 2,195,033 | 1,581 | | 2,196,614 |
| Land | 2,276,980 | | | 2,276,980 |
| Land improvements | 4,087,753 | | | 4,087,753 |
| Construction in progress | <u>41,296</u> 30,223,328 | <u>228,078</u> 307,798 | <u>25,940</u> 25,940 | <u>243,434</u> 30,505,186 |
| Less accumulated depreciation | <u>6,892,085</u> | <u>701,562</u> | | <u>7,593,647</u> |
| Net property, plant and equipment | <u>\$23,331,243</u> | <u>\$ (393,764)</u> | <u>\$ 25,940</u> | <u>\$22,911,539</u> |

As discussed in the summary of significant accounting policies, public domain (infrastructure) fixed assets are not capitalized.

The following is a summary of enterprise fund type fixed assets at June 30, 1997:

| | Sewer Utility | Water Utility | Municipal Airport | Total |
|-----------------------------------|------------------------------|----------------------------|----------------------|------------------------------|
| Treatment system | \$ 4,475,623 | \$ | \$ | \$ 4,475,623 |
| Collection/distribution system | 7,592,407 | 4,424,618 | | 12,017,025 |
| Wells/well house | | 271,276 | | 271,276 |
| Water tank and fence | | 2,337,975 | | 2,337,975 |
| Other plant in service | 2,598,506 | | | 2,598,506 |
| Equipment | 1,935,865 | 52,595 | 208,154 | 2,196,614 |
| Land | 657,810 | 149,170 | 1,470,000 | 2,276,980 |
| Land improvements | | | 4,087,753 | 4,087,753 |
| Construction in progress | <u>190,898</u> 17,451,109 | <u>52,536</u> 7,288,170 | <u></u> 5,765,907 | <u>243,434</u> 30,505,186 |
| Accumulated depreciation | <u>4,615,595</u> | <u>1,862,564</u> | <u>1,115,488</u> | <u>7,593,647</u> |
| Net property, plant and equipment | <u>\$12,835,514</u> | <u>\$5,425,606</u> | <u>\$4,650,419</u> | <u>\$22,911,539</u> |

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

The following is a schedule of general fixed assets by function and activity at June 30, 1997:

| <u>Function and Activity</u> | <u>Total</u> | <u>Land</u> | <u>Buildings</u> | <u>Office Furniture, Equipment, Col- lections and Work In Progress</u> | <u>Vehicles and Equipment</u> |
|------------------------------|---------------------|---------------------|---------------------|--|-----------------------------------|
| General Government | \$ 2,568,865 | \$ 586,128 | \$ 1,636,734 | \$ 301,973 | \$ 44,030 |
| Police | 396,799 | | | 35,815 | 360,984 |
| Public Works | 1,624,250 | 992,684 | 161,283 | 102,852 | 367,431 |
| Library | <u>2,249,182</u> | <u>20,000</u> | <u>699,858</u> | <u>1,529,324</u> | |
| | <u>\$ 6,839,096</u> | <u>\$ 1,598,812</u> | <u>\$ 2,497,875</u> | <u>\$ 1,969,964</u> | <u>\$ 772,445</u> |

LONG-TERM DEBT

Long-term debt consists of the following debt at June 30, 1997:

Special Assessment Bonds

Bond
Principal

| | |
|--|------------|
| \$329,300 1986 Southside Water District Bond due in annual principal installments of \$3,954 to \$6,454 through June 30, 2026; interest at 6.125 percent | \$ 151,910 |
| \$626,000 1987 Sewer Improvement District Bond due in annual principal installments of \$3,400 to \$5,400 through August 17, 2027; interest at 6.5 percent; including a \$90,000 prepayment on August 17, 1997 | 219,900 |
| \$403,700 1988 Phase I Paving Improvement District Bond due in annual principal installments of \$16,400 to \$21,400 through February 12, 2003; interest at 6.125 percent | 120,586 |
| \$147,370 1993 Glenwood/Naomi/Shadowood Paving Improvement Districts Bond due in annual principal installments of \$11,656 through December 22, 2003; interest at 5.10 percent | 81,592 |
| \$159,560 Mountain Village/Crestwood Paving Improvement Districts Bond due in annual principal installments of \$3,654 to \$15,956 beginning on November 29, 1995 through December 29, 2004; interest at 6.05 percent | 114,983 |
| \$261,942 Whispering Woods/Nelson Avenue/Lake View Avenue Paving Improvement Districts Bond due in annual principal installments of \$18,194 to \$26,194 beginning on July 26, 1996 through July 26, 2005; interest at 6.825 percent; including a \$64,000 prepayment on July 26, 1997 | 235,748 |

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

| | |
|---|--------------------|
| \$251,298 Westpoint/Hallea Lane/Wild Adventure/Southview Paving Improvement Districts Bond due in annual principal installments of \$25,130 beginning on March 17, 1998 through March 17, 2007; interest at 6.435 percent | <u>251,298</u> |
| | 1,176,017 |
| Free Main Allowances | <u>101,845</u> |
| Total | <u>\$1,277,862</u> |

In 1997, the City made the following prepayments on bonds:

| | |
|---|------------------|
| Phase I Paving Improvement District Bond | \$ 15,000 |
| Southside Water District Bond | 35,000 |
| Whispering Woods/Nelson Avenue/Lake View Avenue Paving Improvement Districts Bond | <u>64,000</u> |
| | <u>\$114,000</u> |

In 1997, the City made a \$29,000 prepayment to retire the Overlook Sewer Improvement District Bond.

Special assessment bond debt service requirements to maturity, including \$525,769 of interest, are as follows:

| Fiscal Period Ending June 30 | 1986 Southside Water District Bond | 1987 Sewer Improvement District Bond | 1988 Phase I Paving Improvement District Bond | 1993 Glenwood/Naomi/Shadowood Paving Improvement District Bond |
|------------------------------|------------------------------------|--------------------------------------|---|--|
| 1998 | \$ 13,258 | \$ 109,694 | \$ 24,705 | \$ 15,817 |
| 1999 | 13,016 | 11,494 | 27,781 | 15,223 |
| 2000 | 12,774 | 11,272 | 26,471 | 14,628 |
| 2001 | 12,532 | 11,051 | 25,160 | 14,034 |
| 2002 | 12,290 | 10,830 | 23,849 | 13,439 |
| Thereafter | <u>243,465</u> | <u>213,778</u> | <u>19,724</u> | <u>25,095</u> |
| | 307,335 | 368,119 | 147,690 | 98,236 |
| Less amount of interest | <u>155,425</u> | <u>148,219</u> | <u>27,104</u> | <u>16,644</u> |
| | <u>\$ 151,910</u> | <u>\$ 219,900</u> | <u>\$ 120,586</u> | <u>\$ 81,592</u> |

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

| Fiscal Period Ending June 30 | 1994 | 1995 | 1997 | Total |
|---------------------------------------|---|--|---|--------------------|
| | Mountain Village/ Crestwood Paving Improvement Districts Bonds | Whispering Woods Nelson Ave/ Lake View Ave. Paving Improvement Districts Bonds | Westpoint/ Hallea Lane/ Wild Adventure/ Southview Paving Improvement Districts Bond | |
| 1998 | \$ 22,912 | \$ 106,284 | \$ 41,301 | \$ 333,971 |
| 1999 | 21,947 | 28,128 | 39,684 | 157,273 |
| 2000 | 20,982 | 26,886 | 38,067 | 151,080 |
| 2001 | 20,016 | 25,645 | 36,450 | 144,888 |
| 2002 | 19,051 | 24,403 | 34,832 | 138,694 |
| Thereafter | <u>38,719</u> | <u>85,194</u> | <u>149,905</u> | <u>775,880</u> |
| | 143,627 | 296,540 | 340,239 | 1,701,786 |
| Less amount of interest | <u>28,644</u> | <u>60,792</u> | <u>88,941</u> | <u>525,769</u> |
| | <u>\$ 114,983</u> | <u>\$ 235,748</u> | <u>\$ 251,298</u> | <u>\$1,176,017</u> |

During the fiscal year ended June 30, 1997, the following changes occurred in liabilities reported in the general long-term debt account group:

| | July 1, 1996 | Additions | Reductions | Balance June 30, 1997 |
|-------------------------|-----------------------------|-------------------|-----------------------------|--------------------------|
| Special Assessment Debt | \$ 1,115,985 | \$ 251,298 | \$ 191,266 | \$ 1,176,017 |
| Free Main Allowances | <u> </u> | <u>101,845</u> | <u> </u> | <u>101,845</u> |
| | <u>\$ 1,115,985</u> | <u>\$ 353,143</u> | <u>\$ 191,266</u> | <u>\$ 1,277,862</u> |

On April 22, 1996 the City Council authorized the issuance of nonrecourse revenue bonds for the purpose of providing funds to loan to the Cook Inlet Housing Development Corporation to purchase a facility. The bonds were issued in the amount of \$2,327,532 on October 17, 1996.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS (Continued)

On October 7, 1997 the voters of the City of Wasilla approved Ordinance 97-48 which authorizes the issuance of \$5,500,000 in General Obligation Bonds for the purpose of providing funds for street paving and other street improvements.

SPECIAL ASSESSMENT BONDS COVENANTS

By City Ordinance Number 82-14 and as amended by subsequent ordinances, the City created a bond guarantee fund. The purpose of the fund is to guarantee the payment of the principal of all special assessment bonds, warrants, and notes issued upon any special assessment district funds and interest pertaining thereto. The City covenants that:

- The Bond Guarantee Fund shall be kept separate from all other money and funds of the City and shall be held in trust for the uses and purposes provided in the ordinances.
- From the date of delivery of the bonds, the City will make certain minimum payments into the bond guarantee fund. The payments vary with each special assessment bond issue.

All special assessment bonds are secured by special assessments levied against properties specifically benefited by the improvement within each district.

ENTERPRISE FUND SEGMENT INFORMATION

The City owns and operates a Sewer Utility Enterprise Fund, a Water Utility Enterprise Fund and an Airport Enterprise Fund. Segment financial data as of and for the year ended June 30, 1997 for the sewer and water utilities and airport are as follows:

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

| | <u>Sewer Utility</u> | <u>Water Utility</u> | <u>Municipal Airport</u> | <u>Total</u> |
|--|--------------------------|--------------------------|------------------------------|--------------|
| Operating revenues | \$ 316,735 | \$ 302,090 | \$ 12,455 | \$ 631,280 |
| Depreciation | 332,641 | 143,653 | 225,268 | 701,562 |
| Operating loss | (404,564) | (168,179) | (279,773) | (852,516) |
| Net income (loss) | 414,605 | 20,236 | (225,138) | 209,703 |
| Contributions in aid of construction | | | | |
| Additions | 216,891 | | | 216,891 |
| Amortization | 320,447 | 99,395 | 225,138 | 644,980 |
| Operating transfers in | 300,057 | 140,500 | 54,635 | 495,192 |
| Property, plant and equipment additions | 235,417 | 46,441 | | 281,858 |
| Net working capital | 621,883 | 697,484 | (481) | 1,318,886 |
| Total assets | 13,619,495 | 6,188,164 | 4,651,447 | 24,459,106 |
| Total equity | 13,562,421 | 6,139,165 | 4,649,938 | 24,351,524 |

CONTRIBUTED CAPITAL

During the year, contributed capital changed by the following amounts:

| <u>Source</u> | <u>Sewer Utility</u> | <u>Water Utility</u> | <u>Municipal Airport</u> |
|--|--------------------------|--------------------------|------------------------------|
| Capital grants | \$ 174,951 | \$ | \$ |
| Other | <u>41,940</u> | <u> </u> | <u> </u> |
| Total additions | 216,891 | | |
| Operating transfer to water construction fund | | (92,767) | |
| Amortization of capital grants | <u>(320,447)</u> | <u>(99,395)</u> | <u>(225,138)</u> |
| Net decrease in contributed capital | (103,556) | (192,162) | (225,138) |
| Contributed capital | | | |
| July 1, 1996 | <u>13,105,770</u> | <u>5,801,970</u> | <u>4,875,076</u> |
| June 30, 1997 | <u>\$13,002,214</u> | <u>\$5,609,808</u> | <u>\$ 4,649,938</u> |

CITY OF WASILLA, ALASKA
NOTES TO FINANCIAL STATEMENTS
(Continued)

RETIREMENT COMMITMENTS

All permanent employees of the City participate in the Alaska Public Employees' Retirement System (PERS). The System is a statewide defined benefit retirement plan, administered by the State of Alaska.

Plan Description and Provisions

The Alaska Public Employees' Retirement System is a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for political subdivisions within the State of Alaska. PERS was created by State Statutes and political subdivision participation is optional.

Employee participation in the plan is mandatory for permanent employees scheduled to work at least 15 hours a week. There is no optional participation for other employees. City police officers are required to contribute 7.5 percent of their eligible compensation (usually equal to gross wages) and all other employees are required to contribute 6.75 percent. The City is required to contribute remaining amounts necessary to fund the plan using the actuarial basis specified by the State Retirement Board. Employer rates are adjusted annually on July 1 and are based on actuarial valuations made two years prior to that date. The employer rate for amortizing all future service liabilities is uniform for all participating employees and a separate rate is determined for amortizing each employer's unfunded past service liability. The City's combined contribution rate was 11.79 percent in fiscal year 1997 and 12.51 percent in 1996.

Benefits vest after 5 years of credited service. Employees hired prior to July 1, 1986 with 5 or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For employees hired after June 30, 1986, the normal and early retirement ages are 60 and 55, respectively. Police officers receive a normal annual pension benefit equal to 2 percent of the member's highest three-year average monthly compensation for the first ten years of service and 2½ percent for years of service exceeding 10 years. They may retire with at least 20 years of service at any age and receive normal benefits. The normal annual pension benefit for all other members is equal to 2 percent of the member's highest three-year average monthly compensation for the first 10 years of service, 2¼ percent for the second 10 years of service, and 2½ percent for the third 10 years of service. All service earned prior to July 1, 1986 is calculated using the 2 percent multiplier. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan also provides for both occupational and non-occupational disability and death benefits.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS (Continued)

Pension benefits are adjusted each year based upon increases in the Consumer Price Index (CPI) for the prior year. The increase in the benefits is 75 percent of the CPI increase up to a 9 percent maximum for recipients who are at least age 65 or on disability or 50 percent of the increase up to a 6 percent maximum for recipients who are at least age 60 but under 65 or who have been receiving benefits for at least 5 years. Starting at age 65, or at any age for those employed before July 1, 1986, a retired employee who remains in Alaska is eligible for an additional allowance equal to 10 percent of the base benefit or \$50 a month, whichever is greater.

Major medical benefits are provided without cost to all members first hired before July 1, 1986. Members hired after June 30, 1986 may elect major medical benefits at the time of retirement and pay for coverage. Medical benefits will be provided at no cost when the member hired after June 30, 1986 reaches age 65.

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of PERS on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among plans. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to PERS.

The pension benefit obligation of PERS was computed as part of an actuarial valuation performed as of June 30, 1996, which is the latest date this information is available as of the date of these financial statements. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 8.25 percent per year compounded annually, (b) the valuation is based on a five year average ratio between market and book values of the plan assets, except that fixed income investments are carried at book value, and the valuation of assets cannot be outside the range of book and actuarial values, (c) health cost inflation trend from 8.5 percent in 1996 to 5.5 percent in 1999 and later compounded annually and (d) projected salary increases of 5.5 percent per year compounded annually for the first five years of employment and 4.5 percent per year thereafter with approximately 4 percent attributable to inflation and the remainder attributable to merit and seniority. The actuarial assumptions used to determine the pension benefit obligation are identical to those used to determine contribution requirements.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

The assets in excess of pension benefit obligation in thousands is as follows:

| | <u>Amount</u> |
|--|----------------------|
| Pension benefit obligation | |
| Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits | \$ 819 |
| Current employees | |
| Accumulated contributions including allocated investment earnings | 884 |
| Employer financed, vested | 1,378 |
| Employer financed, nonvested | <u>188</u> |
| Total pension benefit obligation | 3,269 |
| Net assets available for benefits as of June 30, 1996 at market (actuarial value was \$3,106) | <u>3,338</u> |
| Assets in excess of pension benefit obligation | <u>69</u> |
| Assets as a percent of pension benefit obligation | <u>102.1%</u> |

Actuarially Determined Contribution Requirements and Contributions Made

The PERS funding policy provides for actuarially determined periodic contributions at rates that change over time so that sufficient assets will be available to pay benefits when due. The rate for the City's employee group as a whole is equal to a consolidated rate (normal cost) and a past service rate. The consolidated rate is determined using the credited projected benefits actuarial funding method with proration based on service. PERS uses the level percentage of payroll method to amortize the unfunded liability over a 25 year period. Any funding surplus is amortized over five years.

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligations as described above.

The City's payroll for employees covered by PERS for the year ended June 30, 1997 was \$2,142,669 out of a total payroll of \$2,334,162.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS

(Continued)

The contribution to PERS for 1997 of \$404,213 was made in accordance with actuarially determined requirements computed through actuarial valuations performed as of June 30, 1994. The contribution consisted of (a) \$373,573 normal costs (17.43 percent of current covered payroll) plus (b) \$30,640 amortization of the unfunded actuarial accrued liability (1.43 percent of current covered payroll). The City contributed \$252,621 (11.79 percent of current covered payroll); employees contributed \$151,592 (7.07 percent of current covered payroll).

Trend Information - PERS

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three year trend information follows:

Net assets available as a percentage of
the pension benefit obligation

| | |
|------|--------|
| 1994 | 87.1% |
| 1995 | 97.6% |
| 1996 | 102.1% |

Assets in excess of (unfunded) pension benefit obligation
as a percentage of annual covered
payroll

| | |
|------|----------|
| 1994 | (21.7) % |
| 1995 | (4.3) % |
| 1996 | 3.5 % |

Contributions, which were made in
accordance with actuarially determined
requirements as a percentage of annual
covered payroll

| | |
|------|--------|
| 1994 | 11.03% |
| 1995 | 11.63% |
| 1996 | 12.51% |

Prior to 1987, PERS plan information was available only for the plan as a whole, not by individual employer.

Ten year historical trend information is presented on page 47.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the participant or beneficiary) solely the property of the City subject only to the claims of the City's general creditors. Participant rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

LEASES

The Enterprise Funds lease a shop building from the General Fund for which they paid \$8,831 in 1997 and 1996.

The City leases a portion of the Wasilla Elementary School building to a tenant payable in monthly installments in varying amounts for which it received \$18,930 and \$20,266 in 1997 and 1996, respectively.

INTERFUND ASSETS/LIABILITIES

| <u>Due To/From Other Funds</u> | <u>Receivable</u> | <u>Payable</u> |
|---|-------------------|------------------|
| Bond Guarantee Fund | \$ 18,913 | \$ |
| 1988 Overlook Lower Improvement Bond Debt Service Fund | | 18,913 |
| | <u>\$ 18,913</u> | <u>\$ 18,913</u> |

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

| <u>Interfund Advances</u> | <u>Receivable</u> | <u>Payable</u> |
|----------------------------------|-------------------|------------------|
| General Fund | \$ 140,270 | \$ |
| Bond Guarantee Debt Service Fund | | 134,476 |
| Paving Bonds Debt Service Fund | | <u>5,794</u> |
| | <u>\$ 140,270</u> | <u>\$140,270</u> |

Deficit Fund Balances of Individual Funds

The \$18,978 deficit in the 1988 Overlook Sewer Improvement Bond Fund is due primarily to slower than anticipated collections on special assessments. The deficit is expected to be eliminated as the special assessments are collected.

Interfund Transfers

A summary of interfund transfers during 1996 is as follows:

| | <u>Operating Transfers In</u> | <u>Operating Transfers Out</u> |
|------------------------|---------------------------------------|--|
| General Fund | \$ 13,077 | \$ 2,069,268 |
| Special Revenue Funds | 216,800 | |
| Debt Service Funds | | 71,319 |
| Capital Projects Funds | 1,508,285 | 139,402 |
| Enterprise Funds | <u>634,594</u> | <u>92,767</u> |
| | <u>\$2,372,756</u> | <u>\$ 2,372,756</u> |

RISK MANAGEMENT

The City's Finance department and City Clerk's Office coordinate and administer workers compensation, property, general liability, and health, vision and dental insurance programs for all its activities and operations.

The City of Wasilla is a member in good standing in the Alaska Municipal League Joint Insurance Association, Inc. (AML/JIA), which is a pooling arrangement of Alaskan cities, boroughs and school districts. The concept of shared risk was originally started to make sure that all municipalities had access to insurance coverage on a long term basis, although not necessarily the least expensive coverage. Claims are covered on

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS
(Continued)

an occurrence basis. The AML/JIA provides risk management services, appraisal services and there is also a separate pool for policy liability

The responsibilities of both the association and the participants are as follows:

Responsibilities of the AML/JIA

The Association shall perform the following instructions in discharging its responsibilities under this agreement:

Provide insurance coverage as necessary including, but not limited to, a self insurance fund and commercial insurance, as well as excess coverage and umbrella insurance, by negotiation or bid, and purchase, as necessary.

Assist each participant's assigned risk manager with the implementation of that function.

Provide loss prevention and safety and consulting services to participants as required.

Provide claims adjusting and subrogation services for claims covered by the association's joint insurance arrangement.

Responsibilities of the Participants

Participants shall have the following responsibilities:

The City Council or appointing official of each participant shall appoint a representative as provided in Article 5, Section 2 of the bylaws, at least one alternate representative to attend member's meetings.

Each participant shall appoint an employee of the participant to be responsible for the risk management function within that entity, to serve as a liaison between the participant and the association as to risk management.

Each participant shall maintain an active safety officer and/or committee, and shall comply with all recommendations of the association concerning the development and implementation of a loss control policy to prevent unsafe practices.

Each participant shall maintain its own set of records as a loss log, in all categories of loss to insure accuracy of the association's loss reporting system.

CITY OF WASILLA, ALASKA

NOTES TO FINANCIAL STATEMENTS (Continued)

In the past three fiscal years the amount of our insurance settlements have not exceeded the amount of our insurance coverage.

CONTINGENCIES

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.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies. The City of Wasilla received notice from the U.S. Environmental Protection Agency (EPA) that an audit conducted on two construction grants awarded to the City for the period of April 11, 1977 through September 4, 1990 recommended that the EPA recover \$343,087 of federal funds paid in excess of the amounts accepted in the audit. On March 10, 1997 the EPA concluded that the City did not have to make a refund to the EPA. The \$343,087 previously recorded in accounts payable was reversed off the books and is reported in the Sewer Utility fund comparative statement of Revenues, Expenses and Changes in Retained Earnings (Accumulated Deficit) as an accounts payable write-off. Any other disallowed claims, including amounts already collected, would become a liability of the general or other applicable funds. Other disallowances, if any, cannot be determined at this time; but, in the City's opinion, any such disallowance's would be immaterial.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF WASILLA, ALASKA
 REQUIRED SUPPLEMENTARY INFORMATION
 ANALYSIS OF PERS FUNDING PROGRESS

June 30, 1997

(In Thousands)

| <u>Year Ended June 30</u> | <u>Net Assets Available</u> | <u>Pension Benefit Obligation</u> | <u>Percentage Funded</u> | <u>Assets in Excess of (Unfunded) Pension Benefit Obligation</u> | <u>Annual Covered Payroll</u> | <u>Assets in Excess of (Unfunded) Pension Benefit Obligation as a Percentage of Covered Payroll</u> |
|---------------------------|-----------------------------|-----------------------------------|--------------------------|--|-------------------------------|---|
| 1987 | \$ 494 | \$ 432 | 114.4% | \$ 62 | \$ 474 | 13.1% |
| 1988 | 606 | 570 | 106.3% | 36 | 519 | 6.9% |
| 1989 | 853 | 723 | 118.0% | 130 | 532 | 24.4% |
| 1990 | 1,012 | 939 | 107.8% | 73 | 592 | 12.3% |
| 1991 | 1,204 | 1,229 | 98.0% | (25) | 621 | (4.0)% |
| 1992 | 1,405 | 1,440 | 97.6% | (35) | 720 | (4.9)% |
| 1993 | 1,652 | 1,729 | 95.5% | (77) | 824 | (9.3)% |
| 1994 | 1,944 | 2,232 | 87.1% | (288) | 1,326 | (21.7)% |
| 1995 | 2,749 | 2,817 | 97.6% | (68) | 1,591 | (4.3)% |
| 1996 | 3,338 | 3,269 | 102.1% | 69 | 1,951 | 3.5% |

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and assets in excess of (unfunded) pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in assets in excess of (unfunded) pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the assets in excess of (unfunded) pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the more positive this percentage is, the stronger the plan.

Prior to 1987, PERS plan information was available only for the plan as a whole, not by individual employer.

See notes to financial statements.

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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GENERAL FUND

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

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CITY OF WASILLA, ALASKA

GENERAL FUND

COMPARATIVE BALANCE SHEET

June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|---|-------------------------|-------------------------|
| Equity in central treasury and cash funds | \$ 4,258,514 | \$ 3,820,783 |
| Accounts and grants receivable | | |
| State of Alaska | 148,245 | 183,522 |
| Sales taxes receivable | 379,283 | 386,879 |
| Matanuska-Susitna Borough | 10,124 | 3,194 |
| Other | 6,632 | 6,529 |
| Accrued interest receivable | 61,586 | 54,198 |
| Assessments receivable | 6,841 | 7,559 |
| | <u>612,711</u> | <u>641,881</u> |
| Due from other funds | | 4,159 |
| Advances to other funds | <u>140,270</u> | <u>191,120</u> |
| | <u>140,270</u> | <u>195,279</u> |
| Total assets | <u>\$ 5,011,495</u> | <u>\$ 4,657,943</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities | | |
| Accounts payable | \$ 177,945 | \$ 121,967 |
| Accrued liabilities | | |
| Annual and sick leave | 181,769 | 162,463 |
| Deferred revenue | <u>13,041</u> | <u>12,769</u> |
| Total liabilities | <u>372,755</u> | <u>297,199</u> |
| Fund balance | | |
| Reserved for encumbrances | 76,084 | 38,148 |
| Reserved for advances to other funds | 140,270 | 191,120 |
| Reserved for insurance premium increases | 8,000 | |
| Unreserved | | |
| Undesignated | 4,414,386 | 4,058,014 |
| Designated for subsequent years' expenditures | | <u>73,462</u> |
| Total fund balance | <u>4,638,740</u> | <u>4,360,744</u> |
| Total liabilities and fund balance | <u>\$ 5,011,495</u> | <u>\$ 4,657,943</u> |

CITY OF WASILLA, ALASKA

GENERAL FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

Years Ended June 30, 1997 and 1996

| | 1997 | 1996 |
|----------------------------------|--------------|--------------|
| Revenues | | |
| Sales taxes | \$ 4,406,359 | \$ 4,179,316 |
| Property taxes | 553,962 | 447,548 |
| Licenses and permits | | |
| City business licenses | 28,950 | 29,900 |
| Land use permits | 10,265 | 13,367 |
| Utility permits | 8,000 | 6,483 |
| Driveway permits | 1,775 | 1,225 |
| Taxicab permits | 1,835 | 1,455 |
| Animal licenses | 180 | 155 |
| Total licenses and permits | 51,005 | 52,585 |
| Fines, forfeitures and penalties | 44,134 | 46,877 |
| State of Alaska | | |
| Municipal assistance | 199,189 | 214,062 |
| State shared revenue | | |
| Road maintenance | 43,688 | 47,863 |
| Health facilities | 8,829 | 7,093 |
| Other | 86,566 | 74,546 |
| Electric and telephone co-op tax | 131,063 | 117,218 |
| Amusement and gaming tax | 80 | 273 |
| Alcoholic beverage tax | 19,700 | 14,500 |
| Other | 55,902 | 99,012 |
| Total State of Alaska | 545,017 | 574,567 |
| Matanuska -Susitna Borough | | |
| Solid waste | 1,000 | 1,000 |
| Parks and recreation | 10,000 | 10,000 |
| Total Matanuska-Susitna Borough | 11,000 | 11,000 |
| Other | | |
| Charges to other funds | 27,707 | 112,177 |
| Charges for services | 6,733 | 4,968 |
| Interest | 308,993 | 245,951 |
| Building rentals | 28,216 | 29,292 |
| Miscellaneous | 51,552 | 36,775 |
| Total other | 423,201 | 429,163 |
| Total revenues | 6,034,678 | 5,741,056 |

(Continued)

| | 1997 | 1996 |
|--|---------------------|---------------------|
| Expenditures | | |
| General Government | | |
| Administration | \$ 284,336 | \$ 346,919 |
| City Council | 328,995 | 302,662 |
| Planning | 186,088 | 166,554 |
| Finance | 520,264 | 470,459 |
| Museum and recreation services | 477,911 | 442,987 |
| | <u>1,797,594</u> | <u>1,729,581</u> |
| Police | <u>1,280,540</u> | <u>1,090,305</u> |
| Public Works | | |
| Property maintenance | 189,570 | 175,601 |
| Road maintenance | 434,414 | 411,708 |
| Engineering | 44,732 | |
| | <u>668,716</u> | <u>587,309</u> |
| Total expenditures before allocation of administrative expenditures to other funds | 3,746,850 | 3,407,195 |
| Allocation of administrative expenditures to other funds | <u>(46,359)</u> | <u>(45,247)</u> |
| Total expenditures | <u>3,700,491</u> | <u>3,361,948</u> |
| Excess of revenues over expenditures | <u>2,334,187</u> | <u>2,379,108</u> |
| Other financing sources (uses) | | |
| Operating transfer in | | |
| Capital Projects Funds | | 7,250 |
| Debt Service Funds | 13,077 | |
| Operating transfers out | | |
| Special Revenue Funds | (216,800) | (197,017) |
| Capital Projects Funds | (1,401,397) | (1,294,742) |
| Enterprise Funds | (451,071) | (21,507) |
| Net other financing uses | <u>(2,056,191)</u> | <u>(1,506,016)</u> |
| Excess of revenues over expenditures and other financing uses | 277,996 | 873,092 |
| Fund balance, July 1 | <u>4,360,744</u> | <u>3,487,652</u> |
| Fund Balance, June 30 | <u>\$ 4,638,740</u> | <u>\$ 4,360,744</u> |

CITY OF WASILLA, ALASKA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | Budget | Actual | Adjustment to Budgetary Basis | Actual on Budgetary Basis | Variance Favorable (Unfavorable) |
|----------------------------------|--------------|--------------|-------------------------------------|---------------------------------|--|
| Revenues | | | | | |
| Sales taxes | \$ 3,900,000 | \$ 4,406,359 | \$ | \$ 4,406,359 | \$ 506,359 |
| Property taxes | 486,899 | 553,962 | | 553,962 | 67,063 |
| Licenses and permits | | | | | |
| City business licenses | 27,000 | 28,950 | | 28,950 | 1,950 |
| Land use permits | 7,500 | 10,265 | | 10,265 | 2,765 |
| Utility permits | 5,500 | 8,000 | | 8,000 | 2,500 |
| Driveway permits | 500 | 1,775 | | 1,775 | 1,275 |
| Taxicab permits | 150 | 1,835 | | 1,835 | 1,685 |
| Animal licenses | 2,000 | 180 | | 180 | (1,820) |
| Total licenses and permits | 42,650 | 51,005 | | 51,005 | 8,355 |
| Fines, forfeitures and penalties | 49,879 | 44,134 | | 44,134 | (5,745) |
| State of Alaska | | | | | |
| Municipal assistance | 203,359 | 199,189 | | 199,189 | (4,170) |
| Road maintenance | 45,470 | 43,688 | | 43,688 | (1,782) |
| Health facilities | 6,738 | 8,829 | | 8,829 | 2,091 |
| Other | 75,000 | 86,566 | | 86,566 | 11,566 |
| Electric and telephone co-op tax | 106,000 | 131,063 | | 131,063 | 25,063 |
| Amusement and gaming tax | 300 | 80 | | 80 | (220) |
| Alcoholic beverage tax | 19,000 | 19,700 | | 19,700 | 700 |
| Other | | 55,902 | | 55,902 | 55,902 |
| Total State of Alaska | 455,867 | 545,017 | | 545,017 | 89,150 |
| Matanuska-Susitna Borough | | | | | |
| Solid waste | 1,000 | 1,000 | | 1,000 | |
| Parks and recreation | 10,000 | 10,000 | | 10,000 | |
| Snow removal | 600 | | | | (600) |
| Total Matanuska-Susitna Borough | 11,600 | 11,000 | | 11,000 | (600) |
| Other | | | | | |
| Charges to other funds | 7,400 | 27,707 | | 27,707 | 20,307 |
| Charges for services | 5,900 | 6,733 | | 6,733 | 833 |
| Interest | 126,372 | 308,993 | | 308,993 | 182,621 |
| Building rentals | 27,231 | 28,216 | | 28,216 | 985 |
| Miscellaneous | 37,315 | 51,552 | | 51,552 | 14,237 |
| Total other | 204,218 | 423,201 | | 423,201 | 218,983 |
| Total revenues | 5,151,113 | 6,034,678 | | 6,034,678 | 883,565 |

| | Budget | Actual | Adjustment to Budgetary Basis | Actual on Budgetary Basis | Variance Favorable (Unfavorable) |
|---------------------------------------|----------------|----------------|-------------------------------------|---------------------------------|--|
| Expenditures | | | | | |
| Administration | | | | | |
| Salaries | \$ 139,734 | \$ 122,543 | | \$ 122,543 | \$ 17,191 |
| Employee benefits | 55,410 | 49,934 | | 49,934 | 5,476 |
| Travel | 3,713 | 1,635 | | 1,635 | 2,078 |
| Contingency | 3,000 | 2,051 | (25) | 2,026 | 974 |
| Tourism and economic development | 85,500 | 85,200 | (5,575) | 79,625 | 5,875 |
| Professional services | 4,404 | 4,537 | | 4,537 | (133) |
| Supplies and capital outlay | 11,726 | 8,106 | 2,000 | 10,106 | 1,620 |
| Other | 18,659 | 10,330 | 930 | 11,260 | 7,399 |
| Total administration | 322,146 | 284,336 | (2,670) | 281,666 | 40,480 |
| City Council | | | | | |
| Travel and conferences | 9,174 | 3,407 | 318 | 3,725 | 5,449 |
| Accounting and auditing | 22,717 | 24,468 | | 24,468 | (1,751) |
| Contingency | 20,000 | 9,716 | 4,050 | 13,766 | 6,234 |
| Animal control | 26,000 | 26,000 | | 26,000 | |
| Insurance | 2,000 | | | | 2,000 |
| Liferequest | 6,738 | 6,475 | | 6,475 | 263 |
| Salaries and benefits | 129,979 | 120,602 | | 120,602 | 9,377 |
| Legal and other professional services | 48,000 | 59,990 | | 59,990 | (11,990) |
| Wasilla area seniors | 25,000 | 25,000 | | 25,000 | |
| Other | 53,792 | 53,337 | (3,044) | 50,293 | 3,499 |
| Total City Council | 343,400 | 328,995 | 1,324 | 330,319 | 13,081 |
| Planning | | | | | |
| Salaries | 116,491 | 110,609 | | 110,609 | 5,882 |
| Employee benefits | 39,048 | 38,361 | | 38,361 | 687 |
| Equipment | 10,108 | 7,387 | | 7,387 | 2,721 |
| Professional services | 9,600 | 1,787 | | 1,787 | 7,813 |
| Supplies | 16,865 | 16,701 | (660) | 16,041 | 824 |
| Contractual | 5,400 | 4,059 | (4,690) | (631) | 6,031 |
| Contingency | 6,500 | 436 | 5,005 | 5,441 | 1,059 |
| Travel and training | 3,675 | 2,512 | (221) | 2,291 | 1,384 |
| Other | 3,725 | 4,236 | (210) | 4,026 | (301) |
| Total planning | 211,412 | 186,088 | (776) | 185,312 | 26,100 |

(Continued)

CITY OF WASILLA, ALASKA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year ended June 30, 1997

| | <u>Budget</u> | <u>Actual</u> | <u>Adjustment to Budgetary Basis</u> | <u>Actual on Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---------------------------------|------------------|------------------|--|--|---|
| Expenditures - Continued | | | | | |
| Finance | | | | | |
| Salaries | \$ 292,389 | \$ 287,742 | | \$ 287,742 | \$ 4,647 |
| Employee benefits | 87,858 | 86,480 | | 86,480 | 1,378 |
| Communications | 27,655 | 30,854 | | 30,854 | (3,199) |
| Travel and conferences | 7,174 | 4,208 | (331) | 3,877 | 3,297 |
| Contractual services | 13,000 | 8,107 | 1,503 | 9,610 | 3,390 |
| Equipment maintenance | 15,065 | 17,740 | (15) | 17,725 | (2,660) |
| Supplies | 18,813 | 19,902 | | 19,902 | (1,089) |
| Equipment | 17,060 | 13,484 | 132 | 13,616 | 3,444 |
| Insurance and bonding | 47,903 | 46,403 | | 46,403 | 1,500 |
| Foreclosure and court costs | 14,000 | 5,001 | | 5,001 | 8,999 |
| Other | 600 | 343 | | 343 | 257 |
| Total finance | 541,517 | 520,264 | 1,289 | 521,553 | 19,964 |
| Police | | | | | |
| Salaries | 688,056 | 608,248 | | 608,248 | 79,808 |
| Employee benefits | 240,967 | 205,505 | | 205,505 | 35,462 |
| Travel and training | 14,000 | 12,798 | (1,100) | 11,698 | 2,302 |
| Contingency | 13,000 | 11,625 | 798 | 12,423 | 577 |
| Communications | 330,005 | 329,289 | | 329,289 | 716 |
| Professional services | 8,000 | 412 | | 412 | 7,588 |
| Insurance | 50,800 | 41,889 | | 41,889 | 8,911 |
| Supplies | 28,410 | 23,501 | 965 | 24,466 | 3,944 |
| Capital outlay | 14,200 | 10,054 | 359 | 10,413 | 3,787 |
| Community relations | 4,850 | 4,050 | | 4,050 | 800 |
| Fuel and oil | 30,800 | 27,442 | | 27,442 | 3,358 |
| Contractual | 3,995 | 3,606 | | 3,606 | 389 |
| Other | 1,900 | 2,121 | | 2,121 | (221) |
| Total police | 1,428,983 | 1,280,540 | 1,022 | 1,281,562 | 147,421 |
| Engineering | | | | | |
| Salaries | 47,188 | 31,201 | | 31,201 | 15,987 |
| Training and travel | 4,750 | 948 | | 948 | 3,802 |
| Employee benefits | 2,099 | 2,060 | | 2,060 | 39 |
| Contractual services | 10,000 | 4,088 | 570 | 4,658 | 5,342 |
| Supplies | 1,300 | 265 | | 265 | 1,035 |
| Capital outlay | 10,000 | 5,899 | | 5,899 | 4,101 |
| Repairs and maintenance | 500 | 96 | | 96 | 404 |
| Other | 2,300 | 175 | | 175 | 2,125 |
| Total engineering | 78,137 | 44,732 | 570 | 45,302 | 32,835 |

| | <u>Budget</u> | <u>Actual</u> | <u>Adjustment to Budgetary Basis</u> | <u>Actual on Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------|----------------|--|--|---|
| Expenditures - Continued | | | | | |
| Property maintenance | | | | | |
| Salaries | 64,232 | 60,828 | | 60,828 | 3,404 |
| Employee benefits | 21,105 | 19,313 | | 19,313 | 1,792 |
| Travel and conferences | 1,900 | 1,198 | 145 | 1,343 | 557 |
| Utilities | 30,950 | 31,238 | | 31,238 | (288) |
| Contractual services | 30,585 | 21,839 | | 21,839 | 8,746 |
| Insurance | 10,189 | 9,939 | | 9,939 | 250 |
| Janitorial services | 22,600 | 21,333 | | 21,333 | 1,267 |
| Supplies | 2,801 | 2,144 | | 2,144 | 657 |
| Assessments | 19,412 | 19,536 | | 19,536 | (124) |
| Other | <u>2,750</u> | <u>2,202</u> | <u>54</u> | <u>2,256</u> | <u>494</u> |
| Total property maintenance | <u>206,524</u> | <u>189,570</u> | <u>199</u> | <u>189,769</u> | <u>16,755</u> |
| Road maintenance | | | | | |
| Salaries | 119,104 | 113,539 | | 113,539 | 5,565 |
| Employee benefits | 44,416 | 41,666 | | 41,666 | 2,750 |
| Utilities | 40,270 | 38,620 | | 38,620 | 1,650 |
| Insurance | 2,600 | 2,362 | | 2,362 | 238 |
| Contractual services | 192,560 | 163,921 | 11,806 | 175,727 | 16,833 |
| Vehicle and equipment maintenance and acquisition | 16,000 | 12,867 | (239) | 12,628 | 3,372 |
| Railroad crossing maintenance | 12,900 | 12,900 | | 12,900 | |
| Asphalt and culvert repair | 13,000 | 10,295 | | 10,295 | 2,705 |
| Storm drain thawing | 8,000 | 11,100 | | 11,100 | (3,100) |
| Supplies | 6,800 | 4,019 | | 4,019 | 2,781 |
| Fuel and oil | 5,000 | 4,966 | | 4,966 | 34 |
| Signs | 7,500 | 7,783 | | 7,783 | (283) |
| Facility and equipment rental | 9,300 | 242 | | 242 | 9,058 |
| Street lights | 9,000 | 8,189 | | 8,189 | 811 |
| Other | <u>2,800</u> | <u>1,945</u> | | <u>1,945</u> | <u>855</u> |
| Total road maintenance | <u>489,250</u> | <u>434,414</u> | <u>11,567</u> | <u>445,981</u> | <u>43,269</u> |

(Continued)

CITY OF WASILLA, ALASKA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year ended June 30, 1997

| | <u>Budget</u> | <u>Actual</u> | <u>Adjustment to Budgetary Basis</u> | <u>Actual on Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|-----------------------|---------------------|--|--|---|
| Expenditures - Continued | | | | | |
| Museum and Recreation Services | | | | | |
| Salaries | 297,873 | 267,108 | | 267,108 | 30,765 |
| Employee benefits | 90,981 | 69,550 | | 69,550 | 21,431 |
| Contractual services | 32,465 | 21,993 | 15,207 | 37,200 | (4,735) |
| Advertising | 2,500 | 2,388 | | 2,388 | 112 |
| Supplies | 14,459 | 16,486 | 3,578 | 20,064 | (5,605) |
| Repairs and maintenance | 38,200 | 30,374 | 6,352 | 36,726 | 1,474 |
| Utilities | 4,805 | 5,488 | | 5,488 | (683) |
| Capital outlay | 5,990 | 5,020 | 199 | 5,219 | 771 |
| Insurance | 2,200 | 1,450 | | 1,450 | 750 |
| Fuel and oil | 5,059 | 6,722 | | 6,722 | (1,663) |
| Training and travel | 3,464 | 3,163 | | 3,163 | 301 |
| Other | 52,024 | 48,169 | 75 | 48,244 | 3,780 |
| | <u>550,020</u> | <u>477,911</u> | <u>25,411</u> | <u>503,322</u> | <u>46,698</u> |
| Total museum and recreation services | | | | | |
| | <u>550,020</u> | <u>477,911</u> | <u>25,411</u> | <u>503,322</u> | <u>46,698</u> |
| Total expenditures before allocation of administrative expenditures to other funds | 4,171,389 | 3,746,850 | 37,936 | 3,784,786 | 386,603 |
| Allocation of administrative expenditures to other funds | <u>(46,037)</u> | <u>(46,359)</u> | | <u>(46,359)</u> | <u>322</u> |
| Total expenditures | <u>4,125,352</u> | <u>3,700,491</u> | <u>37,936</u> | <u>3,738,427</u> | <u>386,925</u> |
| Excess of revenues over expenditures | <u>1,025,761</u> | <u>2,334,187</u> | <u>(37,936)</u> | <u>2,296,251</u> | <u>1,270,490</u> |
| Other financing sources (uses) | | | | | |
| Operating transfers in | | | | | |
| Debt Service Funds | | | | | |
| | | 13,077 | | 13,077 | 13,077 |
| Operating transfers out | | | | | |
| Special Revenue Funds | (214,759) | (216,800) | | (216,800) | (2,041) |
| Capital Projects Funds | (1,401,397) | (1,401,397) | | (1,401,397) | |
| Enterprise Funds | <u>(437,227)</u> | <u>(451,071)</u> | | <u>(451,071)</u> | <u>(13,844)</u> |
| Net other financing uses | <u>(2,053,383)</u> | <u>(2,056,191)</u> | | <u>(2,056,191)</u> | <u>(2,808)</u> |
| Excess (deficiency) of revenues over expenditures and net other financing uses | <u>\$ (1,027,622)</u> | <u>277,996</u> | <u>(37,936)</u> | <u>240,060</u> | <u>\$ 1,267,682</u> |
| Fund balance, July 1 | | <u>4,360,744</u> | <u>(13,243)</u> | <u>4,347,501</u> | |
| Fund balance, June 30 | | <u>\$ 4,638,740</u> | <u>\$ (51,179)</u> | <u>\$ 4,587,561</u> | |

SPECIAL REVENUE FUNDS

Library Fund - This fund is used to account for the activities of the City of Wasilla Library.

Youth Court - This fund is used to account for the activities of the Mat-Su Youth Court.

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CITY OF WASILLA, ALASKA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 1997
With Comparative Totals for June 30, 1996

| | <u>Library</u> | <u>Youth Court</u> | <u>Totals</u> | |
|---|----------------------|----------------------|----------------------|----------------------|
| | | | <u>1997</u> | <u>1996</u> |
| <u>ASSETS</u> | | | | |
| Equity in central treasury and cash funds | \$ 35,333 | \$ | \$ 35,333 | \$ 29,013 |
| Accounts and grants receivable | | | | |
| State of Alaska | | 20,991 | 20,991 | 3,885 |
| Matanuska-Susitna Borough | | | | 10,394 |
| Other | | <u>6,837</u> | <u>6,837</u> | <u>3,104</u> |
| Total assets | <u>\$ 35,333</u> | <u>\$ 27,828</u> | <u>\$ 63,161</u> | <u>\$ 46,396</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | | | |
| Liabilities | | | | |
| Advance from central treasury | \$ | \$ 8,112 | \$ 8,112 | \$ 10,527 |
| Accounts payable | 2,032 | 1,832 | 3,864 | 1,491 |
| Deferred revenue | | 11,099 | 11,099 | |
| Accrued annual and sick leave | <u>33,301</u> | <u>4,000</u> | <u>37,301</u> | <u>27,978</u> |
| Total liabilities | <u>35,333</u> | <u>25,043</u> | <u>60,376</u> | <u>39,996</u> |
| Fund Balance | | | | |
| Reserved for encumbrances | 468 | | 468 | 10,126 |
| Unreserved | | | | |
| Designated for operations | | 2,785 | 2,785 | 6,400 |
| Undesignated | <u>(468)</u> | | <u>(468)</u> | <u>(10,126)</u> |
| Total fund balance | <u></u> | <u>2,785</u> | <u>2,785</u> | <u>6,400</u> |
| Total liabilities and fund balance | <u>\$ 35,333</u> | <u>\$ 27,828</u> | <u>\$ 63,161</u> | <u>\$ 46,396</u> |

CITY OF WASILLA, ALASKA

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year ended June 30, 1997

With Comparative Totals for Year Ended June 30, 1996

| | Library | Youth Court | Totals | |
|---|----------------|---------------|----------------|----------------|
| | | | 1997 | 1996 |
| Revenues | | | | |
| State of Alaska | \$ 7,000 | \$ 74,896 | \$ 81,896 | \$ 10,775 |
| Matanuska-Susitna Borough | 317,061 | 17,650 | 334,711 | 304,499 |
| Library Fines | 14,507 | | 14,507 | 6,851 |
| Other | 1,613 | 100 | 1,713 | 7,625 |
| Total revenues | 340,181 | 92,646 | 432,827 | 329,750 |
| Expenditures | | | | |
| Salaries | 279,587 | 88,041 | 367,628 | 258,412 |
| Employees benefits | 83,639 | | 83,639 | 85,538 |
| Communications | 10,821 | | 10,821 | 8,857 |
| Utilities | 7,351 | | 7,351 | 6,736 |
| Travel and continuing education | 1,040 | | 1,040 | 1,554 |
| Contractual services | 50,362 | | 50,362 | 34,010 |
| Insurance | 12,582 | | 12,582 | 9,787 |
| Janitorial | 5,400 | | 5,400 | 5,400 |
| Equipment maintenance and rental | 1,645 | | 1,645 | 1,399 |
| Supplies | 7,383 | 4,763 | 12,146 | 10,626 |
| Fuel | 1,333 | | 1,333 | 1,048 |
| Books, periodicals and audio visual | 55,565 | | 55,565 | 65,570 |
| Administration | 19,669 | | 19,669 | 8,000 |
| Building maintenance | 19,876 | | 19,876 | 5,400 |
| Furniture and fixtures | 658 | 2,094 | 2,752 | 17,995 |
| Other | 70 | 1,363 | 1,433 | 35 |
| Total Expenditures | 556,981 | 96,261 | 653,242 | 520,367 |
| Deficiency of revenues over expenditures | (216,800) | (3,615) | (220,415) | (190,617) |
| Other financing sources | | | | |
| Operating transfer in General Fund | 216,800 | | 216,800 | 197,017 |
| Excess (deficiency) of revenues and other financing sources over expenditures | | (3,615) | (3,615) | 6,400 |
| Fund balances, July 1 | | 6,400 | 6,400 | |
| Fund balances, June 30 | \$ | \$ 2,785 | \$ 2,785 | 6,400 |

CITY OF WASILLA, ALASKA

LIBRARY FUND

COMPARATIVE BALANCE SHEET

June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|---|-------------------|-------------------|
| Equity in central treasury and cash funds | \$ 35,333 | \$ 29,013 |
| Accounts receivable | | <u>304</u> |
| Total assets | <u>\$ 35,333</u> | <u>\$ 29,317</u> |
| | | |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities | | |
| Accounts payable | \$ 2,032 | \$ 1,339 |
| Accrued annual and sick leave | <u>33,301</u> | <u>27,978</u> |
| Total liabilities | <u>35,333</u> | <u>29,317</u> |
| | | |
| Fund balance | | |
| Reserved for encumbrances | 468 | 10,126 |
| Unreserved Undesignated | <u>(468)</u> | <u>(10,126)</u> |
| Total fund balance | <u> </u> | <u> </u> |
| Total liabilities and fund balance | <u>\$ 35,333</u> | <u>\$ 29,317</u> |

CITY OF WASILLA, ALASKA

LIBRARY FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

Years Ended June 30, 1997 and 1996

| | 1997 | 1996 |
|---|-----------------------------|-----------------------------|
| Revenues | | |
| State of Alaska | \$ 7,000 | \$ 6,890 |
| Matanuska-Susitna Borough | 317,061 | 294,105 |
| Library fines | 14,507 | 6,851 |
| Other | 1,613 | 4,825 |
| | <u>340,181</u> | <u>312,671</u> |
| Total revenues | | |
| Expenditures | | |
| Salaries | 279,587 | 247,798 |
| Employee benefits | 83,639 | 85,538 |
| Communications | 10,821 | 8,857 |
| Utilities | 7,351 | 6,736 |
| Travel and continuing education | 1,040 | 1,082 |
| Contractual services | 50,362 | 34,010 |
| Insurance | 12,582 | 9,787 |
| Janitorial | 5,400 | 5,400 |
| Equipment maintenance and rental | 1,645 | 1,399 |
| Supplies | 7,383 | 9,732 |
| Fuel | 1,333 | 1,048 |
| Books, periodicals and audio visual | 55,565 | 65,570 |
| Administration | 19,669 | 8,000 |
| Building maintenance | 19,876 | 5,400 |
| Furniture and fixtures | 658 | 15,696 |
| Other | 70 | 35 |
| | <u>556,981</u> | <u>506,088</u> |
| Total expenditures | | |
| Deficiency of revenues over expenditures | (216,800) | (193,417) |
| Other financing sources | | |
| Operating transfer in General fund | <u>216,800</u> | <u>193,417</u> |
| Deficiency of revenues and other financing sources over expenditures | | |
| Fund balance, July 1 | <u> </u> | <u> </u> |
| Fund balance, June 30 | <u>\$</u> | <u>\$</u> |

CITY OF WASILLA, ALASKA

LIBRARY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | Budget | Actual | Adjustment to Budgetary Basis | Actual on Budgetary Basis | Variance Favorable (Unfavorable) |
|---|----------------|----------------|-------------------------------------|---------------------------------|--|
| Revenues | | | | | |
| State of Alaska | \$ 7,000 | \$ 7,000 | \$ | \$ 7,000 | \$ |
| Matanuska-Susitna Borough | 322,497 | 317,061 | | 317,061 | (5,436) |
| Library fines | 10,000 | 14,507 | | 14,507 | 4,507 |
| Other | 5,000 | 1,613 | | 1,613 | (3,387) |
| Total revenues | 344,497 | 340,181 | | 340,181 | (4,316) |
| Expenditures | | | | | |
| Salaries | 281,046 | 279,587 | | 279,587 | 1,459 |
| Employee benefits | 91,176 | 83,639 | | 83,639 | 7,537 |
| Communications | 10,947 | 10,821 | | 10,821 | 126 |
| Utilities | 6,195 | 7,351 | | 7,351 | (1,156) |
| Travel and continuing education | 1,250 | 1,040 | | 1,040 | 210 |
| Contractual services | 51,988 | 50,362 | | 50,362 | 1,626 |
| Insurance | 13,740 | 12,582 | | 12,582 | 1,158 |
| Janitorial | 6,160 | 5,400 | | 5,400 | 760 |
| Equipment maintenance and rental | 2,167 | 1,645 | | 1,645 | 522 |
| Supplies | 11,007 | 7,383 | | 7,383 | 3,624 |
| Fuel | 1,020 | 1,333 | 433 | 1,766 | (746) |
| Books, periodicals and audio visual | 56,641 | 55,565 | 1,591 | 57,156 | (515) |
| Administration | 19,669 | 19,669 | | 19,669 | |
| Building maintenance | 5,400 | 19,876 | (8,500) | 11,376 | (5,976) |
| Furniture and fixtures | 750 | 658 | | 658 | 92 |
| Other | 100 | 70 | | 70 | 30 |
| Total Expenditures | 559,256 | 556,981 | (6,476) | 550,505 | 8,751 |
| Excess of (deficiency) revenues over expenditures | (214,759) | (216,800) | 6,476 | (210,324) | 4,435 |
| Other financing sources | | | | | |
| Operating transfer in General Fund | 214,759 | 216,800 | | 216,800 | 2,041 |
| Excess of revenues and other financing over expenditures | \$ | | 6,476 | 6,476 | \$ 6,476 |
| Fund balance, July | | | 8,770 | 8,770 | |
| Fund balance, June 30 | | \$ 15,246 | \$ 15,246 | \$ 15,246 | |

CITY OF WASILLA, ALASKA
 YOUTH COURT
 COMPARATIVE BALANCE SHEET

June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|-------------------------------------|------------------|------------------|
| Accounts and grants receivable | | |
| State of Alaska | \$ 20,991 | \$ 3,885 |
| Matanuska-Susitna Borough | | 10,394 |
| Other | <u>6,837</u> | <u>2,800</u> |
| Total assets | <u>\$ 27,828</u> | <u>\$ 17,079</u> |
| | | |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities | | |
| Advance from central treasury | 8,112 | 10,527 |
| Accounts payable | 1,832 | 152 |
| Deferred revenue | 11,099 | |
| Accrued annual and sick leave | <u>4,000</u> | <u> </u> |
| Total liabilities | <u>25,043</u> | <u>10,679</u> |
| Fund balance | | |
| Unreserved | | |
| Designated for operations | <u>2,785</u> | <u>6,400</u> |
| Total fund balance | <u>2,785</u> | <u>6,400</u> |
| Total liabilities and fund balance | <u>\$ 27,828</u> | <u>\$ 17,079</u> |

CITY OF WASILLA, ALASKA

YOUTH COURT

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

Years Ended June 30, 1997 and 1996

| | <u>1997</u> | <u>1996</u> |
|--|-----------------------------|-----------------------------|
| Revenues | | |
| State of Alaska | \$ 74,896 | \$ 3,885 |
| Matanuska-Susitna Borough | 17,650 | 10,394 |
| Other | <u>100</u> | <u>2,800</u> |
| Total revenues | <u>92,646</u> | <u>17,079</u> |
| Expenditures | | |
| Salaries | 88,041 | 10,614 |
| Supplies | 4,763 | 894 |
| Furniture and fixtures | 2,094 | 2,299 |
| Other | <u>1,363</u> | <u>472</u> |
| Total expenditures | <u>96,261</u> | <u>14,279</u> |
| Excess (deficiency) of revenues over expenditures | (3,615) | 2,800 |
| Other financing sources | | |
| Operating transfer in General fund | <u> </u> | <u>3,600</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | (3,615) | 6,400 |
| Fund balance, July 1 | <u>6,400</u> | <u> </u> |
| Fund balance, June 30 | <u>\$ 2,785</u> | <u>\$ 6,400</u> |

CITY OF WASILLA, ALASKA

YOUTH COURT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-----------------|--|
| Revenues | | | |
| State of Alaska | \$ 94,772 | \$ 74,896 | \$ (19,876) |
| Matanuska-Susitna Borough | 16,188 | 17,650 | 1,462 |
| Other | | 100 | 100 |
| | <u>110,960</u> | <u>92,646</u> | <u>(18,314)</u> |
| Total revenues | | | |
| Expenditures | | | |
| Salaries | 100,020 | 88,041 | 11,979 |
| Supplies | 10,994 | 4,763 | 6,231 |
| Furniture and fixtures | 4,317 | 2,094 | 2,223 |
| Other | 2,029 | 1,363 | 666 |
| | <u>117,360</u> | <u>96,261</u> | <u>21,099</u> |
| Total expenditures | | | |
| Excess (deficiency) of revenues over expenditures | (6,400) | (3,615) | 2,785 |
| Other financing sources | | | |
| Operating transfer in General fund | | | |
| | | | |
| Excess of revenues and other financing sources over expenditures | <u>\$ (6,400)</u> | <u>(3,615)</u> | <u>\$ 2,785</u> |
| Fund balance, July 1 | | <u>6,400</u> | |
| Fund balance, June 30 | | <u>\$ 2,785</u> | |

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, special assessment debt principal, interest and related costs.

CITY OF WASILLA

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

June 30, 1997

With Comparative Totals for 1996

| <u>ASSETS</u> | 1982 Original Water Bond | 1986 Southside Water District Bond | 1987 Sewer Improvement Bond | Paving Bonds |
|---|-----------------------------------|--|--------------------------------------|-------------------|
| Equity in central treasury and cash funds | \$ 97,902 | \$ 10,524 | \$ 140,061 | \$ 239,276 |
| Due from other funds | | | | |
| Special assessments receivable, net | 256,376 | 131,725 | 198,342 | 647,742 |
| Interest and penalty receivable | <u>13,728</u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 368,006</u> | <u>\$ 142,249</u> | <u>\$ 338,403</u> | <u>\$ 887,018</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | | | |
| Liabilities | | | | |
| Advance from central treasury | \$ | \$ | \$ | \$ |
| Due to other funds | | | | 5,794 |
| Advances from other funds | | | | |
| Deferred revenue | <u>248,043</u> | <u>131,725</u> | <u>198,342</u> | <u>647,742</u> |
| Total liabilities | <u>248,043</u> | <u>131,725</u> | <u>198,342</u> | <u>653,536</u> |
| Fund balances (deficit) | | | | |
| Reserved for debt service | 62,103 | 7,649 | 140,061 | 98,460 |
| Unreserved | | | | |
| Designated for subsequent years' expenditures | <u>57,860</u> | <u>2,875</u> | <u> </u> | <u>135,022</u> |
| Total fund balance (deficit) | <u>119,963</u> | <u>10,524</u> | <u>140,061</u> | <u>233,482</u> |
| Total liabilities and fund balances | <u>\$ 368,006</u> | <u>\$ 142,249</u> | <u>\$ 338,403</u> | <u>\$ 887,018</u> |

| 1988 Overlook Sewer Improvement Bond | Gas Assessment Districts Bonds | Bond Guarantee Fund | 1997 | 1996 |
|--|---|---------------------------|---------------------|---------------------|
| \$ | \$ 96,662 | \$ 129,533 | \$ 713,958 | \$ 662,532 |
| | | 18,913 | 18,913 | 24,432 |
| 24,802 | 10,383 | | 1,269,370 | 1,305,629 |
| | | | 13,728 | 13,685 |
| <u>\$ 24,802</u> | <u>\$ 107,045</u> | <u>\$ 148,446</u> | <u>\$ 2,015,969</u> | <u>\$ 2,006,278</u> |
| | | | | |
| \$ 65 | \$ | \$ | \$ 65 | \$ 66 |
| | | | 5,794 | 24,432 |
| 18,913 | | 134,476 | 153,389 | 191,120 |
| <u>24,802</u> | <u>10,383</u> | | <u>1,261,037</u> | <u>1,297,296</u> |
| <u>43,780</u> | <u>10,383</u> | <u>134,476</u> | <u>1,420,285</u> | <u>1,512,914</u> |
| | 96,662 | 13,970 | 418,905 | 517,862 |
| (18,978) | | | (18,978) | (24,498) |
| | | | 195,757 | |
| <u>(18,978)</u> | <u>96,662</u> | <u>13,970</u> | <u>595,684</u> | <u>493,364</u> |
| <u>\$ 24,802</u> | <u>\$ 107,045</u> | <u>\$ 148,446</u> | <u>\$ 2,015,969</u> | <u>\$ 2,006,278</u> |

CITY OF WASILLA, ALASKA

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICIT)

Year Ended June 30, 1997
With Comparative Totals for 1996

| | 1982 Original Water Bond | 1986 Southside Water District Bond | 1987 Sewer Improvement Bond |
|--|-----------------------------------|--|--------------------------------------|
| Revenues | | | |
| Special assessments | \$ 54,661 | \$ 20,594 | \$ 44,396 |
| Central treasury and cash funds interest | 5,073 | 1,570 | 3,709 |
| Free main allowances | | | |
| Total revenues | <u>59,734</u> | <u>22,164</u> | <u>48,105</u> |
| Expenditures | | | |
| Debit service | | | |
| Principal | | 40,160 | 5,400 |
| Interest | | <u>11,764</u> | <u>14,645</u> |
| Total expenditures | | <u>51,924</u> | <u>20,045</u> |
| Excess (deficiency) of revenues over expenditures | <u>59,734</u> | <u>(29,760)</u> | <u>28,060</u> |
| Other financing sources (uses) | | | |
| Operating transfers in | | | |
| Operating transfers out | <u>(58,242)</u> | | |
| Net other financing sources (uses) | <u>(58,242)</u> | | |
| Excess (deficiency) of revenues over expenditures and other financing uses | 1,492 | (29,760) | 28,060 |
| Fund balances (deficit), July 1 | <u>118,471</u> | <u>40,284</u> | <u>112,001</u> |
| Fund balances (deficit), June 30 | <u>\$ 119,963</u> | <u>\$ 10,524</u> | <u>\$ 140,061</u> |

| Paving Bonds | 1988 Overlook Sewer Improvement Bond | Gas Assessment Districts Bonds | Bond Guarantee Fund | Totals | |
|-------------------|--|---|---------------------------|-------------------|---------------------------------|
| | | | | 1997 | 1996 |
| \$ 205,046 | \$ 66,323 | \$ 16,867 | \$ | \$ 407,887 | \$ 407,258 |
| 6,668 | 1,611 | 3,338 | 3,581 | 25,550 | 27,494 |
| | | 5,028 | | 5,028 | 3,525 |
| <u>211,714</u> | <u>67,934</u> | <u>25,233</u> | <u>3,581</u> | <u>438,465</u> | <u>438,277</u> |
| 87,706 | 58,000 | | | 191,266 | 313,965 |
| <u>42,737</u> | <u>4,414</u> | | | <u>73,560</u> | <u>76,420</u> |
| <u>130,443</u> | <u>62,414</u> | | | <u>264,826</u> | <u>390,385</u> |
| <u>81,271</u> | <u>5,520</u> | <u>25,233</u> | <u>3,581</u> | <u>173,639</u> | <u>47,892</u> |
| <u>(4,440)</u> | | | <u>(8,637)</u> | <u>(71,319)</u> | <u>4,155</u> <u>(32,292)</u> |
| <u>(4,440)</u> | | | <u>(8,637)</u> | <u>(71,319)</u> | <u>(28,137)</u> |
| 76,831 | 5,520 | 25,233 | (5,056) | 102,320 | 19,755 |
| <u>156,651</u> | <u>(24,498)</u> | <u>71,429</u> | <u>19,026</u> | <u>493,364</u> | <u>473,609</u> |
| <u>\$ 233,482</u> | <u>\$ (18,978)</u> | <u>\$ 96,662</u> | <u>\$ 13,970</u> | <u>\$ 595,684</u> | <u>\$ 493,364</u> |

CITY OF WASILLA, ALASKA

1982 ORIGINAL WATER BOND DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable - (Unfavorable)</u> |
|--|--------------------|-------------------|---|
| Revenues | | | |
| Special assessments | \$ 25,492 | \$ 54,661 | \$ 29,169 |
| Central treasury and cash funds interest | <u>2,750</u> | <u>5,073</u> | <u>2,323</u> |
| Total revenues | 28,242 | 59,734 | 31,492 |
| Expenditures | | | |
| Excess of revenues over expenditures | 28,242 | 59,734 | 31,492 |
| Other financing uses | | | |
| Operating transfers out | <u>(58,242)</u> | <u>(58,242)</u> | |
| Deficiency of revenues over expendi- tures and other financing uses | <u>\$ (30,000)</u> | 1,492 | <u>\$ 31,492</u> |
| Fund balance, July 1 | | <u>118,471</u> | |
| Fund balance, June 30 | | <u>\$ 119,963</u> | |

CITY OF WASILLA, ALASKA

1986 SOUTHSIDE WATER DISTRICT BOND DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | <u>Budget</u> | <u>Actual</u> | <u>Favorable (Unfavorable)</u> |
|--|------------------------|----------------------|------------------------------------|
| Revenues | | | |
| Special assessments | \$ 13,328 | \$ 20,594 | \$ 7,266 |
| Central treasury and cash funds interest | <u>1,200</u> | <u>1,570</u> | <u>370</u> |
| Total revenues | <u>14,528</u> | <u>22,164</u> | <u>7,636</u> |
| Expenditures | | | |
| Debt service | | | |
| Principle | 40,160 | 40,160 | |
| Interest | <u>11,764</u> | <u>11,764</u> | |
| Total expenditures | <u>51,924</u> | <u>51,924</u> | |
| Excess (deficiency) of revenues over expenditures | <u>\$ (37,396)</u> | (29,760) | <u>\$ 7,636</u> |
| Fund balance, July 1 | | <u>40,284</u> | |
| Fund balance, June 30 | | <u>\$ 10,524</u> | |

CITY OF WASILLA, ALASKA

1987 SEWER IMPROVEMENT BOND DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------|-------------------|--|
| Revenues | | | |
| Special assessments | \$ 17,350 | \$ 44,396 | \$ 27,046 |
| Central treasury and cash funds interest | 2,695 | 3,709 | 1,014 |
| Total revenues | <u>20,045</u> | <u>48,105</u> | <u>28,060</u> |
| Expenditures | | | |
| Debt service | | | |
| Principle | 5,400 | 5,400 | |
| Interest | 14,645 | 14,645 | |
| Total expenditures | <u>20,045</u> | <u>20,045</u> | |
| Excess of revenues over expenditures | <u>\$</u> | 28,060 | <u>\$ 28,060</u> |
| Fund balance, July 1 | | <u>112,001</u> | |
| Fund balance, June 30 | | <u>\$ 140,061</u> | |

CITY OF WASILLA, ALASKA

PAVING BONDS DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|--------------------|-------------------|---|
| Revenues | | | |
| Special assessments | \$ 120,754 | \$ 205,046 | \$ 84,292 |
| Central treasury and cash funds interest | <u>9,100</u> | <u>6,668</u> | <u>(2,432)</u> |
| Total revenues | <u>129,854</u> | <u>211,714</u> | <u>81,860</u> |
| Expenditures | | | |
| Debt service | | | |
| Principle | 115,450 | 87,706 | 27,744 |
| Interest | <u>53,708</u> | <u>42,737</u> | <u>10,971</u> |
| Total expenditures | <u>169,158</u> | <u>130,443</u> | <u>38,715</u> |
| Excess (deficiency) of revenues over expenditures | <u>(39,304)</u> | <u>81,271</u> | <u>120,575</u> |
| Other financing sources (uses) | | | |
| Operating transfers in | | | |
| Operating transfers out | | <u>(4,440)</u> | <u>(4,440)</u> |
| Net other financing sources | | <u>(4,440)</u> | <u>(4,440)</u> |
| Deficiency of revenues over expenditures and other financing sources | <u>\$ (39,304)</u> | <u>76,831</u> | <u>\$ 116,135</u> |
| Fund balance, July 1 | | <u>156,651</u> | |
| Fund balance, June 30 | | <u>\$ 233,482</u> | |

CITY OF WASILLA, ALASKA

1988 OVERLOOK SEWER IMPROVEMENT BOND DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICIT -
BUDGET AND ACTUAL

Year Ended June 30, 1997

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|--------------------|--|
| Revenues | | | |
| Special assessments | \$ 26,916 | \$ 66,323 | \$ 39,407 |
| Central treasury and cash funds interest | 50 | 1,611 | 1,561 |
| Total revenues | <u>26,966</u> | <u>67,934</u> | <u>40,968</u> |
| Expenditures | | | |
| Debt service | | | |
| Principle | 58,000 | 58,000 | |
| Interest | <u>4,414</u> | <u>4,414</u> | |
| Total expenditures | <u>62,414</u> | <u>62,414</u> | |
| Excess (deficiency) of revenues over expenditures | <u>\$ (35,448)</u> | 5,520 | <u>\$ 40,968</u> |
| | | | |
| Fund deficit, July 1 | | <u>(24,498)</u> | |
| Fund deficit, June 30 | | <u>\$ (18,978)</u> | |

CAPITAL PROJECTS FUNDS

Capital Projects 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
 CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET

June 30, 1997

With Comparative Totals for 1996

| <u>ASSETS</u> | Miscellaneous Projects and Road and Street Improvements | Vehicle Replacement |
|---|---|------------------------|
| Equity in central treasury and cash funds | \$ 1,791,486 | \$ 388,815 |
| Grants receivable | 7,663 | |
| Accounts receivable | 31,973 | |
| Accrued interest | <u>21,162</u> | <u>2,869</u> |
| Total assets | <u>\$ 1,852,284</u> | <u>\$ 391,684</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | |
| Liabilities | | |
| Advance from central treasury | \$ | \$ |
| Accounts payable | 8,604 | |
| Retainages payable | 6,842 | |
| Deferred revenue | <u>38,905</u> | |
| Total liabilities | <u>54,351</u> | |
| Fund balances | | |
| Reserved for encumbrances | 122,735 | |
| Unreserved | | |
| Designated for subsequent years' expenditures | 47,401 | 138,960 |
| Undesignated | <u>1,627,797</u> | <u>252,724</u> |
| Total fund balances | <u>1,797,933</u> | <u>391,684</u> |
| Total liabilities and fund balances | <u>\$ 1,852,284</u> | <u>\$ 391,684</u> |

| Water Plant Construction | Right-of-Way Acquisition | Sewer Plant Construction | Totals | |
|-----------------------------|-----------------------------|-----------------------------|---------------------|---------------------|
| | | | 1997 | 1996 |
| \$ | \$ 42,198 | \$ | \$ 2,222,499 | \$ 1,754,624 |
| | | | 7,663 | |
| | | | 31,973 | 107,262 |
| | | | 24,031 | 24,928 |
| <u>\$</u> | <u>\$ 42,198</u> | <u>\$</u> | <u>\$ 2,286,166</u> | <u>\$ 1,886,814</u> |
| \$ | \$ | \$ | \$ | \$ 93,639 |
| | | | 8,604 | 362,034 |
| | | | 6,842 | 54,787 |
| | | | 38,905 | 32,519 |
| | | | 54,351 | 542,979 |
| | | | 122,735 | 144,129 |
| | | | 186,361 | 145,500 |
| | 42,198 | | 1,922,719 | 1,054,206 |
| | 42,198 | | 2,231,815 | 1,343,835 |
| <u>\$</u> | <u>\$ 42,198</u> | <u>\$</u> | <u>\$ 2,286,166</u> | <u>\$ 1,886,814</u> |

CITY OF WASILLA, ALASKA

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

Year Ended June 30, 1997
With Comparative Totals for 1996

| | Miscellaneous Projects and Road and Street <u>Improvements</u> | Vehicle <u>Replacement</u> |
|---|--|-------------------------------|
| Revenues | | |
| State of Alaska | \$ 514,034 | \$ |
| Interest | 42,044 | 14,551 |
| Other | <u>7,792</u> | <u>36,859</u> |
| | 563,870 | 51,410 |
| Expenditures | | |
| Capital project expenditures | <u>1,340,236</u> | <u>35,896</u> |
| Excess (deficiency) of revenues over expenditures | <u>(776,366)</u> | <u>15,514</u> |
| Other financing sources (uses) | | |
| Bond proceeds | 278,717 | |
| Operating transfers in | 1,301,518 | 109,000 |
| Operating transfers out | <u> </u> | <u> </u> |
| Net other financing sources (uses) | <u>1,580,235</u> | <u>109,000</u> |
| Excess (deficiency) of revenues over expenditures and other financing sources (uses) | 803,869 | 124,514 |
| Fund balances, July 1 | <u>994,064</u> | <u>267,170</u> |
| Fund balances, June 30 | <u>\$ 1,797,933</u> | <u>\$ 391,684</u> |

| Water Plant Construction | Right-of-Way Acquisition | Sewer Plant Construction | Totals | |
|-----------------------------|-----------------------------|-----------------------------|--------------|--------------|
| | | | 1997 | 1996 |
| \$ | \$ | \$ | \$ 514,034 | \$ 294,131 |
| | 1,279 | | 57,874 | 83,435 |
| | | | 44,651 | 44,268 |
| | 1,279 | | 616,559 | 421,834 |
| | 47 | | 1,376,179 | 2,309,488 |
| | 1,232 | | (759,620) | (1,887,654) |
| 92,767 | 5,000 | (139,402) | 278,717 | 261,942 |
| | | | 1,508,285 | 1,279,034 |
| | | | (139,402) | (11,405) |
| 92,767 | 5,000 | (139,402) | 1,647,600 | 1,529,571 |
| 92,767 | 6,232 | (139,402) | 887,980 | (358,083) |
| (92,767) | 35,966 | 139,402 | 1,343,835 | 1,701,918 |
| \$ | \$ 42,198 | \$ | \$ 2,231,815 | \$ 1,343,835 |

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ENTERPRISE FUNDS

The Sewer and Water Utility Funds are used to account for the provision of sewer and water services to the residents of the City. The Municipal Airport Fund is used to account for the activities of the Wasilla Municipal Airport. 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
 ENTERPRISE FUNDS
 COMBINING BALANCE SHEET

June 30, 1997

With Comparative Totals for June 30, 1996

| <u>ASSETS</u> | Sewer | Water | Municipal | <u>Totals</u> | |
|---|--------------------------|-------------------------|-------------------------|--------------------------|--------------------------|
| | Utility | Utility | Airport | 1997 | 1996 |
| Current assets | | | | | |
| Equity in central treasury and cash funds | \$ 493,799 | \$ 689,453 | \$ | \$ 1,183,252 | \$ 631,750 |
| Accounts receivable | | | | | |
| Trade, less allowance for doubtful accounts 1996, \$8,000 | 25,955 | 33,101 | 1,028 | 60,084 | 74,945 |
| Grants | 56,778 | | | 56,778 | 2,763 |
| Other | 8,278 | | | 8,278 | |
| Accrued interest receivable | 56 | 8,868 | | 8,924 | 8,003 |
| Notes receivable - current portion | 13,072 | | | 13,072 | 80,036 |
| Inventory | 81,019 | 15,061 | | 96,080 | 78,552 |
| Total current assets | <u>678,957</u> | <u>746,483</u> | <u>1,028</u> | <u>1,426,468</u> | <u>876,049</u> |
| Notes receivable - less current portion | <u>105,024</u> | | | <u>105,024</u> | <u>55,625</u> |
| Property, plant and equipment | | | | | |
| Treatment system | 4,475,623 | | | 4,475,623 | 4,475,623 |
| Collection/distribution system | 7,592,407 | 4,424,618 | | 12,017,025 | 11,990,886 |
| Wells/well house | | 271,276 | | 271,276 | 271,276 |
| Water tank and fence | | 2,337,975 | | 2,337,975 | 2,337,975 |
| Other plant in service | 2,598,506 | | | 2,598,506 | 2,546,506 |
| Equipment | 1,935,865 | 52,595 | 208,154 | 2,196,614 | 2,195,033 |
| Land | 657,810 | 149,170 | 1,470,000 | 2,276,980 | 2,276,980 |
| Land improvements | | | 4,087,753 | 4,087,753 | 4,087,753 |
| Construction in process | 190,898 | 52,536 | | 243,434 | 41,296 |
| | 17,451,109 | 7,288,170 | 5,765,907 | 30,505,186 | 30,223,328 |
| Less accumulated depreciation | <u>4,615,595</u> | <u>1,862,564</u> | <u>1,115,488</u> | <u>7,593,647</u> | <u>6,892,085</u> |
| Net property, plant and equipment | <u>12,835,514</u> | <u>5,425,606</u> | <u>4,650,419</u> | <u>22,911,539</u> | <u>23,331,243</u> |
| Deferred charge | | 16,075 | | 16,075 | 16,393 |
| Total assets | <u>\$ 13,619,495</u> | <u>\$ 6,188,164</u> | <u>\$ 4,651,447</u> | <u>\$ 24,459,106</u> | <u>\$ 24,279,310</u> |

| <u>LIABILITIES AND FUND EQUITY</u> | <u>Sewer</u> | <u>Water</u> | <u>Municipal</u> | <u>Totals</u> | |
|--|----------------------|---------------------|---------------------|----------------------|----------------------|
| | <u>Utility</u> | <u>Utility</u> | <u>Airport</u> | <u>1997</u> | <u>1996</u> |
| Current liabilities | | | | | |
| Advance from treasury | \$ | \$ | \$ 187 | \$ 187 | \$ 186,263 |
| Accounts payable | 4,753 | 26,464 | 256 | 31,473 | 10,568 |
| Due to other funds | | | | | 4,159 |
| Revenue billed in advance | 29,511 | | | 29,511 | 29,511 |
| Accrued annual and sick leave | 9,240 | 11,935 | 1,066 | 22,241 | 15,479 |
| Customer deposits | 13,570 | | | 13,570 | 9,533 |
| Other | | 10,600 | | 10,600 | 6,100 |
| Total current liabilities | <u>57,074</u> | <u>48,999</u> | <u>1,509</u> | <u>107,582</u> | <u>261,613</u> |
| Fund equity | | | | | |
| Contributions in aid of construction | | | | | |
| Grants | 15,989,277 | 4,988,894 | 5,765,253 | 26,743,424 | 26,568,473 |
| Less accumulated amortization | <u>4,391,493</u> | <u>1,334,313</u> | <u>1,115,315</u> | <u>6,841,121</u> | <u>6,196,141</u> |
| | 11,597,784 | 3,654,581 | 4,649,938 | 19,902,303 | 20,372,332 |
| Other | <u>1,404,430</u> | <u>1,955,227</u> | | <u>3,359,657</u> | <u>3,410,484</u> |
| | 13,002,214 | 5,609,808 | 4,649,938 | 23,261,960 | 23,782,816 |
| Retained earnings | <u>560,207</u> | <u>529,357</u> | | <u>1,089,564</u> | <u>234,881</u> |
| Total fund equity | <u>13,562,421</u> | <u>6,139,165</u> | <u>4,649,938</u> | <u>24,351,524</u> | <u>24,017,697</u> |
| Total liabilities and fund equity | <u>\$ 13,619,495</u> | <u>\$ 6,188,164</u> | <u>\$ 4,651,447</u> | <u>\$ 24,459,106</u> | <u>\$ 24,279,310</u> |

CITY OF WASILLA, ALASKA

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS (ACCUMULATED DEFICIT)

Year Ended June 30, 1997
With Comparative Totals for June 30, 1996

| | Sewer | Water | Municipal | Totals | |
|---|------------------|------------------|------------------|------------------|------------------|
| | Utility | Utility | Airport | 1997 | 1996 |
| Operating revenues | | | | | |
| Sales and user charges | \$ 312,509 | \$ 293,249 | \$ | \$ 605,758 | \$ 611,729 |
| Fees and rentals | | | 12,455 | 12,455 | 14,517 |
| Connections | | | | | 1,909 |
| Meters | | 2,438 | | 2,438 | 2,503 |
| Other | 4,226 | 6,403 | | 10,629 | 15,340 |
| Total operating revenues | 316,735 | 302,090 | 12,455 | 631,280 | 645,998 |
| Operating expenses | | | | | |
| Salaries and fringe benefits | 198,932 | 186,390 | 18,898 | 404,220 | 328,650 |
| Operations | 8,752 | | | 8,752 | 8,924 |
| Utilities | 33,210 | 28,621 | 3,269 | 65,100 | 61,912 |
| Outside services | 8,369 | 20,253 | 10,723 | 39,345 | 43,151 |
| Insurance | 8,870 | 6,114 | 8,238 | 23,222 | 19,629 |
| Materials and supplies | 18,668 | 12,888 | 4,574 | 36,130 | 39,022 |
| Maintenance and repair | 36,216 | 24,432 | 16,520 | 77,168 | 37,516 |
| Rent | 3,501 | 5,330 | | 8,831 | 8,831 |
| Transportation | 15,230 | | | 15,230 | 5,190 |
| Contingency | | | 2,929 | 2,929 | 4,501 |
| Other | 56,910 | 42,588 | 1,809 | 101,307 | 132,719 |
| Total operating expenses before depreciation | 388,658 | 326,616 | 66,960 | 782,234 | 690,045 |
| Operating loss before depreciation | (71,923) | (24,526) | (54,505) | (150,954) | (44,047) |
| Depreciation | 332,641 | 143,653 | 225,268 | 701,562 | 697,915 |
| Operating loss | (404,564) | (168,179) | (279,773) | (852,516) | (741,962) |

| | Sewer | Water | Municipal | Totals | |
|--|-------------------|-------------------|------------------|---------------------|-------------------|
| | Utility | Utility | Airport | 1997 | 1996 |
| Nonoperating revenues | | | | | |
| Accounts payable write-off | \$ 343,087 | \$ | \$ | \$ 343,087 | \$ |
| Payments in lieu of assessments | | 20,183 | | 20,183 | 27,136 |
| Interest income | 36,623 | 27,732 | | 64,355 | 33,735 |
| Total nonoperating revenues | 379,710 | 47,915 | | 427,625 | 60,871 |
| Net loss before operating transfers in | (24,854) | (120,264) | (279,773) | (424,891) | (681,091) |
| Operating transfers in (out) | | | | | |
| General fund | 300,057 | 140,500 | 54,635 | 495,192 | 69,507 |
| Sewer plant construction capital projects fund | 139,402 | | | 139,402 | |
| | <u>439,459</u> | <u>140,500</u> | <u>54,635</u> | <u>634,594</u> | <u>69,507</u> |
| Net income (loss) | 414,605 | 20,236 | (225,138) | 209,703 | (611,584) |
| Depreciation on plant assets acquired by grants restricted for capital acquisition and construction | | | | | |
| | 320,447 | 99,395 | 225,138 | 644,980 | 646,642 |
| Change in retained earnings (accumulated deficit) | 735,052 | 119,631 | | 854,683 | 35,058 |
| Retained earnings (accumulated deficit), July 1 | (174,845) | 409,726 | | 234,881 | 199,823 |
| Retained earnings, June 30 | \$ 560,207 | \$ 529,357 | \$ | \$ 1,089,564 | \$ 234,881 |

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CITY OF WASILLA, ALASKA

ENTERPRISE FUNDS

COMBINING SCHEDULE OF CHANGES IN CONTRIBUTED CAPITAL

Years Ended June 30, 1997 and 1996

| | <u>Sewer Utility</u> | <u>Water Utility</u> | <u>Municipal Airport</u> | <u>Total</u> |
|---|--------------------------|--------------------------|------------------------------|----------------------|
| Balance, June 30, 1995 | \$ 13,259,538 | \$ 5,718,587 | \$ 5,100,214 | \$ 24,078,339 |
| Contributions received for 1996 | 168,396 | 182,723 | | 351,119 |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisitions and construction | <u>(322,164)</u> | <u>(99,340)</u> | <u>(225,138)</u> | <u>(646,642)</u> |
| Balance, June 30, 1996 | 13,105,770 | 5,801,970 | 4,875,076 | 23,782,816 |
| Contributions received for 1997 | 216,891 | | | 216,891 |
| Operating transfer to water construction fund | | (92,767) | | (92,767) |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(320,447)</u> | <u>(99,395)</u> | <u>(225,138)</u> | <u>(644,980)</u> |
| Balance, June 30, 1997 | <u>\$ 13,002,214</u> | <u>\$ 5,609,808</u> | <u>\$ 4,649,938</u> | <u>\$ 23,261,960</u> |

CITY OF WASILLA, ALASKA
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS

Year Ended June 30, 1997
With Comparative Totals for 1996

| Increase (Decrease) in Cash and Equivalents | Sewer | Water | Municipal | Totals | |
|---|------------|------------|-----------|------------|------------|
| | Utility | Utility | Airport | 1997 | 1996 |
| Cash flows from operating activities | | | | | |
| Cash received from customers | \$ 313,304 | \$ 308,356 | \$ 12,715 | \$ 634,375 | \$ 623,048 |
| Cash payments to suppliers for goods and services | (203,235) | (123,098) | (18,501) | (344,834) | (406,119) |
| Cash payments to employees for services | (196,713) | (182,244) | (47,986) | (426,943) | (327,733) |
| Other operating revenues | 4,226 | 6,403 | | 10,629 | 15,340 |
| Net cash provided by (used in) operating activities | (82,418) | 9,417 | (53,772) | (126,773) | (95,464) |
| Cash flows from noncapital financing activities | | | | | |
| Operating transfers in | 300,057 | 140,500 | 54,635 | 495,192 | 69,507 |
| Net advances received from (paid to) central treasury | (236,095) | (93,639) | (863) | (330,597) | 87,816 |
| Payment on advances from other funds | | | | | (4,158) |
| Net cash provided by noncapital financing activities | 63,962 | 46,861 | 53,772 | 164,595 | 153,165 |
| Cash flows from capital and related financing activities | | | | | |
| Cash received from capital grants | 200,394 | 872 | | 201,266 | |
| Receipts from special assessments and payments in lieu of assessments | | 20,183 | | 20,183 | 27,136 |
| Acquisition and construction of capital assets | (219,417) | (46,441) | | (265,858) | (1,961) |
| Net cash provided by (used in) capital and related financing activities | (19,023) | (25,386) | | (44,409) | 25,175 |
| Cash flows from investing activities | | | | | |
| Interest | 19,914 | 25,164 | | 45,078 | 19,370 |
| Issuance of notes receivable | (16,000) | | | (16,000) | (97,625) |
| Principal payments received on notes receivable | 33,565 | | | 33,565 | 7,228 |
| Net cash provided by (used in) investing activities | 37,479 | 25,164 | | 62,643 | (71,027) |
| Net increase in cash and cash equivalents | | 56,056 | | 56,056 | 11,849 |
| Cash and cash equivalents | | | | | |
| Beginning of year | | 377,635 | | 377,635 | 365,786 |
| End of year | \$ | \$ 433,691 | \$ | \$ 433,691 | \$ 377,635 |

| Reconciliation of Cash and Cash Equivalents to the Balance Sheet | Sewer | Water | Municipal | Totals | |
|--|--------------|--------------|--------------|--------------|--------------|
| | Utility | Utility | Airport | 1997 | 1996 |
| Equity in central treasury and cash funds per the balance sheet | \$ 493,799 | \$ 689,453 | \$ | \$ 1,183,252 | \$ 631,750 |
| Less: Investments not meeting the definition of cash equivalents | (493,799) | (255,762) | | (749,561) | (254,115) |
| Cash and cash equivalents at end of year | \$ | \$ 433,691 | \$ | \$ 433,691 | \$ 377,635 |
| Reconciliation of Operating Loss to Net Cash Used in Operating Activities | | | | | |
| Operating loss | \$ (404,564) | \$ (168,179) | \$ (279,773) | \$ (852,516) | \$ (741,962) |
| Adjustment to reconcile operating loss to net cash used in operating activities | | | | | |
| Depreciation | \$ 332,641 | \$ 143,653 | \$ 225,268 | \$ 701,562 | \$ 697,915 |
| Amortization | | 318 | | 318 | 444 |
| (Increase) decrease in assets | | | | | |
| Accounts receivable - trade | 6,432 | 8,169 | 260 | 14,861 | (6,914) |
| Accounts receivable - other | (5,515) | | | (5,515) | (618) |
| Inventory | (15,840) | (1,688) | | (17,528) | (24,579) |
| Increase (decrease) in liabilities | | | | | |
| Accounts payable | 2,331 | 18,498 | 76 | 20,905 | (20,589) |
| Due to other funds | (4,159) | | | (4,159) | (4,792) |
| Revenue billed in advance | | | | | 2,429 |
| Accrued annual and sick leave | 2,219 | 4,146 | 397 | 6,762 | 917 |
| Customer deposits | 4,037 | | | 4,037 | 1,335 |
| Other | | 4,500 | | 4,500 | 950 |
| Total adjustments | 322,146 | 177,596 | 226,001 | 725,743 | 646,498 |
| Net cash used in operating activities | \$ (82,418) | \$ 9,417 | \$ (53,772) | \$ (126,773) | \$ (95,464) |

Noncash Capital and Related Financing Activities

During 1997 and 1996, the City of Wasilla received \$16,000 and \$168,396, respectively, of property plant and equipment that was contributed to the sewer utility. The water utility received \$182,723 in private and general government contributions in 1997 and 1996, respectively. The utilities recorded the contributions as contributed capital and fixed assets.

CITY OF WASILLA, ALASKA
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET

June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|--|--------------------------|--------------------------|
| Current assets | | |
| Equity in Central Treasury and cash funds | \$ 493,799 | \$ |
| Accounts receivable | | |
| Trade, less allowance for doubtful accounts 1996, \$4,000 | 25,955 | 32,387 |
| Grants | 56,778 | |
| Other | 8,278 | 2,763 |
| Accrued interest receivable | 56 | 56 |
| Notes receivable, current portion | 13,072 | 80,036 |
| Inventory | <u>81,019</u> | <u>65,179</u> |
| Total current assets | <u>678,957</u> | <u>180,421</u> |
| Notes receivable, less current portion | <u>105,024</u> | <u>55,625</u> |
| Property, plant and equipment | | |
| Treatment system | 4,475,623 | 4,475,623 |
| Collection system | 7,592,407 | 7,566,466 |
| Other plant in service | 2,598,506 | 2,546,506 |
| Equipment | 1,935,865 | 1,934,284 |
| Land | 657,810 | 657,810 |
| Construction in progress | <u>190,898</u> | <u>35,003</u> |
| | 17,451,109 | 17,215,692 |
| Less accumulated depreciation | <u>4,615,595</u> | <u>4,282,954</u> |
| Net property, plant and equipment | <u>12,835,514</u> | <u>12,932,738</u> |
| Total assets | <u>\$ 13,619,495</u> | <u>\$ 13,168,784</u> |

| <u>LIABILITIES AND FUND EQUITY</u> | <u>1997</u> | <u>1996</u> |
|---|--------------------------|--------------------------|
| Current liabilities | | |
| Advance from central treasury | \$ | \$ 185,213 |
| Accounts payable | 4,753 | 2,422 |
| Due to other funds | | 4,159 |
| Revenue billed in advance | 29,511 | 29,511 |
| Accrued annual and sick leave | 9,240 | 7,021 |
| Customer deposits | <u>13,570</u> | <u>9,533</u> |
| Total current liabilities | <u>57,074</u> | <u>237,859</u> |
| Fund equity | | |
| Contributions in aid of construction | | |
| Grants | 15,989,277 | 15,814,326 |
| Less accumulated amortization | <u>4,391,493</u> | <u>4,071,046</u> |
| | 11,597,784 | 11,743,280 |
| Other | <u>1,404,430</u> | <u>1,362,490</u> |
| | 13,002,214 | 13,105,770 |
| Retained Earnings (accumulated deficit) | <u>560,207</u> | <u>(174,845)</u> |
| Total fund equity | <u>13,562,421</u> | <u>12,930,925</u> |
| Total liabilities and fund equity | <u>\$ 13,619,495</u> | <u>\$ 13,168,784</u> |

CITY OF WASILLA, ALASKA

SEWER UTILITY FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS (ACCUMULATED DEFICIT)

Years Ended June 30, 1997 and 1996

| | <u>1997</u> | <u>1996</u> |
|--|-------------------|---------------------|
| Operating revenues | | |
| Sales and user charges | \$ 312,509 | \$ 316,809 |
| Connections | | 1,073 |
| Other | <u>4,226</u> | <u>7,204</u> |
| Total operating revenues | <u>316,735</u> | <u>325,086</u> |
| Operating expenses | | |
| Salaries and fringe benefits | 198,932 | 161,920 |
| Operations | 8,752 | 8,924 |
| Utilities | 33,210 | 32,538 |
| Outside services | 8,369 | 6,348 |
| Insurance | 8,870 | 8,255 |
| Materials and supplies | 18,668 | 18,459 |
| Maintenance | 36,216 | 2,729 |
| Rent | 3,501 | 3,501 |
| Transportation | 15,230 | 5,190 |
| Other | <u>56,910</u> | <u>84,934</u> |
| Total operating expenses before depreciation | <u>388,658</u> | <u>332,798</u> |
| Operating loss before depreciation | (71,923) | (7,712) |
| Depreciation | <u>332,641</u> | <u>333,481</u> |
| Operating loss | (404,564) | (341,193) |
| Nonoperating revenues | | |
| Accounts payable write-off | 343,087 | |
| Interest income | <u>36,623</u> | <u>3,522</u> |
| Net loss before operating transfers | <u>(24,854)</u> | <u>(337,671)</u> |
| Operating transfers in | | |
| General fund | 300,057 | 48,000 |
| Sewer Plant construction capital projects fund | <u>139,402</u> | |
| | <u>439,459</u> | <u>48,000</u> |
| Net income (loss) | 414,605 | (289,671) |
| Depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>320,447</u> | <u>322,164</u> |
| Change in retained earnings (accumulated deficit) | 735,052 | 32,493 |
| Accumulated deficit, July 1 | <u>(174,845)</u> | <u>(207,338)</u> |
| Retained earnings (accumulated deficit), June 30 | <u>\$ 560,207</u> | <u>\$ (174,845)</u> |

CITY OF WASILLA, ALASKA

SEWER UTILITY FUND

COMPARATIVE SCHEDULE OF CHANGES IN CONTRIBUTED CAPITAL

Year Ended June 30, 1997 and 1996

| | <u>Contributed Capital</u> | | Total Contributed Capital |
|--|----------------------------|-----------------------------|---------------------------------|
| | <u>Capital Grants</u> | <u>Other</u> | |
| Balance, June 30, 1995 | \$ 11,998,880 | \$ 1,260,658 | \$ 13,259,538 |
| Contributions received for 1996 | 66,564 | 101,832 | 168,396 |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(322,164)</u> | <u> </u> | <u>(322,164)</u> |
| Balance, June 30, 1996 | 11,743,280 | 1,362,490 | 13,105,770 |
| Contributions received for 1997 | 174,951 | 41,940 | 216,891 |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(320,447)</u> | <u> </u> | <u>(320,447)</u> |
| Balance, June 30, 1997 | <u>\$ 11,597,784</u> | <u>\$ 1,404,430</u> | <u>\$ 13,002,214</u> |

CITY OF WASILLA, ALASKA
SEWER UTILITY FUND
COMPARATIVE STATEMENT OF CASH FLOWS

Years Ended June 30, 1997 and 1996

| | 1997 | 1996 |
|---|------------|------------|
| Increase in Cash and Cash Equivalents | | |
| Cash flows from operating activities | | |
| Cash received from customers | \$ 313,304 | \$ 312,744 |
| Cash payments to suppliers for goods and services | (203,235) | (201,201) |
| Cash payments to employees for services | (196,713) | (161,173) |
| Other operating revenues | 4,226 | 7,204 |
| Net cash used in operating activities | (82,418) | (42,426) |
| Cash flows from noncapital financing activities | | |
| Net advances received from (paid to) central treasury | (236,095) | 86,766 |
| Payment on advances from other funds | | (4,158) |
| Operating transfers in | 300,057 | 48,000 |
| Net cash provided by noncapital financing activities | 63,962 | 130,608 |
| Cash flows from capital and related financing activities | | |
| Cash received from capital grants | 200,394 | |
| Acquisition and construction of capital assets | (219,417) | (1,307) |
| Net cash used in capital and related financing activities | (19,023) | (1,307) |
| Cash flows from investing activities | | |
| Interest | 19,914 | 3,522 |
| Issuance of notes receivable | (16,000) | (97,625) |
| Principal payments received on notes receivable | 33,565 | 7,228 |
| Net cash provided by (used in) investing activities | 37,479 | (86,875) |
| Net increase in cash and cash equivalents | | |
| Cash and cash equivalents | | |
| Beginning of year | | |
| End of year | \$ | \$ |

Reconciliation of Cash and Cash Equivalents
to the Balance Sheet

| | <u>1997</u> | <u>1996</u> |
|---|------------------|-------------|
| Equity in central treasury and cash funds per the balance sheet | \$ 493,799 | \$ |
| Less: Investments not meeting the definition of cash equivalent | <u>(493,799)</u> | <u></u> |
| | <u>\$</u> | <u>\$</u> |

Reconciliation of Operating Loss to Net Cash
Used in Operating Activities

| | | |
|---|---------------------|---------------------|
| Operating loss | <u>\$ (404,564)</u> | <u>\$ (341,193)</u> |
| Adjustments to reconcile operating loss to net cash used in operating activities | | |
| Depreciation | 332,641 | 333,481 |
| (Increase) decrease in assets | | |
| Accounts receivable - trade | 6,432 | (3,492) |
| Accounts receivable - other | (5,515) | (618) |
| Inventory | (15,840) | (19,949) |
| Increase (decrease) in liabilities | | |
| Accounts payable | 2,331 | (10,374) |
| Due to other funds | (4,159) | (4,792) |
| Revenue billed in advance | | 2,429 |
| Accrued annual and sick leave | 2,219 | 747 |
| Customer deposits | <u>4,037</u> | <u>1,335</u> |
| Total adjustments | <u>322,146</u> | <u>298,767</u> |
| Net cash used in operating activities | <u>\$ (82,418)</u> | <u>\$ (42,426)</u> |

Noncash Capital and Related Financing Activities

During 1997 and 1996, the City of Wasilla received \$16,000 and \$168,396, respectively, of property plant and equipment that was contributed to the sewer utility. The utility recorded the contributions as contributed capital and fixed assets.

CITY OF WASILLA, ALASKA
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET

June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|--|---------------------|---------------------|
| Current assets | | |
| Equity in central treasury and cash funds | \$ 689,453 | \$ 631,750 |
| Accounts receivable - trade, less allowance for doubtful accounts 1996, \$4,000 | 33,101 | 41,270 |
| Accrued interest receivable | 8,868 | 7,947 |
| Inventory | <u>15,061</u> | <u>13,373</u> |
| Total current assets | <u>746,483</u> | <u>694,340</u> |
| Property, plant and equipment | | |
| Collection/distribution | 4,424,618 | 4,424,420 |
| Water tank and fence | 2,337,975 | 2,337,975 |
| Wells/well house | 271,276 | 271,276 |
| Equipment | 52,595 | 52,595 |
| Land | 149,170 | 149,170 |
| Construction in progress | <u>52,536</u> | <u>6,293</u> |
| | 7,288,170 | 7,241,729 |
| Less accumulated depreciation | <u>1,862,564</u> | <u>1,718,911</u> |
| Net property, plant and equipment | <u>5,425,606</u> | <u>5,522,818</u> |
| Deferred charge | <u>16,075</u> | <u>16,393</u> |
| Total assets | <u>\$ 6,188,164</u> | <u>\$ 6,233,551</u> |

| <u>LIABILITIES AND FUND EQUITY</u> | <u>1997</u> | <u>1996</u> |
|--------------------------------------|---------------------|---------------------|
| Current liabilities | | |
| Accounts payable | \$ 26,464 | \$ 7,966 |
| Accrued annual and sick leave | 11,935 | 7,789 |
| Other | <u>10,600</u> | <u>6,100</u> |
| Total current liabilities | <u>48,999</u> | <u>21,855</u> |
| Fund equity | | |
| Contributions in aid of construction | | |
| Grants | 4,988,894 | 4,988,894 |
| Less accumulated amortization | <u>1,334,313</u> | <u>1,234,918</u> |
| | 3,654,581 | 3,753,976 |
| Other | <u>1,955,227</u> | <u>2,047,994</u> |
| | 5,609,808 | 5,801,970 |
| Retained earnings | <u>529,357</u> | <u>409,726</u> |
| Total fund equity | <u>6,139,165</u> | <u>6,211,696</u> |
| Total liabilities and fund equity | <u>\$ 6,188,164</u> | <u>\$ 6,233,551</u> |

CITY OF WASILLA, ALASKA
WATER UTILITY FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS

Years Ended June 30, 1997 and 1996

| | <u>1997</u> | <u>1996</u> |
|---|-------------------|-------------------|
| Operating revenues | | |
| Metered sales | \$ 293,249 | \$ 294,920 |
| Connections | | 836 |
| Meters | 2,438 | 2,503 |
| Other | <u>6,403</u> | <u>8,136</u> |
| Total operating revenues | <u>302,090</u> | <u>306,395</u> |
| Operating expenses | | |
| Salaries and fringe benefits | 186,390 | 158,557 |
| Utilities | 28,621 | 25,774 |
| Outside services | 20,253 | 29,143 |
| Insurance | 6,114 | 3,549 |
| Materials and supplies | 12,888 | 19,776 |
| Maintenance | 24,432 | 32,970 |
| Rent | 5,330 | 5,330 |
| Other | <u>42,588</u> | <u>45,850</u> |
| Total operating expenses | <u>326,616</u> | <u>320,949</u> |
| Operating loss before depreciation | (24,526) | (14,554) |
| Depreciation | <u>143,653</u> | <u>139,253</u> |
| Operating loss | <u>(168,179)</u> | <u>(153,807)</u> |
| Nonoperating Revenues | | |
| Payments in lieu of assessments | 20,183 | 27,136 |
| Interest income | <u>27,732</u> | <u>29,896</u> |
| Total nonoperating revenues | <u>47,915</u> | <u>57,032</u> |
| Net loss before operating transfers in | (120,264) | (96,775) |
| Operating transfers in | | |
| General fund | <u>140,500</u> | <u> </u> |
| Net income (loss) | 20,236 | (96,775) |
| Depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>99,395</u> | <u>99,340</u> |
| Change in retained earnings | 119,631 | 2,565 |
| Retained earnings, July 1 | <u>409,726</u> | <u>407,161</u> |
| Retained earnings, June 30 | <u>\$ 529,357</u> | <u>\$ 409,726</u> |

CITY OF WASILLA, ALASKA

WATER UTILITY FUND

COMPARATIVE SCHEDULE OF CHANGES IN CONTRIBUTED CAPITAL

Year Ended June 30, 1997 and 1996

| | <u>Contributed Capital</u> | | <u>Total Contributed Capital</u> |
|--|----------------------------|-----------------------------|--|
| | <u>Capital Grants</u> | <u>Other</u> | |
| Balance, June 30, 1995 | \$ 3,853,316 | \$ 1,865,271 | \$ 5,718,587 |
| Contributions received for 1996 | | 182,723 | 182,723 |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(99,340)</u> | <u> </u> | <u>(99,340)</u> |
| Balance, June 30, 1996 | 3,753,976 | 2,047,994 | 5,801,970 |
| Operating transfer to water construction fund | | (92,767) | (92,767) |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(99,395)</u> | <u> </u> | <u>(99,395)</u> |
| Balance, June 30, 1997 | <u>\$ 3,654,581</u> | <u>\$ 1,955,227</u> | <u>\$ 5,609,808</u> |

CITY OF WASILLA, ALASKA

WATER UTILITY FUND

COMPARATIVE STATEMENT OF CASH FLOWS

Years Ended June 30, 1997 and 1996

| | <u>1997</u> | <u>1996</u> |
|---|-------------------|-------------------|
| Increase (Decrease) in Cash and Cash Equivalents | | |
| Cash flow from operating activities | | |
| Cash received from customers | \$ 308,356 | \$ 296,251 |
| Cash payments to suppliers for goods and services | (123,098) | (174,096) |
| Cash payments to employees for services | (182,244) | (158,190) |
| Other operating revenues | <u>6,403</u> | <u>8,136</u> |
| Net cash provided by (used in) operating activities | <u>9,417</u> | <u>(27,899)</u> |
| Cash flows from noncapital financing activities | | |
| Operating transfers in | \$ 140,500 | \$ |
| Net advances to central treasury | <u>(93,639)</u> | <u></u> |
| Net cash provided by noncapital financing activities | <u>46,861</u> | <u></u> |
| Cash flows from capital and related financing activities | | |
| Cash received from capital grants | 872 | |
| Receipt from special assessments and payments in lieu of assessments | 20,183 | 27,136 |
| Acquisition and construction of capital assets | <u>(46,441)</u> | <u></u> |
| Net cash provided by (used in) capital and related financing activities | <u>(25,386)</u> | <u>27,136</u> |
| Cash flows from investing activities | | |
| Interest on central treasury and cash funds | <u>25,164</u> | <u>15,531</u> |
| Net increase in cash and cash equivalents | 56,056 | 14,768 |
| Cash and cash equivalents | | |
| Beginning of year | <u>377,635</u> | <u>362,867</u> |
| End of year | <u>\$ 433,691</u> | <u>\$ 377,635</u> |

| Reconciliation of Cash and Cash Equivalents to the Balance Sheet | <u>1997</u> | <u>1996</u> |
|---|---------------------|---------------------|
| Equity in central treasury and cash funds per the balance sheet | \$ 689,453 | \$ 631,750 |
| Less: Investments not meeting the definition of cash equivalents | <u>255,762</u> | <u>254,115</u> |
| Cash and cash equivalents at end of year | <u>\$ 433,691</u> | <u>\$ 377,635</u> |
| | | |
| Reconciliation of Operating Loss to Net Cash Used in Operating Activities | | |
| Operating loss | <u>\$ (168,179)</u> | <u>\$ (153,807)</u> |
| | | |
| Adjustments to reconcile operating loss to net cash used in operating activities | | |
| Depreciation | 143,653 | 139,253 |
| Amortization | 318 | 444 |
| (Increase) decrease in assets | | |
| Accounts receivable - trade | 8,169 | (2,958) |
| Inventory | (1,688) | (4,630) |
| Increase (decrease) in liabilities | | |
| Accounts payable | 18,498 | (7,518) |
| Accrued annual and sick leave | 4,146 | 367 |
| Other | <u>4,500</u> | <u>950</u> |
| Total adjustments | <u>177,596</u> | <u>125,908</u> |
| | | |
| Net cash used in operating activities | <u>\$ 9,417</u> | <u>\$ (27,899)</u> |

Noncash Capital and Related Financing Activities

During 1996, the Water Utility Fund received \$182,723 in property, plant and equipment contributed by the general government. The Utility recorded the contribution as contributed capital and additions to fixed assets.

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CITY OF WASILLA, ALASKA
MUNICIPAL AIRPORT FUND
COMPARATIVE BALANCE SHEET
June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|--|-----------------------------|-----------------------------|
| Current assets | | |
| Accounts receivable - trade | \$ 1,028 | \$ 1,288 |
| Total current assets | <u>1,028</u> | <u>1,288</u> |
| Property, plant and equipment | | |
| Equipment | 208,154 | 208,154 |
| Land | 1,470,000 | 1,470,000 |
| Land improvements | <u>4,087,753</u> | <u>4,087,753</u> |
| | 5,765,907 | 5,765,907 |
| Less accumulated depreciation | <u>1,115,488</u> | <u>890,220</u> |
| Net property, plant and equipment | <u>4,650,419</u> | <u>4,875,687</u> |
| Total assets | <u>\$ 4,651,447</u> | <u>\$ 4,876,975</u> |
| <u>LIABILITIES AND FUND EQUITY</u> | | |
| Current liabilities | | |
| Advance from central treasury | \$ 187 | \$ 1,050 |
| Accounts payable | 256 | 180 |
| Accrued annual and sick leave | <u>1,066</u> | <u>669</u> |
| Total current liabilities | <u>1,509</u> | <u>1,899</u> |
| Fund equity | | |
| Contributions in aid of construction | | |
| Grants | 5,765,253 | 5,765,253 |
| Less accumulated amortization | <u>1,115,315</u> | <u>890,177</u> |
| | 4,649,938 | 4,875,076 |
| Retained earnings | <u> </u> | <u> </u> |
| Total fund equity | <u>4,649,938</u> | <u>4,875,076</u> |
| Total liabilities and fund equity | <u>\$ 4,651,447</u> | <u>\$ 4,876,975</u> |

CITY OF WASILLA, ALASKA

MUNICIPAL AIRPORT FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS

Years Ended June 30, 1997 and 1996

| | <u>1997</u> | <u>1996</u> |
|---|-------------------|-------------------|
| Operating revenues | | |
| Fees and rentals | <u>\$ 12,455</u> | <u>\$ 14,517</u> |
| Total operating revenues | <u>12,455</u> | <u>14,517</u> |
| Operating expenses | | |
| Salaries and fringe benefits | 18,898 | 8,173 |
| Utilities | 3,269 | 3,600 |
| Outside services | 10,723 | 7,660 |
| Insurance | 8,238 | 7,825 |
| Materials and supplies | 4,574 | 787 |
| Contingency | 2,929 | 4,501 |
| Maintenance and repair | 16,520 | 1,817 |
| Other | <u>1,809</u> | <u>1,935</u> |
| Total operating expenses before depreciation | <u>66,960</u> | <u>36,298</u> |
| Operating loss before depreciation | (54,505) | (21,781) |
| Depreciation | <u>225,268</u> | <u>225,181</u> |
| Operating loss | <u>(279,773)</u> | <u>(246,962)</u> |
| Nonoperating revenues | | |
| Interest income | <u> </u> | <u>317</u> |
| Total nonoperating revenues | <u> </u> | <u>317</u> |
| Net loss before operating transfers | (279,773) | (246,645) |
| Operating transfer in | | |
| General fund | <u>54,635</u> | <u>21,507</u> |
| Net loss | (225,138) | (225,138) |
| Depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>225,138</u> | <u>225,138</u> |
| Retained earnings, July 1 | <u> </u> | <u> </u> |
| Retained earnings, June 30 | <u>\$ </u> | <u>\$ </u> |

CITY OF WASILLA, ALASKA

MUNICIPAL AIRPORT FUND

COMPARATIVE SCHEDULE OF CHANGES IN CONTRIBUTED CAPITAL

Year Ended June 30, 1997 and 1996

| | <u>Contributed Capital</u> <u>Capital Grants</u> |
|---|---|
| Balance, June 30, 1995 | \$ 5,100,214 |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(225,138)</u> |
| Balance, June 30, 1996 | 4,875,076 |
| Less, depreciation on plant assets acquired by grants restricted for capital acquisition and construction | <u>(225,138)</u> |
| Balance, June 30, 1997 | <u>\$ 4,649,938</u> |

CITY OF WASILLA, ALASKA
MUNICIPAL AIRPORT FUND
COMPARATIVE STATEMENT OF CASH FLOWS

Years Ended June 30, 1997 and 1996

| | 1997 | 1996 |
|--|-----------|-----------|
| Increase (Decrease) in Cash and Cash Equivalents | | |
| Cash flows from operating activities | | |
| Cash received from customers | \$ 12,715 | \$ 14,053 |
| Cash payments to suppliers for goods and services | (18,501) | (30,822) |
| Cash payments to employees for services | (47,986) | (8,370) |
| Net cash used in operating activities | (53,772) | (25,139) |
| Cash flows from noncapital financing activities | | |
| Operating transfers in | 54,635 | 21,507 |
| Net advances received from (paid to) central treasury | (863) | 1,050 |
| Net cash provided by noncapital financing activities | 53,772 | 22,557 |
| Cash flows from capital and related financing activities | | |
| Acquisition and construction of capital assets | | (654) |
| Cash flows from investing activities | | |
| Interest on central treasury and cash funds | | 317 |
| Net decrease in cash and cash equivalents | | (2,919) |
| Cash and cash equivalents | | |
| Beginning of year | | 2,919 |
| End of year | \$ | \$ |

Reconciliation of Operating Loss to Net
Cash Used in Operating Activities

| | <u>1997</u> | <u>1996</u> |
|---|---------------------|---------------------|
| Operating loss | <u>\$ (279,773)</u> | <u>\$ (246,962)</u> |
| Adjustments to reconcile operating loss to net cash used in operating activities | | |
| Depreciation | 225,268 | 225,181 |
| (Increase) decrease in assets | | |
| Accounts receivable - trade | 260 | (464) |
| Increase (decrease) in liabilities | | |
| Accounts payable | 76 | (2,697) |
| Accrued annual and sick leave | <u>397</u> | <u>(197)</u> |
| Total adjustments | <u>226,001</u> | <u>221,823</u> |
| Net cash used in operating activities | <u>\$ (53,772)</u> | <u>\$ (25,139)</u> |

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TRUST AND AGENCY FUNDS

Nonexpendable Trust Fund

The Cemetery Fund is used to account for cemetery funds received and related investment income. The Cemetery Fund sets aside proceeds from lot sales in perpetuity to generate investment income to help fund the operations, maintenance and capital improvements of the cemetery.

Pass Through Grant Fund

The Pass Through Grant Fund is used to account for grants passed through to secondary recipients.

Deferred Compensation Fund

The Deferred Compensation Fund is used to account for assets held for employees in accordance with the provisions of Internal Revenue Code Section 457.

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CITY OF WASILLA, ALASKA
 TRUST AND AGENCY FUNDS
 COMBINING BALANCE SHEET

June 30, 1997
 With Comparative Totals for 1996

| | Nonexpendable | Agency | | Totals | |
|---|------------------|-----------------|-------------------|-------------------|-------------------|
| | Trust | Pass Through | Deferred | 1997 | 1996 |
| | Cemetery | Grant | Compensation | | |
| ASSETS | | | | | |
| Equity in central treasury and cash funds | \$ 80,017 | \$ 1,000 | \$ | \$ 81,017 | \$ 67,993 |
| Investments | | | 226,824 | 226,824 | 136,361 |
| Accrued interest receivable | 1,435 | | | 1,435 | 1,392 |
| Grants receivable | | | | | 5,264 |
| Total assets | \$ 81,452 | \$ 1,000 | \$ 226,824 | \$ 309,276 | \$ 211,010 |
| LIABILITIES AND FUND BALANCE | | | | | |
| Deferred compensation benefits payable | \$ | \$ | \$ 226,824 | \$ 226,824 | \$ 136,361 |
| Accounts payable | | 1,000 | | 1,000 | |
| Advance from central treasury | | | | | 5,264 |
| Total liabilities | | 1,000 | 226,824 | 227,824 | 141,625 |
| Fund balance | | | | | |
| Reserved for investment | 69,205 | | | 69,205 | 60,405 |
| Unreserved | | | | | |
| Designated for operations | 12,247 | | | 12,247 | 8,980 |
| Total fund balance | 81,452 | | | 81,452 | 69,385 |
| Total liabilities and fund balance | \$ 81,452 | \$ 1,000 | \$ 226,824 | \$ 309,276 | \$ 211,010 |

CITY OF WASILLA, ALASKA
CEMETERY
NONEXPENDABLE TRUST FUND
COMPARATIVE BALANCE SHEET

June 30, 1997 and 1996

| <u>ASSETS</u> | <u>1997</u> | <u>1996</u> |
|---|------------------|------------------|
| Equity in central treasury and cash funds | \$ 80,017 | \$ 67,993 |
| Accrued interest receivable | <u>1,435</u> | <u>1,392</u> |
| Total assets | <u>\$ 81,452</u> | <u>\$ 69,385</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Total liabilities | <u>\$</u> | <u>\$</u> |
| Fund balance | | |
| Reserved for investment | 69,205 | 60,405 |
| Unreserved | | |
| Designated for operations | <u>12,247</u> | <u>8,980</u> |
| Total fund balance | <u>81,452</u> | <u>69,385</u> |
| Total liabilities and fund balance | <u>\$ 81,452</u> | <u>\$ 69,385</u> |

CITY OF WASILLA, ALASKA

CEMETERY
NONEXPENDABLE TRUST FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE

Years Ended June 30, 1997 and 1996

| | <u>1997</u> | <u>1996</u> |
|--------------------------|-------------------|-------------------|
| Revenues | | |
| Lot sales | \$ 8,800 | \$ 9,600 |
| Interest income | <u>3,267</u> | <u>2,718</u> |
| Total operating revenues | <u>12,067</u> | <u>12,318</u> |
| Expenses | <u> </u> | <u> </u> |
| Net income | 12,067 | 12,318 |
| Fund balance, July 1 | <u>69,385</u> | <u>57,067</u> |
| Fund balance, June 30 | <u>\$ 81,452</u> | <u>\$ 69,385</u> |

CITY OF WASILLA, ALASKA
CEMETERY
NONEXPENDABLE TRUST FUND
COMPARATIVE STATEMENT OF CASH FLOWS
Years Ended June 30, 1997 and 1996

| Increase in Cash and Cash Equivalents | <u>1997</u> | <u>1996</u> |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Cash received from customers | \$ 8,800 | \$ 9,600 |
| Cash provided by operating activities | 8,800 | 9,600 |
| Cash provided by investing activities | | |
| Interest on central treasury and cash funds | <u>1,542</u> | <u>1,041</u> |
| Net increase in cash and cash equivalents | 10,342 | 10,641 |
| Cash and cash equivalents | | |
| Beginning of year | <u>39,214</u> | <u>28,573</u> |
| End of year | <u>\$ 49,556</u> | <u>\$ 39,214</u> |
| Reconciliation of Cash and Cash Equivalents to the Balance Sheet | | |
| Equity in central treasury and cash funds per the balance sheet | 80,017 | \$ 67,993 |
| Less: Investments not meeting the definition of cash equivalents | <u>(30,461)</u> | <u>(28,779)</u> |
| Cash and cash equivalents at end of year | <u>\$ 49,556</u> | <u>\$ 39,214</u> |
| Reconciliation of Operating Income to Cash Provided by Operating Activities | | |
| Operating income | <u>\$ 12,067</u> | <u>\$ 12,318</u> |
| Adjustments to reconcile operating income to net cash provided by operating activities | | |
| Interest income | <u>3,267</u> | <u>2,718</u> |
| Net cash provided by operating activities | <u>\$ 8,800</u> | <u>\$ 9,600</u> |

CITY OF WASILLA, ALASKA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

Year Ended June 30, 1997

| | Balance July 1, 1996 | Additions | Deletions | Balance June 30, 1997 |
|----------------------------------|-------------------------|-------------------|-----------------|--------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 136,361 | \$ 91,633 | \$ 170 | \$ 227,824 |
| Grants receivable | <u>5,264</u> | <u> </u> | <u>5,264</u> | <u> </u> |
| Total assets | <u>\$ 141,625</u> | <u>\$ 91,633</u> | <u>\$ 5,434</u> | <u>\$ 227,824</u> |
| <u>LIABILITIES</u> | | | | |
| Advance from central treasury | \$ 5,264 | \$ | \$ 5,264 | \$ |
| Accounts payable | | 1,000 | | 1,000 |
| Deferred compensation payable | <u>136,361</u> | <u>90,633</u> | <u>170</u> | <u>226,824</u> |
| Total liabilities | <u>\$ 141,625</u> | <u>\$ 91,633</u> | <u>\$ 5,434</u> | <u>\$ 227,824</u> |

CITY OF WASILLA, ALASKA
 PASS THROUGH GRANT AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended June 30, 1997

| | <u>Balance</u> <u>July 1, 1996</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 1997</u> |
|-------------------------------|---------------------------------------|-------------------|------------------|--|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ | \$ 1,000 | \$ | \$ 1,000 |
| Grants receivable | <u>5,264</u> | <u> </u> | <u>5,264</u> | <u> </u> |
| | <u>\$ 5,264</u> | <u>\$ 1,000</u> | <u>\$ 5,264</u> | <u>\$ 1,000</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ | \$ 1,000 | \$ | \$ 1,000 |
| Advance from central treasury | <u>5,264</u> | <u> </u> | <u>5,264</u> | <u> </u> |
| | <u>\$ 5,264</u> | <u>\$ 1,000</u> | <u>\$ 5,264</u> | <u>\$ 1,000</u> |

CITY OF WASILLA, ALASKA

DEFERRED COMPENSATION AGENCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended June 30, 1997

| | <u>Balance July 1, 1996</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 1997</u> |
|-------------------------------|---------------------------------|------------------|------------------|----------------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 136,361 | \$ 90,633 | \$ 170 | \$ 226,824 |
| <u>LIABILITIES</u> | | | | |
| Deferred compensation payable | \$ 136,361 | \$ 90,633 | \$ 170 | \$ 226,824 |

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STATISTICAL SECTION

TABLE I

CITY OF WASILLA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

LAST TEN FSICAL YEARS

| FY | GENERAL GOVERNMENT | (4) POLICE | PUBLIC WORKS | (2) (3) LIBRARY & YOUTH COURT | MUSEUM & RECREATION SERVICES | DEBT SERVICE | CAPITAL OUTLAY | ALLOCATION OF ADMINISTRATIVE EXPENDITURES TO OTHER FUNDS | TOTAL |
|------|--------------------|------------|--------------|-------------------------------|------------------------------|--------------|----------------|--|-------------|
| 1988 | \$ 762,152 | \$ | \$271,782 | \$ 273,557 | \$ 115,231 | \$2,030,593 | \$1,412,558 | \$ (40,723) | \$4,825,150 |
| 1989 | 667,894 | | 271,242 | 283,535 | 112,089 | 695,748 | 790,105 | (39,325) | 2,781,288 |
| 1990 | 694,277 | | 292,920 | 292,151 | 112,466 | 357,726 | 1,550,606 | (58,812) | 3,243,534 |
| 1991 | 703,388 | | 380,229 | 334,837 | 116,720 | 329,421 | 494,980 | (39,770) | 2,319,805 |
| 1992 | 717,596 | | 388,558 | 342,072 | 174,940 | 518,835 | 379,252 | (41,576) | 2,479,677 |
| 1993 | 832,358 | 151,459 | 420,550 | 372,372 | 201,032 | 207,064 | 1,145,857 | (51,970) | 3,278,722 |
| 1994 | 994,402 | 861,096 | 484,963 | 435,082 | 285,469 | 336,819 | 2,556,528 | (44,295) | 5,910,064 |
| 1995 | 1,353,163 | 981,124 | 603,926 | 436,098 | 345,626 | 179,975 | 1,663,337 | (44,709) | 5,518,540 |
| 1996 | 1,286,594 | 1,090,305 | 587,309 | 520,367 | 442,987 | 390,385 | 2,309,488 | (45,247) | 6,582,188 |
| 1997 | 1,319,683 | 1,280,540 | 668,716 | 653,242 | 477,911 | 264,826 | 1,376,179 | (46,359) | 5,994,738 |

- (1) Includes all General, Capital Projects, Special Revenue and Debt Service Funds
(2) Library is shown as a Special Revenue Fund as the expenditures are funded partly by the Mat-Su Borough
(3) Youth Court established in FY96
(4) Police Department established in FY93

CITY OF WASILLA
 GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
 LAST TEN FSICAL YEARS

| FY | (2) TAXES | STATE SHARED REVENUES | OTHER GOVERN- MENTS | PENALTIES FINES AND FORFEI- TURES | INTEREST | FEEES, PERMITS AND OTHER REVENUES | SPECIAL ASSESSSS MENTS | OTHER | TOTAL |
|------|--------------|-----------------------------|---------------------------|--|-----------|--|------------------------------|-----------|-------------|
| 1988 | \$ 240,912 | \$ 695,506 | \$125,994 | \$ 4,134 | \$263,932 | \$ 33,843 | \$ 245,417 | \$ 29,651 | \$1,639,389 |
| 1989 | 467,940 | 1,056,806 | 333,733 | 4,799 | 192,163 | 36,818 | 302,625 | 34,825 | 2,429,707 |
| 1990 | 647,910 | 1,568,414 | 708,596 | 9,482 | 325,804 | 35,909 | 302,591 | 64,362 | 3,663,068 |
| 1991 | 620,564 | 772,100 | 303,571 | 9,849 | 259,094 | 38,307 | 230,820 | 102,653 | 2,336,958 |
| 1992 | 829,773 | 880,899 | 332,212 | 9,951 | 25,202 | 31,798 | 488,635 | 192,110 | 2,790,580 |
| 1993 | 2,094,933 | 1,334,508 | 280,690 | 5,520 | 42,585 | 37,276 | 245,685 | 164,297 | 4,205,494 |
| 1994 | 3,699,781 | 2,381,351 | 131,316 | 19,450 | 58,809 | 39,650 | 355,433 | 267,778 | 6,953,568 |
| 1995 | 4,252,607 | 955,571 | 282,216 | 53,297 | 107,130 | 44,251 | 303,141 | 343,432 | 6,341,645 |
| 1996 | 4,626,864 | 879,473 | 315,499 | 53,728 | 110,929 | 52,585 | 407,258 | 484,581 | 6,930,917 |
| 1997 | 4,960,321 | 1,140,947 | 345,711 | 58,641 | 83,424 | 51,005 | 407,887 | 474,593 | 7,522,529 |

(1) Includes all General, Capital Projects, Special Revenue and Debt Service Funds

(2) A 2% Sales Tax on Retail Sales and Services was approved by the voters in October of 1992, becoming effective January 1, 1993

CITY OF WASILLA
 ASSESSED VALUATION, TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

| FY YR | CITY LEVY | AMOUNT COLLECTED | % OF LEVY | AMOUNT OF LEVY UNCOLLECTED | AMOUNT OF LEVY UNCOLLECTED AS A PERCENT OF TOTAL TAXES |
|----------|--------------|---------------------|--------------|----------------------------------|--|
| 1988 | \$ 274,608 | \$ 240,912 | 87.73 | \$ 33,696 | 12.27 |
| 1989 | 513,831 | 467,940 | 91.07 | 45,891 | 8.93 |
| 1990 | 713,983 | 647,910 | 90.75 | 66,073 | 9.25 |
| 1991 | 738,349 | 620,564 | 84.05 | 117,785 | 15.95 |
| 1992 | 856,969 | 829,773 | 96.83 | 27,196 | 3.17 |
| 1993 | 989,302 | 971,184 | 98.17 | 18,118 | 1.83 |
| 1994 | 483,319 | 480,179 | 99.35 | 3,140 | 0.65 |
| 1995 | 418,659 | 427,566 | 102.13 | (8,907) | (2.13) |
| 1996 | 468,773 | 447,548 | 95.47 | 21,225 | 4.53 |
| 1997 | 465,016 | 553,962 | 119.13 | (88,946) | (19.13) |

- (1) The Matanuska-Susitna Borough (MSB) does all of the assessment, collection & foreclosure regarding property taxes for the City of Wasilla.
 No breakdown is furnished re. delinquent taxes. Taxes are periodically forwarded to the city.

CITY OF WASILLA

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN CALENDAR YEARS

| <u>CALENDAR YEAR</u> | <u>REAL PROPERTY</u> | <u>PERSONAL PROPERTY</u> | <u>TOTAL ASSESSED VALUE NET OF EXEMPTIONS</u> | <u>ESTIMATED ACTUAL VALUE</u> | <u>RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE</u> |
|--------------------------|--------------------------|------------------------------|---|---------------------------------------|--|
| 1987 | \$ 330,810,900 | \$ 35,332,921 | \$ 366,143,821 | \$ 407,490,900 | 89.85% |
| 1988 | 223,669,900 | 33,245,691 | 256,915,591 | 287,344,400 | 89.41% |
| 1989 | 185,936,900 | 30,421,620 | 216,358,520 | 228,384,700 | 94.73% |
| 1990 | 175,382,500 | 29,714,387 | 205,096,887 | 223,597,400 | 91.73% |
| 1991 | 182,453,700 | 31,788,493 | 214,242,193 | 229,966,200 | 93.16% |
| 1992 | 201,681,900 | 33,866,234 | 235,548,134 | 251,040,200 | 93.83% |
| 1993 | 207,793,416 | 33,866,234 | 241,659,650 | 244,474,200 | 98.85% |
| 1994 | 222,219,600 | 34,652,956 | 246,270,256 | 269,881,500 | 91.25% |
| 1995 | 249,438,500 | 38,301,293 | 275,748,993 | 272,626,900 | 101.15% |
| 1996 | 244,837,100 | 41,981,450 | 273,538,950 | 297,377,900 | 91.98% |

TABLE V

CITY OF WASILLA

PROPERTY TAX RATES-ALL DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN CALENDAR YEARS

| <u>CALENDAR YEAR</u> | <u>MAT-SU BOROUGH</u> | <u>WASILLA FIRE SERVICE AREA</u> | <u>CITY OF WASILLA</u> | <u>TOTAL</u> |
|--------------------------|---------------------------|--|--------------------------------|--------------|
| 1988 | 6.87 | 0.70 | 2.00 | 9.57 |
| 1989 | 9.20 | 0.70 | 3.30 | 13.20 |
| 1990 | 11.00 | 0.70 | 3.60 | 15.30 |
| 1991 | 13.00 | 0.90 | 4.00 | 17.90 |
| 1992 | 13.00 | 0.90 | 4.20 | 18.10 |
| 1993 | 15.78 | 0.90 | 2.00 | 18.68 |
| 1994 | 15.78 | 1.30 | 1.70 | 18.78 |
| 1995 | 13.75 | 1.30 | 1.70 | 16.75 |
| 1996 | 12.25 | 1.30 | 2.00 | 15.55 |
| 1997 | 11.50 | 1.30 | 1.50 | 14.30 |

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

CITY OF WASILLA
SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS

| <u>FISCAL</u> <u>YEAR</u> | (1) SPECIAL ASSESSMENT <u>COLLECTIONS</u> |
|------------------------------|--|
| 1988 | \$ 245,417 |
| 1989 | 302,625 |
| 1990 | 302,591 |
| 1991 | 230,820 |
| 1992 | 488,635 |
| 1993 | 245,685 |
| 1994 | 355,433 |
| 1995 | 303,141 |
| 1996 | 407,258 |
| 1997 | 407,887 |

(1) Includes prepayment, foreclosure, current and delinquent payments

TABLE VII

CITY OF WASILLA
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

| <u>FY</u> | <u>PROPERTY TAXES</u> | <u>SALES TAXES</u> | <u>TOTAL TAXES</u> |
|-----------|---------------------------|------------------------|------------------------|
| 1988 | \$240,912 | \$ | \$240,912 |
| 1989 | 467,940 | | 467,940 |
| 1990 | 647,910 | | 647,910 |
| 1991 | 620,564 | | 620,564 |
| 1992 | 829,773 | | 829,773 |
| 1993 | 971,184 | 1,123,749 | 2,094,933 |
| 1994 | 480,179 | 3,219,602 | 3,699,781 |
| 1995 | 427,566 | 3,825,041 | 4,252,607 |
| 1996 | 447,548 | 4,179,316 | 4,626,864 |
| 1997 | 553,962 | 4,406,359 | 4,960,321 |

- (1) A 2% Sales Tax on Retail Sales & Services was approved by the voters in October of 1992, becoming effective January 1, 1993.
- (2) Property Taxes were capped at 2 mils effective for FY-94.
- (3) During FY-95 the city implemented GASB 22.

CITY OF WASILLA
LAND USE PERMITS ISSUED
LAST TEN CALENDAR YEARS

| <u>CALENDAR YEAR</u> | <u>NUMBER ISSUED</u> |
|--------------------------|--------------------------|
| 1987 | 20 |
| 1988 | 35 |
| 1989 | 31 |
| 1990 | 35 |
| 1991 | 48 |
| 1992 | 47 |
| 1993 | 78 |
| 1994 | 104 |
| 1995 | 140 |
| 1996 | 130 |

- (1) The City Of Wasilla does not issue building permits.
- (2) No value is assigned to the land use permits.
- (3) Source: Wasilla planning office

TABLE IX

CITY OF WASILLA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

| <u>FISCAL YEAR</u> | <u>POPULATION (1)</u> |
|--------------------|-----------------------|
| 1988 | 3,977 |
| 1989 | 3,977 |
| 1990 | 3,977 |
| 1991 | 3,342 |
| 1992 | 3,818 |
| 1993 | 4,028 |
| 1994 | 4,124 |
| 1995 | 4,381 |
| 1996 | 4,635 |
| 1997 | 4,917 |

(1) 1991 population from 1990 census.
All other numbers are estimates from
Dept of labor or DCRA

CITY OF WASILLA

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

LAST TEN CALENDAR YEARS

| CALENDAR YEAR | PROPERTY VALUE | CONSTRUCTION | BANK DEPOSITS |
|---------------|----------------|--------------|---------------|
| 1987 | \$ 366,143,821 | (a) | (a) |
| 1988 | 256,915,591 | (a) | (a) |
| 1989 | 216,358,520 | (a) | (a) |
| 1990 | 205,096,887 | (a) | (a) |
| 1991 | 214,242,193 | (a) | (a) |
| 1992 | 235,548,134 | (a) | (a) |
| 1993 | 241,659,650 | (a) | (a) |
| 1994 | 246,270,256 | (a) | (a) |
| 1995 | 275,748,993 | (a) | (a) |
| 1996 | 273,538,950 | (a) | (a) |

(a) Not available

TABLE XI

CITY OF WASILLA
PRINCIPAL TAXPAYERS

| TAXPAYER | NATURE OF BUSINESS | 1997 ASSESSED VALUE | PERCENTAGE OF TOTAL VALUATION |
|---|--|---------------------------|-------------------------------------|
| LABAR CO. | PROPERTY DEVELOPMENT AND RETAIL MALLS | \$ 12,783,523 | 21.17% |
| COTTONWOOD CREEK MALL LLC | PROPERTY DEVELOPMENT AND RETAIL MALLS | 11,908,600 | 19.72% |
| WALMART STORES INC. | RETAIL STORE | 6,573,887 | 10.89% |
| KARABLLNIKOFF/NEWCOMB TR. | FAMILY TRUST | 5,908,600 | 9.79% |
| SPENARD BUILDERS SUPPLY | HARDWARE AND BUILDING SUPPLIES | 4,885,313 | 8.09% |
| PEDERSEN FLOYD/CREEKSIDE | PROPERTY DEVELOPMENT AND RETAIL MALLS | 4,647,388 | 7.70% |
| SEAGULL ENERGY CORP. | NATURAL GAS TRANSMISSION LINES | 4,546,100 | 7.53% |
| NYE HAROLD/NYE FORD | AUTOMOBILE DEALERSHIP | 4,181,414 | 6.92% |
| VALLEY HOSPITAL/ WEST VALLEY MEDICAL | MEDICAL CENTER | 2,859,500 | 4.74% |
| MARY E. JOHNSON | PROPERTY DEVELOPMENT AND RETAIL MALLS | <u>2,088,700</u> | <u>3.45%</u> |
| | TOTAL | <u>\$ 60,383,025</u> | <u>100%</u> |

SINGLE AUDIT SECTION

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF
GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the general purpose financial statements of the City of Wasilla, Alaska as of and for the year ended June 30, 1997, and have issued our report thereon dated September 10, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the City of Wasilla, Alaska is the responsibility of the City of Wasilla, Alaska's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the City of Wasilla, Alaska's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of management, the City Council, and the appropriate federal and state regulatory agencies. However, this report is a matter of public record and its distribution is not limited.



Fairbanks, Alaska
September 10, 1997

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
THE INTERNAL CONTROL STRUCTURE
OF THE CITY OF WASILLA, ALASKA AS AN ENTITY

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

We have audited the general purpose financial statements of the City of Wasilla, Alaska as of and for the year ended June 30, 1997, and have issued our report thereon dated September 10, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City of Wasilla, Alaska is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the City of Wasilla, Alaska for the year ended June 30, 1997, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Honorable Mayor and
Members of the City Council
Wasilla, Alaska

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Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Wasilla, Alaska in a separate letter dated September 10, 1997.

This report is intended for the information of management, the City Council, and the appropriate federal and state regulatory agencies. However, this report is a matter of public record and its distribution is not limited.



Fairbanks, Alaska
September 10, 1997

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON THE CITY OF WASILLA, ALASKA'S
COMPLIANCE FOR A STATE SINGLE AUDIT

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

We have audited the general purpose financial statements of the City of Wasilla, Alaska as of and for the year ended June 30, 1997, and have issued our report thereon dated September 10, 1997.

As part of obtaining reasonable assurance about whether the financial statements and the major state assistance programs are free of material misstatement, we have applied procedures to test the City of Wasilla, Alaska's compliance with certain provisions of laws and regulations and with the general requirements applicable to its state financial assistance programs and the specific requirements that are applicable to each of its major state financial assistance programs, which are identified in the accompanying Schedule of State Financial Assistance, for the year ended June 30, 1997. The management of the City of Wasilla, Alaska is responsible for the City of Wasilla, Alaska's compliance with those requirements. Our responsibility is to express an opinion on compliance with those provisions and requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the audit guide require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Wasilla, Alaska's compliance with those provisions and requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City of Wasilla, Alaska complied, in all material respects, with the provisions of laws and regulations and the applicable general requirements governing its state financial assistance programs and with the specific requirements that are applicable to each of its major state financial assistance programs for the year ended June 30, 1997.

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

Page 2

In connection with our audit of the 1997 general purpose financial statements of the City of Wasilla, Alaska and with our study and evaluation of the City of Wasilla, Alaska's internal control structure used to administer state financial assistance programs we selected certain transactions applicable to certain nonmajor state financial assistance programs for the year ended June 30, 1997.

As required by the *State of Alaska Guide and Compliance Supplement for State Single Audits*, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; and other tests and provisions that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Wasilla, Alaska's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Wasilla, Alaska had not complied, in all material respects, with those requirements.

This report is intended for the information of management, the City Council, and the appropriate State of Alaska regulatory agencies. This is not intended to limit the distribution of this report, which is a matter of public record.



Fairbanks, Alaska
September 10, 1997

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON THE CITY OF WASILLA, ALASKA'S INTERNAL CONTROL STRUCTURE
FOR A STATE SINGLE AUDIT

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

We have audited the general purpose financial statements of the City of Wasilla, Alaska as of and for the year ended June 30, 1997 and have issued our report thereon dated September 10, 1997. We have also audited the City of Wasilla, Alaska's compliance with general requirements and specific requirements applicable to major state financial assistance programs and have issued our report thereon dated September 10, 1997.

We conducted our audits in accordance with generally accepted auditing standards, *Government Auditing Standards* issued by the Comptroller General of the United States, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the audit guide require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the City of Wasilla, Alaska complied with laws and regulations, noncompliance with which would be material to a major state financial assistance program.

The management of the City of Wasilla, Alaska is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that state financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Honorable Mayor and
Members of the City Council
Wasilla, Alaska

Page 2

In planning and performing our audit of the financial statements of the City of Wasilla, Alaska for the year ended June 30, 1997, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and on compliance with general requirements and requirements applicable to major state financial assistance programs and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering state financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited or noncompliance with laws and regulations that would be material to the state programs being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Wasilla, Alaska in a separate letter dated September 10, 1997.

This report is intended for the information of management, the City Council, and the appropriate State of Alaska regulatory agencies. This is not intended to limit the distribution of this report, which is a matter of public record.



Fairbanks, Alaska
September 10, 1997

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON THE SCHEDULE OF STATE FINANCIAL ASSISTANCE

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

We have audited the general purpose financial statements of the City of Wasilla, Alaska as of and for the year ended June 30, 1997, and have issued our report thereon dated September 10, 1997. These general purpose financial statements are the responsibility of the City of Wasilla, Alaska's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Wasilla, Alaska taken as a whole. The accompanying schedule of state financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Fairbanks, Alaska
September 10, 1997

CITY OF WASILLA, ALASKA

SCHEDULE OF STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 1997

| Award | Major Program | State Grant Number |
|---|---------------|--------------------|
| Department of Administration | | |
| Municipal Grants Program | X | |
| Sewer Drain Field | | 4/92-034 |
| Church Road Paving | | 8/94-006 |
| Sewer Drainfield Replacement | | 4/94-005 |
| Spruce Avenue and Peck Street Intersection Design | | 8/97-006 |
| Iditarod Trail Headquarters | | 7/94-073 |
| Municipal Matching Grants program | X | |
| Glenwood Street Paving | | 95/704-8-001 |
| Glenwood Street Paving - Phase II | | 96/704-8-001 |
| Glenwood Avenue Paving and Trail Phase II | | 97/704-8-001 |
| | | |
| Department of Community and Regional Affairs | | |
| State Revenue Sharing | X | N/A |
| Municipal Assistance | X | N/A |
| Employment Feasibility Study (1) | | 2172706 |
| | | |
| Department of Environmental Conservation | | |
| Sewer Treatment Plant Upgrade | | 90507 |
| | | |
| Department of Education | | |
| Museum Grant in Aid | | FY94 GIA |
| Public Library Assistance | | PLA-97-787-86 |
| Governor's Drug Prevention (1) | | DA 96.105.01 |
| Governor's Drug Prevention (2) | | DA 97.105.01 |
| | | |
| Department of Health and Social Services | | |
| Youth Court Program | | 06-7615 |

| Program or Award Amount | Accrued or (Deferred) Revenue July 1, 1996 | Revenue Recognized | Expenditures | Accrued or (Deferred) Revenue June 30, 1997 |
|-------------------------------|--|-----------------------|----------------|---|
| \$ 450,500 | \$ 3,800 | \$ 127,096 | \$ 127,096 | \$ 2,127 |
| 200,000 | 29,602 | 88,507 | 88,507 | |
| 250,000 | | 47,855 | 47,855 | 2,169 |
| 40,000 | | 32,364 | 32,364 | 7,663 |
| 25,000 | 5,264 | | | |
| 165,435 | 20,507 | 92,963 | 92,963 | |
| 160,000 | (32,000) | 160,000 | 160,000 | |
| 118,879 | | 118,879 | 118,879 | |
| <u>1,409,814</u> | <u>27,173</u> | <u>667,664</u> | <u>667,664</u> | <u>11,959</u> |
| 139,083 | | 139,083 | 139,083 | |
| 199,189 | | 199,189 | 199,189 | |
| 26,775 | | | | |
| <u>365,047</u> | | <u>338,272</u> | <u>338,272</u> | |
| 500,000 | 52,482 | | | 52,482 |
| 4,919 | (519) | 519 | 519 | |
| 7,000 | | 7,000 | 7,000 | |
| 32,252 | 3,885 | | | |
| 57,725 | | 52,833 | 52,833 | 15,579 |
| <u>101,896</u> | <u>3,366</u> | <u>60,352</u> | <u>60,352</u> | <u>15,579</u> |
| 22,063 | | 22,063 | 22,063 | 5,412 |

CITY OF WASILLA, ALASKA

SCHEDULE OF STATE FINANCIAL ASSISTANCE
(Continued)

For the Year Ended June 30, 1997

| Award | Major Program | State Grant Number |
|--------------------------------------|------------------|-----------------------|
| Department of Revenue | | |
| Alcohol and Beverage Tax | | FY97 |
| Alcohol and Beverage Tax | | FY96 |
| Amusement and Gaming Tax | | FY97 |
| Amusement and Gaming Tax | | FY96 |
| Electric and Telephone Co-op Tax | X | FY97 |
| Electric and Telephone Co-op Tax | | FY96 |
| | | |
| Department of Public Safety | | |
| Accident Investigation/Equipment (1) | | PT-96-04-05 |
| Engineering Study (1) | | FTE 96-07-03 |
| MJTFFPA (1) | | 95-023E |
| MJTFFPA (1) | | 96-023E |
| COPS MORE | | IM-50218-95 |
| | | |
| Total State Financial Assistance | | |

(1) All federal funds passed through the state.

| Program or Award Amount | Accrued or (Deferred) Revenue July 1, 1996 | Revenue Recognized | Expenditures | Accrued or (Deferred) Revenue June 30, 1997 |
|-------------------------------|--|-----------------------|---------------------|---|
| \$ 19,700 | | \$ 19,700 | \$ 19,700 | \$ 1,200 |
| 14,500 | 2,700 | | | |
| 80 | | 80 | 80 | 80 |
| 273 | 273 | | | |
| 131,063 | | 131,063 | 131,063 | 131,063 |
| <u>117,218</u> | <u>117,218</u> | | | |
| | | | | |
| <u>282,834</u> | <u>120,191</u> | <u>150,843</u> | <u>150,843</u> | <u>132,343</u> |
| | | | | |
| 55,360 | 42,422 | 1,913 | 1,913 | |
| 33,480 | | 21,320 | 21,320 | |
| 49,784 | 5,209 | 9,995 | 9,995 | |
| 51,495 | | 43,995 | 43,995 | 15,903 |
| <u>15,699</u> | <u>15,699</u> | | | |
| | | | | |
| <u>205,818</u> | <u>63,330</u> | <u>77,223</u> | <u>77,223</u> | <u>15,903</u> |
| | | | | |
| <u>\$ 2,887,472</u> | <u>\$ 266,542</u> | <u>\$ 1,316,417</u> | <u>\$ 1,316,417</u> | <u>\$ 233,678</u> |

