

NWABSD Board of Education Special Meeting

Tuesday, November 7, 2023 3:30 PM

District Office Boardroom, 744 Third Ave., Kotzebue, AK 99752

1. **I. CALL TO ORDER, ROLL CALL**

Presenter: Margaret Hansen, President

2. **II. MOMENT OF SILENCE**

Presenter: Margaret Hansen, President

3. **III. INTRODUCTION OF GUESTS/STAFF**

Presenter: Margaret Hansen, President

4. **V. EXECUTIVE SESSION**

Presenter: Margaret Hansen, President

5. **IV. ACTION ITEMS**

5.A. NWABSD Memorandum 24-052 Recommendation of Student Expulsion

5.B. NWABSD Memorandum 24-053 Approval of Purchase Follett School Solutions

5.C. NWABSD Memorandum 24-054 Approval of Human Resources

5.D. NWABSD Memorandum 24-055 Approval of FY23 Audited Financial Statements

6. **VII. DATE, TIME, & LOCATION OF NEXT MEETING**

7. **VII. ADJOURNMENT**

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: November 7, 2023

NUMBER: 24-052

FR: Office of the Superintendent

SUBJECT: Recommendation of
Student Expulsion

ABSTRACT:

Per NWABSD Board Policy 5144.1, Board approval is required in instances of student expulsion.

ISSUE:

A student brought a firearm replica to school.

BACKGROUND AND/OR PERTINENT INFORMATION:

The Alaska Statute Sec. 14.03.160 states the following,

Suspension or expulsion of students for possessing weapons.

(a) Notwithstanding any other provision of law, a school district shall,

(1) expel for at least one year a student who violates AS 11.61.210

(a)(8) while possessing a firearm, as that term is defined under 18 U.S.C. 92.

ALTERNATIVES:

1. Approve of student expulsion for one year.
2. Approval of expulsion for more than one year.
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

MEMORANDUM

TO: NWABSD Board of Education Members

DATE: November 7, 2023

NUMBER: 24-053

FR: Office of the Superintendent

SUBJECT: Approval of Purchase
Follett School Solutions

STRATEGIC PLAN/BOARD GOAL:

Goal 3: Family Support and Engagement

ABSTRACT:

Board approval is required for purchases that exceed \$50,000.

ISSUE:

At issue is the Board's approval of Literacy Connections (LIT) grant program expenses from Follett School Solutions to purchase grade leveled take-home books for ages 3 to grade 12 for an amount not to exceed \$300,000.

BACKGROUND AND/OR PERTINENT INFORMATION:

Follett Solutions will curate book selections per grade level for our students, books will be bundled by grade level and be shipped directly to sites for distribution. The total purchase cost will not exceed \$300,000 as budgeted.

These items were fully budgeted for and approved as part of our Literacy Connections application under the Innovative Approaches to Literacy grant program.

Funding: Federal LIT Grant Fund 353

ALTERNATIVES:

1. Approval of purchase, grade leveled take-home books for ages 3 to grade 12 from Follett School Solutions for an amount not to exceed \$300,000.
2. Disapproval of purchase, grade leveled take-home books for ages 3 to grade 12 from Follett School Solutions for an amount not to exceed \$300,000.
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends board approval of the purchase of grade leveled take-home books from Follett School Solutions, as presented.

**Addendum
Human Resources
November 2023**

I. The administration recommends approval of the following action items:

- a) Certified new hires FY24
- b) Classified new hires FY24

a) The administration recommends approval of the following FY24 Certified New Hires:

| LOCATION&DATE | NAME | POSITION |
|------------------------|----------------|-------------------|
| <u>Buckland</u> | | |
| 10/30/23 | Dana Strong | Teacher MS/HS SS |
| <u>Noorvik</u> | | |
| 10/30/23 | Donald Weber | Teacher HS/Math |
| <u>Kiana</u> | | |
| 10/09/23 | Denita Sommers | Teacher MS/HS/ LA |

b) The administration recommends approval of the following FY24 Classified New Hires:

| LOCATION&DATE | NAME | POSITION |
|--------------------|-------------------|--------------|
| <u>ATC</u> | | |
| 11/01/23 | Brandi Williamson | Secretary |
| <u>JNES</u> | | |
| 10/30/23 | Destiny Tolbert | SpEd Aide |
| 10/30/23 | Bomi Kim | Instr. Aide |
| <u>KMHS</u> | | |
| 10/30/23 | Josh Labial | Migrant Aide |

II The administration report on the following non action items:

a) The administration reports on the following Certified resignations:

| LOCATION & DATE | NAME | POSITION |
|----------------------|--------------|-----------|
| <u>Noatak</u> | | |
| 08/29/23 | Brianna Kirk | Counselor |

b) The administration reports on the following Classified resignations:

| LOCATION&DATE | NAME | POSITION |
|------------------------|-------------------------|-------------|
| <u>Kivalina</u> | | |
| 10/25/23 | Josephine Morris-Koenig | Secretary |
| 10/25/23 | Becky Norton | Instr. Aide |

**Addendum
Human Resources
November 2023**

I. The administration recommends approval of the following action items:

a) Certified new hires FY24

a) The administration recommends approval of the following FY24 Certified New Hires:

| <u>LOCATION&DATE</u> | <u>NAME</u> | <u>POSITION</u> |
|--------------------------|---------------|-----------------|
| KMHS 8/07/23 | Cassius Brown | Asst. Principal |

II. The administration report on the following non action items:

a) The administration reports on the following Certified transfer:

| <u>LOCATION & DATE</u> | <u>NAME</u> | <u>POSITION</u> |
|-----------------------------------|----------------|--|
| KMHS to NOATAK 11/06/23 | Joseph Chapman | Teacher 5 th /6 th |

MEMORANDUM

TO: NWABSD Board of Education Members

DATE: November 7, 2023

NUMBER: 24-055

FR: Office of the Superintendent

SUBJECT: Approval of FY23 Audited Financial Statements

ABSTRACT:

The board approves Audited Financial Statements

ISSUE:

At issue is the approval of the FY23 Audited Financial Statements.

BACKGROUND AND/OR PERTINENT INFORMATION:

The District is required by State law to have an annual audit performed by independent auditors. The annual financial audit is an independent and unbiased examination of the District's financial information. It is required that the FY23 Audited Financial Statements be sent to the Alaska Department of Education and Early Development by November 15th of each year and be approved by the board. Altman, Rogers & Co. presented the FY23 financial statement information and auditor opinions to the Board during the Special October 12th, 2023, meeting.

The FY23 Audited Financial Statements cover the operation of the Northwest Arctic Borough School District for the period July 1, 2022, through June 30, 2023.

ALTERNATIVES:

1. Approve the FY23 Audited Financial Statements as presented;
2. Disapprove the FY23 Audited Financial Statements as presented;
3. Take no action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends the Board approve the FY23 Audited Financial Statements as presented.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Letter to the Governing Board

Year Ended June 30, 2023

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

**NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)**

Letter to the Governing Board

Year Ended June 30, 2023

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

Month XX, 2023

Members of the School Board
Northwest Arctic Borough School District
Kotzebue, Alaska

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Northwest Arctic Borough School District (District) a component unit of the Northwest Arctic Borough, Alaska for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and *the State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 7, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Northwest Arctic Borough School District are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Significant Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

All Opinion Units:

Management's estimate of the collectability of accounts receivable is based on historical collections. We evaluated the key factors and assumptions used to develop the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

Government-Wide Opinion Unit:

Management's estimate of the useful lives and depreciation is based upon the expected life of an asset. We evaluated the key factors and assumptions used to develop the useful lives and depreciation expense in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimates of the District's proportionate share of the collective net pension and OPEB liability/asset and related deferred outflows and inflows of resources are based on information furnished by the State of Alaska and actuarial reports generated during the audit of the Public Employees' Retirement System and Teachers' Retirement System. The amortization of these deferrals is based on guidance provided by the Governmental Accounting Standards Board. We evaluated the key factors and assumptions used to develop the estimates of the District's proportionate share of the collective net pension and OPEB liability and deferred outflows and inflows of resources and related amortization in determining that it is reasonable in relation to the financial statements as a whole.

School Operating Fund Opinion Unit and Government-Wide Opinion Unit:

Management's estimate of Health Insurance payable is based on prior expenditures and expenses and expectations for future trends. We evaluated the key factors and assumptions used to develop the ending liability in determining that it is reasonable in relation to the financial statements as a whole.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The following misstatements detected as a result of audit procedures were corrected by management:

- \$43,363 understatement of federal revenue in the Other Governmental Funds.
- \$65,000 overstatement in other revenues and accounts receivable in Other Governmental Funds.

Disagreements with Management

For the purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated Month XX, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Internal Control Matters

See Compliance Reports for definition and descriptions of deficiencies, significant deficiencies, material weaknesses and any reported findings.

Accounting Assistance

As part of our engagement we drafted the basic financial statements of the District from the District's accounting records; however, management of the District was involved in the drafting process and retains responsibility for the basic financial statements.

Other Matters

We applied certain limited procedures to the budgetary comparison schedules and the schedules of proportionate share of net pension and OPEB liabilities and assets and contributions for the public employee's retirement system and the teachers' retirement system, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Federal and State assistance and combining statements and other information described as supplementary information in the table of contents to the financial statements, including the combining and individual fund statement which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Major Issues Discussed with Management Prior to Retention

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention

Restriction on Use

This information is intended solely for use of the School Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

**NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)**

**Basic Financial Statements, Required Supplementary
Information, Supplementary Information
and Compliance Reports**

Year Ended June 30, 2023

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

**NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)**

**Basic Financial Statements, Required Supplementary
Information, Supplementary Information
and Compliance Reports**

Year Ended June 30, 2023

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

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Independent Auditor's Report

Members of the School Board
Northwest Arctic Borough School District
Kotzebue, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Arctic Borough School District (District), a component unit of the Northwest Arctic Borough, Alaska, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Arctic Borough School District as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Northwest Arctic Borough School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Northwest Arctic Borough School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Information on page 39-40 and the Schedules of the District's Proportionate Share of the Net Pension and OPEB Liabilities and Assets and Contributions for the Public Employees' Retirement System and the Teachers' Retirement System, and the Notes to the Required Supplementary Information on pages 41-51 be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Northwest Arctic Borough School District's basic financial statements. The information listed in the table of contents as "Supplementary Information", which includes Major Governmental Funds: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the School Operating Fund, and the Emergency Connectivity Special Revenue Fund; Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits); Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (where applicable) – Nonmajor Special Revenue Funds; Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficits) – Capital Project Funds; Schedule of Compliance- AS 14.17.505; Schedule of Expenditures of Federal Awards and related notes to schedule, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and Schedule of State Financial Assistance and related notes to schedule which is presented as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated Month XX, 2023 on our consideration of the Northwest Arctic Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Northwest Arctic Borough School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Northwest Arctic Borough School District's internal control over financial reporting and compliance.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Statement of Net Position

June 30, 2023

| | Governmental Activities |
|---|----------------------------|
| <u>Assets and Deferred Outflows of Resources</u> | |
| Current assets: | |
| Cash and cash equivalents | \$ 15,311,838 |
| Accounts receivable | 8,671,528 |
| Prepaid items | 203,419 |
| Inventory | 1,663,951 |
| Total current assets | 25,850,736 |
| Long-term assets: | |
| Deferred contribution (construction in progress), not being depreciated | 66,614,575 |
| Depreciable capital assets, net of accumulated depreciation | 2,589,639 |
| Net pension and OPEB assets | 12,362,459 |
| Total long-term assets | 81,566,673 |
| Deferred outflows of resources: | |
| Pension and OPEB deferrals | 4,712,537 |
| Total assets and deferred outflows of resources | 112,129,946 |
| <u>Liabilities and Deferred Inflows of Resources</u> | |
| Current liabilities: | |
| Accounts payable | 3,386,630 |
| Accrued payroll liabilities | 3,862,754 |
| Due to primary government | 16,250 |
| Unearned revenue | 5,346,226 |
| Total current liabilities | 12,611,860 |
| Long-term liabilities: | |
| Net pension and OPEB liabilities | 24,974,690 |
| Deferred inflows of resources: | |
| Pension and OPEB deferrals | 1,502,525 |
| Total liabilities and deferred inflows of resources | 39,089,075 |
| <u>Net Position</u> | |
| Net investment in capital assets | 69,204,214 |
| Unrestricted | 3,836,657 |
| Total net position | 73,040,871 |
| Total liabilities, deferred inflows of resources and net position | \$ 112,129,946 |

The notes to the financial statements are an integral part of this statement.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Statement of Activities

Year Ended June 30, 2023

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) |
|---|----------------------|----------------------|------------------------------------|----------------------------------|-------------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Changes in Net Position |
| | | | | | Total Governmental Activities |
| Governmental Activities: | | | | | |
| Instruction | \$ 15,857,401 | 153,552 | 4,039,579 | - | (11,664,270) |
| Special education instruction | 4,546,920 | - | (139,110) | - | (4,686,030) |
| Special education support services - students | 1,841,122 | - | 763,676 | - | (1,077,446) |
| Support services - students | 1,455,799 | - | 1,914,182 | - | 458,383 |
| Support services - instruction | 25,013,924 | - | 15,746,218 | - | (9,267,706) |
| School administration | 2,041,866 | - | (113,472) | - | (2,155,338) |
| School administration support services | 1,472,946 | - | 129,639 | - | (1,343,307) |
| District administration | 1,684,102 | - | (21,166) | - | (1,705,268) |
| District administration support services | 2,816,178 | - | 1,200,330 | - | (1,615,848) |
| Operations and maintenance of plant | 18,742,908 | 431,358 | 160,275 | 8,438,461 | (9,712,814) |
| Student activities | 1,923,037 | - | 624,375 | - | (1,298,662) |
| Student transportation - to and from school | 503,509 | - | 48,693 | - | (454,816) |
| Adult and continuing education instruction | 584,125 | - | 658,211 | - | 74,086 |
| Food services | 2,908,536 | 33,199 | 2,815,864 | - | (59,473) |
| Total Governmental Activities | \$ 81,392,373 | 618,109 | 27,827,294 | 8,438,461 | (44,508,509) |
| General revenues: | | | | | |
| Borough appropriations | | | | \$ 8,540,579 | |
| Investment income | | | | 316,919 | |
| Grants not restricted to specific programs | | | | 46,490,972 | |
| E-rate | | | | 7,155,754 | |
| Other | | | | 626,238 | |
| Total general revenues | | | | 63,130,462 | |
| Change in net position | | | | | 18,621,953 |
| Net position, beginning of year | | | | | 54,418,918 |
| Net position, end of year | | | | | \$ 73,040,871 |

The notes to the financial statements are an integral part of this statement.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Balance Sheet - Governmental Funds

June 30, 2023

| | <u>School Operating Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|--------------------------------------|---|---|
| <u>Assets</u> | | | |
| Cash and cash equivalents | \$ 15,311,838 | - | 15,311,838 |
| Accounts receivable | 1,962,376 | 6,709,152 | 8,671,528 |
| Inventory | 1,520,272 | 143,679 | 1,663,951 |
| Prepaid items | 203,419 | - | 203,419 |
| Due from other funds | 5,697,147 | 8,213,379 | 13,910,526 |
| Total assets | <u>24,695,052</u> | <u>15,066,210</u> | <u>39,761,262</u> |
| <u>Liabilities and Fund Balances</u> | | | |
| Liabilities: | | | |
| Accounts payable | 2,703,696 | 682,934 | 3,386,630 |
| Accrued payroll liabilities | 3,862,754 | - | 3,862,754 |
| Unearned revenue | - | 5,346,226 | 5,346,226 |
| Due to primary government | - | 16,250 | 16,250 |
| Due to other funds | 8,213,379 | 5,697,147 | 13,910,526 |
| Total liabilities | <u>14,779,829</u> | <u>11,742,557</u> | <u>26,522,386</u> |
| Fund balances: | | | |
| Nonspendable | 1,723,691 | 143,679 | 1,867,370 |
| Restricted | - | 826,074 | 826,074 |
| Assigned | - | 3,089,809 | 3,089,809 |
| Unassigned | 8,191,532 | (735,909) | 7,455,623 |
| Total fund balances | <u>9,915,223</u> | <u>3,323,653</u> | <u>13,238,876</u> |
| Total liabilities and fund balances | <u>\$ 24,695,052</u> | <u>15,066,210</u> | <u>39,761,262</u> |

The notes to the financial statements are an integral part of this statement.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2023

| | | |
|--|--------------|--------------|
| Total fund balances of governmental funds | \$ | 13,238,876 |
| Total net assets reported for governmental activities in the Statement of Net Position is different because: | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets, net of accumulated depreciation, consist of: | | |
| Deferred contribution (construction in progress) | 66,614,575 | |
| Vehicles | 1,786,760 | |
| Machinery and equipment | 4,413,723 | |
| Teacher Housing | 1,410,357 | |
| Total capital assets | 74,225,415 | |
| Accumulated depreciation | (5,021,201) | |
| Total capital assets, net | | 69,204,214 |
| Long-term liabilities reported in these statements consist of: | | |
| Proportionate share of the collective net pension liability: | | |
| PERS | (12,739,771) | |
| TRS | (12,234,919) | (24,974,690) |
| Proportionate share of the collective OPEB Asset: | | |
| PERS | 5,146,528 | |
| TRS | 7,215,931 | 12,362,459 |
| Deferred inflows and outflows of resources are the result of timing differences in the actuarial report: | | |
| Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources. | | |
| PERS | 2,299,685 | |
| TRS | 2,412,852 | 4,712,537 |
| Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources. | | |
| PERS | (469,364) | |
| TRS | (1,033,161) | (1,502,525) |
| Net position of governmental activities | \$ | 73,040,871 |

The notes to the financial statements are an integral part of this statement.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2023

| | School Operating Fund | Emergency Connectivity Special Revenue Fund | Other Governmental Funds | Total Governmental Funds |
|--|-----------------------------|---|--------------------------------|--------------------------------|
| Revenues: | | | | |
| Local sources: | | | | |
| Earnings on investment | \$ 316,919 | - | - | 316,919 |
| E-rate revenue | 7,155,754 | - | - | 7,155,754 |
| Charges for services | - | - | 618,109 | 618,109 |
| Other | 626,238 | - | 1,605,011 | 2,231,249 |
| Intergovernmental: | | | | |
| Borough appropriations and in-kind services | 8,540,579 | - | 1,622,300 | 10,162,879 |
| State of Alaska | 41,275,172 | - | 9,377,489 | 50,652,661 |
| Federal sources | 7,177,507 | 12,559,684 | 12,082,649 | 31,819,840 |
| Total revenues | 65,092,169 | 12,559,684 | 25,305,558 | 102,957,411 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction | 15,715,635 | - | 4,834,522 | 20,550,157 |
| Special education instruction | 6,347,925 | - | - | 6,347,925 |
| Special education support services - students | 1,414,746 | - | 799,330 | 2,214,076 |
| Support services - students | 142,313 | - | 1,704,439 | 1,846,752 |
| Support services - instruction | 9,942,495 | 12,559,684 | 3,249,827 | 25,752,006 |
| School administration | 3,389,745 | - | 8,208 | 3,397,953 |
| School administration support services | 1,343,307 | - | 129,639 | 1,472,946 |
| District administration | 1,928,995 | - | - | 1,928,995 |
| District administration support services | 2,351,066 | - | 1,251,472 | 3,602,538 |
| Operations and maintenance of plant | 16,225,396 | - | 1,203,705 | 17,429,101 |
| Student activities | 1,542,911 | - | 434,307 | 1,977,218 |
| Student transportation - to and from school | - | - | 514,133 | 514,133 |
| Adult and continuing education instruction | - | - | 664,849 | 664,849 |
| Food services | 4,911 | - | 2,927,370 | 2,932,281 |
| Construction and facilities acquisition | - | - | 12,586,359 | 12,586,359 |
| Total expenditures | 60,349,445 | 12,559,684 | 30,308,160 | 103,217,289 |
| Excess (deficiency) of revenues over expenditures | 4,742,724 | - | (5,002,602) | (259,878) |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | 3,227,117 | 3,227,117 |
| Transfers out | (2,419,731) | - | (807,386) | (3,227,117) |
| Net other financing sources (uses) | (2,419,731) | - | 2,419,731 | - |
| Net change in fund balances | 2,322,993 | - | (2,582,871) | (259,878) |
| Fund balances, beginning of year | 7,592,230 | - | 5,906,524 | 13,498,754 |
| Fund balances, end of year | \$ 9,915,223 | - | 3,323,653 | 13,238,876 |

The notes to the financial statements are an integral part of this statement.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Reconciliation of Changes in Fund Balances of
Governmental Funds to Statement of Activities

Year Ended June 30, 2023

Net change in fund balances - total governmental funds \$ (259,878)

The change in net position reported for governmental activities in the
Statement of Activities is different because:

Governmental funds report capital outlay as expenditures.

However, in the Statement of Activities, the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense. These are the amounts
reported for capital outlay and depreciation.

| | | |
|----------------------|------------------|------------|
| Capital outlay | 10,761,482 | |
| Depreciation expense | <u>(208,760)</u> | 10,552,722 |

Some expenses reported in the Statement of Activities do not require
the use of current financial resources, and therefore, are not reported
as expenditures in governmental funds.

Change in the unfunded net pension and OPEB liabilities:

| | | |
|------|--------------------|--------------|
| PERS | (4,501,813) | |
| TRS | <u>(9,867,494)</u> | (14,369,307) |

Changes in deferred inflow and outflow of resources are the results of timing
differences in the actuarial report and adjustments to reflect employer and
non-employer contributions based on the measurement date of the liabilities.

| | | |
|------|-------------------|-------------------|
| PERS | 8,830,067 | |
| TRS | <u>13,868,349</u> | <u>22,698,416</u> |

Change in net position of governmental activities \$ 18,621,953

The notes to the financial statements are an integral part of this statement.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying financial statements include all the activities of the Northwest Arctic Borough School District (the District). The District is a component unit of the Northwest Arctic Borough, Alaska.

Pursuant to Alaska Statutes, Title 29.43.030, the Northwest Arctic Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for these functions to the School Board of the Northwest Arctic Borough School District. Members of the School Board are elected by the public. The School Board has control over hiring and firing of employees and the power to contract and purchase equipment. The School Board is required to submit an annual budget to the Borough Assembly for approval, and all bonded indebtedness is through the Borough.

The financial statements included in this report are for Northwest Arctic Borough School District only. There are no component units for which the District is financially accountable, nor do any special financial relationships exist between the District and any other entity.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the School District. For the most part, the effect of inter-fund activity has been removed from these statements. The District engages only in governmental activities, which are normally supported by intergovernmental revenues. It does not engage in business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any component units.

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

Major individual governmental funds are reported as separate columns in the fund financial statements.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due.

The District reports the following major governmental funds based on the required quantitative criteria:

The *School Operating Fund* is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operations except those required to be accounted for in other funds.

The *Emergency Connectivity Special Revenue Fund* accounts for the revenue and expenditures incurred by the District for COVID-19 related connectivity projects.

The other funds of the District are considered nonmajor and are as follows:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Project Funds are used to account for the acquisition or construction of major capital facilities.

The District follows the Uniform Chart of Accounts for School Districts as required by the State of Alaska, Department of Education and Early Development. The manual sets guidelines for financial reporting and requirements for basic accounting systems, which are uniform throughout Alaska.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

Summarized below are the major sources of revenues and applicable recognition policies.

Intergovernmental Revenue

State of Alaska Public School Funding (Foundation) and pupil transportation revenues, federal impact aid, and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period which the expenditures were incurred.

Revenues from the Northwest Arctic Borough are recorded as intergovernmental revenues and are susceptible to accrual and are recorded in the year of the Borough appropriation.

Local Revenue

Interest earned is recorded in the School Operating Fund unless otherwise specified by the awarding source. Rental income from District owned property is recorded in the period to which it relates. Both interest and rental income is susceptible to accrual.

Indirect Costs

The State of Alaska, Department of Education and Early Development annually establishes an approved indirect rate for each District based on audited financial statements. The rate is based on expenditures recorded per requirements in the Uniform Chart of Accounts for School Districts and as such there is no indirect cost pool. Indirect costs and indirect cost recovery is recorded in the District Administration Support Services function.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position / Fund Balance

1. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and other Investments which are easily converted to cash. There are no statutory limitations on the type of investment allowed.

2. Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of fund financial statements and are eliminated in the preparation of the government-wide financial statements.

Receivables are comprised of amounts due from the federal government, State of Alaska, and other local sources.

No receivables are deemed uncollectible and no allowance for uncollectible accounts has been established accordingly.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

3. Inventory and Prepaid Items

Teaching and maintenance supplies are recorded as expenditures when purchased rather than as consumed. Accounting for inventory of heating fuel and food supplies is on the consumption method. The consumption method records the expenditures when consumed rather than when purchased. Inventories are valued at cost using the first-in, first-out (FIFO) method. Reported inventories are equally offset by a fund balance classified as nonspendable, which indicates they do not constitute "available spendable resources" even though they are a component of net current assets.

4. Capital Assets

Capital assets, which include equipment and improvements to property, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Land, buildings, infrastructure assets, and construction-in-progress are reported by the Northwest Arctic Borough since they hold the title to the land and buildings, and engage the architects, engineers, and contractors to construct new facilities.

5. Deferred Contributions

Deferred Contributions represent construction in progress that, when completed, will be transferred to the Northwest Arctic Borough. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Equipment and improvements to property of the School District are depreciated using the straight line method over the following estimated useful lives:

| Assets: | <u>Years</u> |
|--------------------|--------------|
| Office equipment | 7-30 |
| Computer equipment | 3-7 |
| Vehicles | 7 |
| Furniture | 10-30 |
| Other equipment | 5-15 |

Works of art are not depreciated if the art work is removable from the building. Artwork that has become part of the building such as ceramic walls is depreciated over 70 years.

6. Deferred Inflows and Deferred Outflows of Resources

Deferred inflows of resources are the acquisition of fund balance / net position by the District that are applicable to a future reporting period. Deferred outflows of resources are the consumption of fund balance / net position by the District that are applicable to a future reporting period.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

7. Unearned Revenue

Unearned revenues arise when resources are received before the School District has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when there is a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

8. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused annual leave (vacation) and sick pay benefits. All annual leave pay is accrued when earned.

9. Long-Term Obligations

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities. In the Fund Financial Statements, the face amount of the debt issued is reported as other financing sources and an expenditure of the fund incurring the debt. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Debt incurred for construction of school facilities is the obligation of the Borough; therefore, it is not included in the School District's Government-Wide Statement of Net Position.

10. Pensions and Other Post Employment Benefits (OPEB)

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/from PERS and TRS's fiduciary net position have been determined on the same basis as they are reported by PERS and TRS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

11. Fund Balance

The governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted fund balance reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

Committed fund balance can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the School Board-the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the School Board removes the specified use by taking the same type of action imposing the commitment.

Assigned fund balance reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The School Board has the authority to assign amounts to be used for specific purposes in the School Operating Fund. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the School Operating Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance is the residual classification for the School Operating Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources-committed, assigned, and unassigned-in order as needed.

12. Net Position

Government wide net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position – consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted – all other net position is reported in this category.

13. Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable, and (5) other current liabilities. The carrying amounts reported in the balance sheet and Statement of Net Position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities, except for the District's investments. The carrying amount of the District's investments are determined based on quoted market prices.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted by the School Board for all revenues, expenditures and interfund transfers of all special revenue funds, except for the Student Activity Special Revenue Fund. Budgets are prepared and presented on the modified accrual basis of accounting.

Annual budgets of the various Special Revenue Funds are prepared in connection with the application for the special programs' funding and are reviewed and approved by the School Board. Expenditure authority for Special Revenue Fund programs is limited to the actual combined revenues and transfers from other funds.

Any transfers of appropriations between funds of over \$50,000 require the approval of the School Board. All transfers not requiring approval are reported to the School Board. The General Fund level of budgetary control is at the fund level. Annual budgets of the various Special Revenue Funds are prepared in connection with the application for the special programs' award.

The following Special Revenue Funds had expenditures in excess of appropriations:

| | |
|-----------------------|------------------|
| Youth Leaders Program | \$ <u>12,834</u> |
|-----------------------|------------------|

Excess of expenditures over appropriations were funded through available revenues and fund balance.

Project budgets are adopted for the various Capital Project Funds based on the lives of the construction projects. Expenditure authority is limited to the actual combined revenue and transfers from other funds or to budgeted amounts, if greater than actual.

III. Cash and Investments

The District maintains a central treasury that is available for use by all the funds. Each fund's portion of the central treasury is displayed on the balance sheet as "Due to/from other funds."

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At year end, the District's carrying amount is \$15,311,838 in governmental funds with combined bank balances of \$16,861,853. The bank balances were covered by Federal Depository Insurance up to \$250,000 and the remainder has been covered by a collateralization agreement. The District had no uninsured and uncollateralized balances at June 30, 2023.

Reconciliation of Deposit and Investment Balances

The following is a reconciliation of the District's deposits and investment balances to the financial statements as of June 30, 2023:

| | |
|---|----------------------|
| Bank Deposits | \$ 3,732,139 |
| Investments (AMLIP Pool) - Cash Equivalents | <u>11,579,699</u> |
| Total Cash and Cash Equivalents | \$ <u>15,311,838</u> |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

Investments are invested in the AMLIP Pool. The AMLIP Pool was rated a principal stability rating of AAAM by Standard & Poor's (S&P). Stand alone financial statements can be obtained by writing to the Alaska Permanent Capital Management Co., 900 West Fifth Avenue, Suite 601, Anchorage, Alaska 99501 or visiting www.amlip.org.

Alaska Statute (AS) 37.23 provides for regulatory oversight of the AMLIP Pool. The Statute provides requirements regarding authorized investments and reporting. The Pool is incorporated in Alaska as a nonprofit corporation and reports to a board of directors. AS 37.23.050 requires retention of an investment manager.

The manager is required to produce monthly disclosure statements for the AMLIP Pool. An investment advisor monitors the performance of the investment manager to ensure compliance with investment policies. The AMLIP Pool must maintain a dollar weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 397 days or less.

The fair value of the investments in the AMLIP Pool are reviewed monthly by an independent pricing service. The AMLIP Pool meets the standards for reporting investments at amortized cost with regard to portfolio requirements including maturity, quality, diversification, liquidity and shadow price. There are no restrictions or limitations on withdrawals from the Pool. As of June 30, 2023, the fair value of the investments in the AMLIP Pool approximates the amortized cost at which they are reported. The fair value of our investments in the AMLIP Pool is the same as the value of our Pool units.

IV. Receivables

Receivables as of year end for the District's individual major funds and other governmental funds are as follows:

| | | School Operating Fund | Other Governmental Funds | Total |
|--------------|----|-----------------------------|--------------------------------|-----------|
| Receivables: | | | | |
| Grants | \$ | - | 6,709,152 | 6,709,152 |
| Other | | 1,962,376 | - | 1,962,376 |
| Total | \$ | 1,962,376 | 6,709,152 | 8,671,528 |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

V. Capital Assets

Capital assets accounted for by the District include the following:

| | Balance July 1, 2022 | Additions | Deletions | Balance June 30, 2023 |
|--|-------------------------|------------|-------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Deferred Contribution - CIP | \$ 56,673,455 | 12,342,894 | (2,401,774) | 66,614,575 |
| Capital assets being depreciated: | | | | |
| Vehicles | 1,294,956 | 491,804 | - | 1,786,760 |
| Machinery and equipment | 4,085,165 | 328,558 | - | 4,413,723 |
| Teacher Housing | 1,410,357 | - | - | 1,410,357 |
| Total capital assets being depreciated | 6,790,478 | 820,362 | - | 7,610,840 |
| Accumulated depreciation: | | | | |
| Vehicles | 996,554 | 83,422 | - | 1,079,976 |
| Machinery and equipment | 3,693,501 | 90,079 | - | 3,783,580 |
| Teacher Housing | 122,386 | 35,259 | - | 157,645 |
| Total accumulated depreciation | 4,812,441 | 208,760 | - | 5,021,201 |
| Net depreciable capital assets | 1,978,037 | 611,602 | - | 2,589,639 |
| Total capital assets | \$ 58,651,492 | 12,954,496 | (2,401,774) | 69,204,214 |

Depreciation expense was charged to functions of the District as follows:

| | |
|-------------------------------------|------------|
| Instruction | \$ 48,817 |
| Special education instruction | 11,993 |
| Operations and maintenance of plant | 131,760 |
| Student Activities | 10,036 |
| Food services | 6,154 |
| Total depreciation expense | \$ 208,760 |

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FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

VI. Fund Balance

The District follows the provisions of GASB Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund balance, reported in the major funds and the nonmajor funds in the aggregate on the governmental funds balance sheet is subject to the following constraints:

| June 30, 2023 | School Operating Fund | Other Governmental Funds | Totals |
|--|-----------------------------|--------------------------------|-------------------|
| Nonspendable: | | | |
| Inventory | \$ 1,520,272 | 143,679 | 1,663,951 |
| Prepaid items | 203,419 | - | 203,419 |
| Total nonspendable | <u>1,723,691</u> | <u>143,679</u> | <u>1,867,370</u> |
| Restricted: | | | |
| Special Revenue Funds: | | | |
| Noorvik Afterschool | - | 584 | 584 |
| Students Activities | - | 772,104 | 772,104 |
| Impact Aid Capital | - | 53,386 | 53,386 |
| Total restricted | <u>-</u> | <u>826,074</u> | <u>826,074</u> |
| Assigned: | | | |
| Special Revenue Funds - | | | |
| Facilities Housing | - | 39,548 | 39,548 |
| Youth Leaders Program | - | 250,000 | 250,000 |
| Maniilaq Counselor Program | - | 12,394 | 12,394 |
| Capital Project Funds: | | | |
| District Technology | - | 1,134,481 | 1,134,481 |
| Local Funded Maintenance | - | 704,578 | 704,578 |
| CIP Reserved Local Share | - | 227,679 | 227,679 |
| Deering K-12 School Improvement | - | 30,159 | 30,159 |
| Alaska Technical Center Family Housing | - | 17,452 | 17,452 |
| Magnet School (ATC) Expansion Project | - | 673,518 | 673,518 |
| Total assigned | <u>-</u> | <u>3,089,809</u> | <u>3,089,809</u> |
| Unassigned | <u>8,191,532</u> | <u>(735,909)</u> | <u>7,455,623</u> |
| Total fund balances | <u>\$ 9,915,223</u> | <u>3,323,653</u> | <u>13,238,876</u> |

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NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
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Notes to Basic Financial Statements, Continued

VII. Interfund Receivables and Payables and Transfers

Interfund receivables and payables are shown as "Due to Other Funds" and "Due From Other Funds" in each of the individual funds. These balances at June 30, 2023, were as follows:

| Receivable Fund | Payable Fund | Amount |
|--------------------------|--------------------------|--------------|
| Other Governmental Funds | School Operating Fund | \$ 8,213,379 |
| School Operating Fund | Other Governmental Funds | \$ 5,697,147 |
| Total | | 13,910,526 |

Transfers

| | |
|--|--------------|
| From School Operating Fund to Other Governmental Funds to cover operating costs | \$ 2,419,731 |
| From the Other Governmental Funds to Other Governmental Funds to cover operating costs | 807,386 |
| Total Transfers | \$ 3,227,117 |

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

VIII. Employee Retirement Systems and Plans

The District follows *Governmental Accounting Standards Board (GASB) Codification P20, Accounting for Pensions by State and Local Governmental Employees* and *GASB Codification P50, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions*. *GASB Codification P20* and *GASB Codification P50* establish uniform standards for the measurement, recognition, and display of pension and other post-employment benefits other than pensions (healthcare) expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of state and local governmental employers.

All full-time employees and certain permanent part-time employees of the District participate in either the State of Alaska Public Employees' Retirement System (PERS) or the State of Alaska Teacher's Retirement System (TRS). In addition to the pension plan, both systems also administer other post-employment benefit (OPEB) plans.

The system is governed by the Alaska Retirement Management Board. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee.

Summary of Significant Accounting Policies. The financial statements for PERS and TRS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

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Notes to Basic Financial Statements, Continued

PERS and TRS act as the common investment and administrative agencies for the following multiple-employer plans:

| Plan Name | Type of Plan |
|--|---------------------------------------|
| Defined Benefit Pension Plan (DB) | Cost-sharing, Defined Benefit Pension |
| Defined Contribution Pension Plan (DC) | Defined Contribution Pension |
| Defined Benefit Other Postemployment Benefits (OPEB): | |
| Occupational Death and Disability Plan | Cost-sharing, Defined Benefit OPEB |
| Alaska Retiree Healthcare Trust Plan | Cost-sharing, Defined Benefit OPEB |
| Retiree Medical Plan | Cost-sharing, Defined Benefit OPEB |
| Defined Contribution Other Postemployment Benefits (DC): | |
| Healthcare Reimbursement Arrangement Plan | Defined Contribution OPEB |

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2022, employer contributions were 6.46% for PERS and 6.50% for TRS.

Occupational Death and Disability Plan (ODD)

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2022, the employer contribution rates were 0.31% for PERS and 0.08% for TRS.

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured. Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended June 30, 2022, employer contributions were 1.07% for PERS and 0.83% for TRS.

Healthcare Reimbursement Arrangement Plan

The Healthcare Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3% of the average annual compensation of all employees in the PERS and TRS plans.

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Notes to Basic Financial Statements, Continued

Investments

The Board is the investment oversight authority of the system's investments. As the fiduciary, the Board has the statutory authority to invest the assets under the Prudent Investor Rule. Fiduciary responsibility for the Board's invested assets is pursuant to AS 37.10.210.390.

State of Alaska Department of Treasury provides staff for the Board. Treasury has created a pooled environment by which it manages investments of the Board. Additionally, Treasury manages a mix of Pooled Investment Funds and Collective Investment Funds for the DC Participant-directed Pension plans under the Board's fiduciary responsibility.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return, net of investment expense, for the year ended June 30, 2022 for PERS and TRS for the DB Pension Plans were 6.00% and 5.91%, the ARHCT Plans were 6.03% and 6.04%, the ODD Plans were 6.30% and 6.21%, and the RMP were 6.28% and 6.21%, respectively.

For additional information on securities lending, interest rates, credit risks, foreign exchange, derivatives, fair value, and counterparty credit risks, see the separately issued report on the Invested Assets of the State of Alaska Retirement and Benefits Plans at:

<http://treasury.dor.alaska.gov/armb/Reports-and-Policies/Annual-Audited-Financial-Schedules.aspx>.

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS and TRS plans (rates shown below exclude an annual inflation component of 2.88%):

| <u>Asset Class</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------------|---|
| Broad Domestic Equity | 6.51% |
| Global Equity (non-U.S.) | 5.70% |
| Aggregate Bonds | 0.31% |
| Real Assets | 3.71% |
| Private Equity | 9.61% |
| Cash Equivalents | (0.50)% |

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Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.25%, which represents a decrease of 0.13% since the prior measurement period. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 4.09% as of June 30, 2022.

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

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, these rates are statutorily capped at 22% for PERS and 12.56% for TRS of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS or TRS participating wages, including those wages attributable to employees in the defined benefit plan.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This will result in lower ARM Board Rates in future years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures.

GASB Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes. Certain actuarial methods and assumptions for this rate calculation are mandated by the *Governmental Accounting Standards Board* (GASB). Medicare Part D subsidies are not reflected in this rate. The rate uses a 7.25% discount rate.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
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Notes to Basic Financial Statements, Continued

Employer Contribution rates for the plan year ended 2022 (measurement period) are as follows:

| | Employer Effective Rate | ARM Board Adopted Rate | State Contribution Rate |
|-------------------------------|-------------------------------|---------------------------------|-------------------------------|
| PERS: | | | |
| Pension | 22.00% | 24.79% | 2.79% |
| OPEB | 0.00% | 0.00% | 0.00% |
| Total PERS contribution rates | <u>22.00%</u> | <u>24.79%</u> | <u>2.79%</u> |
| TRS: | | | |
| Pension | 12.56% | 24.62% | 12.06% |
| OPEB | 0.00% | 0.00% | 0.00% |
| Total TRS contribution rates | <u>12.56%</u> | <u>24.62%</u> | <u>12.06%</u> |

Termination Costs: If the District decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular District function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The District must pay to have a termination study completed. The purpose of the study is to calculate the District's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The District must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS and TRS Administrator. For the plan year ended June 30, 2022 (measurement period) the past service rate for PERS and TRS is 16.01%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2022 (latest available) were determined by an actuarial valuation as of June 30, 2021 which was rolled forward to the measurement date June 30, 2022. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017.

| | |
|-----------------------------------|---|
| Inflation | 2.50% per year. |
| Salary Increases | Increases range from 2.85% to 7.00% based on service. |
| Investment return / discount rate | 7.25%, net of expenses based on average inflation of 2.50% and a real return of 4.75%. |
| Mortality | Based upon 2017 - 2021 actual experience study and applicable tables contained in Pub-210, projected with MP-2021 generational improvement. |
| Healthcare cost trend rates | Pre-65 medical: 7.0% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Rx/EGWP: 7.5% grading down to 4.5%. Ultimate trend rates reached in FY2050. |

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Notes to Basic Financial Statements, Continued

The actuarial assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation with the following exceptions related to the ARHCT plan:

1. Per capita claims costs were updated to reflect recent experience.
2. Normal cost for administrative expenses were updated to reflect recent two years of actual administrative expenses paid from plan assets.

The changes of assumptions from the latest experience study significantly reduced deferred inflows of resources attributable to the District, as well as a net OPEB benefit recognized by the District for the State's proportionate share of OPEB plan expense attributable to the District. In some instances, the reduction of revenues and expenses reported for the State's proportionate share of OPEB plan expense attributable to the District creates a net negative Pension/OPEB expense (net pension/OPEB benefit) which results in negative operating grants and contributions for certain functions reported on the Statement of Activities.

Alaska Public Employees' Retirement System (PERS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Public Employees' Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. PERS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The Plan was established and is administered by the State of Alaska, Department of Administration. The Public Employee's Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at: <http://doa.alaska.gov/dr/pers>.

Pension Benefits. All tier employee benefits vest with five years of credited service. There are three tiers of employees based on entry date. Tier I employees enrolled prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For Tier II and III employees enrolled after June 30, 1986, but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. All tier employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

The PERS defined benefit plan is closed to new hires enrolled on or after July 1, 2006. New hires after this date participate in the PERS defined contribution plan (DC) described later in these notes.

Currently there are 150 employers participating in PERS defined benefit plan and 151 participating in PERS defined contribution and OPEB plans.

Retirement benefits are calculated by multiplying the average monthly compensation (AMC) times credited PERS service times the percentage multiplier. The AMC is determined by averaging the salaries earned during the five highest (three highest for peace officers/firefighters members or members hired prior to July 1, 1996) consecutive payroll years. Members must earn at least 115 days of credit in the last year worked to include it in the AMC calculation. The PERS pays a minimum benefit of \$25 per month for each year of service when the calculated benefit is less.

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Notes to Basic Financial Statements, Continued

The percentage multipliers for peace officers/firefighters are 2% for the first ten years of service and 2.5% for all service over 10 years. The percentage multipliers for all other participants are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. All service before that date is calculated at 2%.

Post-employment healthcare benefits are provided without cost to all members first enrolled before July 1, 1986. Members first enrolled after June 30, 1986, but before July 1, 2006, and who have not reached age 60 may elect to pay for major medical benefits.

Post Retirement Pension Adjustments. The plan has two types of postretirement pension adjustments (PRPA). The automatic PRPA is issued annually to all eligible benefit recipients, when the cost of living increases in the previous calendar year. The discretionary PRPA may be granted to eligible recipients by the DB Plan’s administrator if the funding ratio of the DB Plan meets or exceeds 105%. If both an automatic and discretionary PRPA are granted, the retiree is eligible for both adjustments, the one that provides the retiree with the greatest benefit will be paid.

Funding Policy. In April 2008 the Alaska Legislature passed legislation which statutorily capped the employer contribution, established a state funded “on-behalf” contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan (DC) described later in these footnotes. The state legislature capped the rate at 22%, with the State contributing an on-behalf payment for the difference between the actuarial contribution and the cap.

Salary Floor. During the 25th legislation session, Senate Bill 125 passed, which established a June 30, 2008 salary floor under AS 39.35.255(a)(2). The salary floor is the total base salaries paid by an employer to active employees of the system as of the fiscal year ending June 30, 2008. The statute requires the Division of Retirement and Benefits (Division) to collect employer contributions at a minimum based on FY 2008 base salaries.

Employee Contribution Rate. PERS active members are required to contribute 6.75%, 7.5% for peace officers and firefighters, and 9.6% for certain school district employees.

Employer contributions for the year ended June 30, 2023, were:

| Pensions (DB) | Other Post-Employment Benefits (DB) | Total |
|------------------|--|-----------|
| \$ 1,336,438 | 89,429 | 1,425,867 |

Public Employees’ Retirement Plans

For the year ended June 30, 2023 the State of Alaska contributed \$241,592 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2023 to a total of (\$243,769) to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
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Notes to Basic Financial Statements, Continued

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2023, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

| | | |
|---|----|--------------------|
| Defined Benefit: | | <u>Pension</u> |
| District's proportionate share of the net pension liability | \$ | 12,739,771 |
| State's proportionate share of the net pension liability | | <u>3,525,863</u> |
| Total | \$ | <u>16,265,634</u> |
| | | |
| | | <u>OPEB</u> |
| District's proportionate share of the ARHCT OPEB liability | \$ | (4,882,814) |
| State's proportionate share of the ARHCT OPEB liability (asset) | | <u>(1,395,663)</u> |
| Total | \$ | <u>(6,278,477)</u> |
| | | |
| District's proportionate share of the ODD OPEB liability (asset) | \$ | <u>(136,456)</u> |
| | | |
| District's proportionate share of the RMP OPEB liability (asset) | \$ | <u>(127,258)</u> |
| | | |
| Total District's share of net pension and OPEB liabilities and assets | \$ | <u>7,593,243</u> |

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for FY2024 through FY2039, as determined by projections based on the June 30, 2021 valuation.

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

| | <u>June 30, 2022 Measurement</u> | <u>June 30, 2021 Measurement</u> | <u>Change</u> |
|---------|--------------------------------------|--------------------------------------|---------------|
| Pension | 0.24995% | 0.30505% | (0.05510%) |
| OPEB: | | | |
| ARHCT | 0.24817% | 0.30630% | (0.05813%) |
| ODD | 0.31127% | 0.32020% | (0.00893%) |
| RMP | 0.36642% | 0.37741% | (0.01099%) |

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Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2022, the District recognized pension and OPEB expense of (\$1,546,103) and (\$1,598,571), respectively, for the year ended June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

| | Pension | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Defined Benefit: | | |
| Differences between expected and actual experience | \$ - | - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 364,234 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | - |
| District contributions subsequent to the measurement date | 1,336,438 | - |
| Total | \$ 1,700,672 | - |

| | OPEB ARHCT | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (34,561) |
| Changes of assumptions | - | (224,079) |
| Net difference between projected and actual earnings on OPEB plan investments | 277,020 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 166,780 | - |
| District contributions subsequent to the measurement date | - | - |
| Total | \$ 443,800 | (258,640) |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
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Notes to Basic Financial Statements, Continued

| | OPEB ODD | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (44,766) |
| Changes of assumptions | - | (869) |
| Net difference between projected and actual earnings on OPEB plan investments | 4,621 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 12,041 | (1,074) |
| District contributions subsequent to the measurement date | 19,163 | - |
| Total | \$ 35,825 | (46,709) |

| | OPEB RMP | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 6,308 | (5,001) |
| Changes of assumptions | 24,640 | (152,586) |
| Net difference between projected and actual earnings on OPEB plan investments | 18,151 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 23 | (6,428) |
| District contributions subsequent to the measurement date | 70,266 | - |
| Total | \$ 119,388 | (164,015) |

\$1,336,438 and \$89,429 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2023 (plan year), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

| Year Ended June 30, | Pension | OPEB ARHCT | OPEB ODD | OPEB RMP |
|---------------------------|-------------|---------------|-------------|-------------|
| 2023 | \$ (43,303) | (138,383) | (5,989) | (19,607) |
| 2024 | (110,992) | (97,151) | (6,219) | (20,496) |
| 2025 | (266,450) | (218,857) | (6,953) | (23,299) |
| 2026 | 784,979 | 639,551 | (435) | 1,266 |
| 2027 | - | - | (4,685) | (23,766) |
| Thereafter | - | - | (5,766) | (28,991) |
| Total | \$ 364,234 | 185,160 | (30,047) | (114,893) |

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Notes to Basic Financial Statements, Continued

For the year ended June 30, 2023, the District recognized (\$2,608,661) and \$506,643 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Rate (7.25%) | 1% Increase (8.25%) |
|--------------------------------|--------------------------------|---------------------------------|--------------------------------|
| Net pension liability | \$ 17,150,470 | 12,739,771 | 9,020,641 |
| Net OPEB ARHCT asset | \$ (2,901,096) | (4,882,814) | (6,544,662) |
| Net OPEB ODD asset | \$ (128,540) | (136,456) | (142,647) |
| Net OPEB RMP liability (asset) | \$ 23,407 | (127,258) | (242,153) |

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| | 1% Decrease | Current Rate | 1% Increase |
|--------------------------------|--------------------|---------------------|--------------------|
| Net OPEB ARHCT asset | \$ (6,740,159) | (4,882,814) | (2,664,785) |
| Net OPEB ODD asset | \$ N/A | (136,456) | N/A |
| Net OPEB RMP liability (asset) | \$ (257,931) | (127,258) | 48,749 |

Alaska Public Employees' Retirement System (PERS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 6.75% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 1.07% for the retiree medical plan (DB), 0.31% for occupational and death and disability benefits (DB) and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is capped at 22% with anything in excess of the previously listed rates being contributed to the Defined Benefit Unfunded Liability (DBUL).

Plan members are 100% vested with their contributions.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

The District contributed \$538,718 for the year ended June 30, 2023, which included forfeitures of \$52,251 which have been applied as employer contributions.

Alaska Teachers' Retirement System (TRS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Teachers' Retirement System (TRS), a cost sharing multiple-employer defined benefit plan. Currently, there are 56 employers participating in TRS, including 52 school districts. TRS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The system is governed by the Alaska Retirement Board. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for TRS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at <http://doa.alaska.gov/drb/trs>.

Pension Benefits. Employees hired prior to July 1, 1990, are entitled to annual pension benefits beginning at normal retirement age 55, or early retirement age 50. For employees hired after June 30, 1990 but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. Employees may also retire at any age and receive a normal benefit when they accumulate the required credited service. The benefit related to all years of credited service prior to July 1, 1990 and for years of service through a total of 20 years is equal to 2% of their highest three-year average annual compensation for each year of service. The benefit for each year over 20 years of service subsequent to June 30, 1990, is equal to 2.5% of their highest three-year average annual compensation for each year of service. Employees may elect to receive their pension benefits in the form of a joint or survivor annuity. Effective January 1, 1987, a married member who retires must receive his or her benefit in the form of a joint and survivor annuity unless the member's spouse consents to another form of benefit.

Minimum benefits for employees eligible for retirement are \$25 per month for each year of credited service.

Post Retirement Pension Adjustments. Effective in fiscal year 1991, automatic post retirement pension adjustment (PRPA) was granted to all current and future retirees. The PRPA amount may not exceed the lesser of (a) the actual cost of living increase (percentage) from the date of retirement until the effective date of the PRPA; or (b) 4.00% of the base benefits for each full year that the member has been retired and a prorated percentage for each partial year. However, the PRPA percentage is offset by the percentage of all prior PRPAs that have been granted. TRS members receiving a retirement, disability or survivor benefit, who remain in Alaska, are eligible for an additional allowance equal to 10.00% of the base benefit.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

Employee Contribution Rate. The District's active TRS members are required to contribute 8.65% of their annual covered salary.

Employer contributions for the year ended June 30, 2023, were:

| | Pensions (DB) | Other Post-Employment Benefits (DB) | Total |
|----|------------------|--|---------|
| \$ | 629,982 | 124,823 | 754,805 |

Teachers' Retirement Plans

For the year ended June 30, 2023 the State of Alaska contributed \$1,720,115 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2023 to a total of (\$737,609) to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2023, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

| | |
|---|-----------------|
| Defined Benefit: | |
| District's proportionate share of the net pension liability | \$ 12,234,919 |
| State's proportionate share of the net pension liability | 16,303,571 |
| Total | \$ 28,538,490 |
| | |
| | OPEB |
| District's proportionate share of the ARHCT OPEB liability | \$ (6,562,341) |
| State's proportionate share of the ARHCT OPEB liability (asset) | (8,441,432) |
| Total | \$ (15,003,773) |
| District's proportionate share of the ODD OPEB liability (asset) | \$ (155,602) |
| District's proportionate share of the RMP OPEB liability (asset) | \$ (497,988) |
| Total District's share of net pension and OPEB liabilities and assets | \$ 5,018,988 |

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for FY2024 through FY2039, as determined by projections based on the June 30, 2021 valuation.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

| | June 30, 2022 Measurement | June 30, 2021 Measurement | Change |
|---------|------------------------------|------------------------------|------------|
| Pension | 0.73399% | 1.00030% | (0.26631%) |
| OPEB: | | | |
| ARHCT | 0.74870% | 1.03924% | (0.29054%) |
| ODD | 2.57620% | 2.78949% | (0.21329%) |
| RMP | 2.57146% | 2.77660% | (0.20514%) |

Based on the measurement date of June 30, 2022, the District recognized pension and OPEB expense of (\$1,618,072) and (\$2,362,970), respectively, for the year ended June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

| | Pension | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Defined Benefit: | | |
| Differences between expected and actual experience | \$ - | (39,814) |
| Changes of assumptions | 102,824 | - |
| Net difference between projected and actual earnings on pension plan investments | 540,234 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | (465,699) |
| District contributions subsequent to the measurement date | 629,982 | - |
| Total | \$ <u>1,273,040</u> | <u>(505,513)</u> |

| | OPEB ARHCT | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (23,250) |
| Changes of assumptions | - | (148,737) |
| Net difference between projected and actual earnings on OPEB plan investments | 339,601 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 451,526 | - |
| District contributions subsequent to the measurement date | - | - |
| Total | \$ <u>791,127</u> | <u>(171,987)</u> |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

| | OPEB ODD | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (24,092) |
| Changes of assumptions | - | (413) |
| Net difference between projected and actual earnings on OPEB plan investments | 3,705 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 27,444 | (5,356) |
| District contributions subsequent to the measurement date | <u>10,511</u> | <u>-</u> |
| Total | \$ <u>41,660</u> | <u>(29,861)</u> |

| | OPEB RMP | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 84,776 | (23,505) |
| Changes of assumptions | 29,451 | (295,976) |
| Net difference between projected and actual earnings on OPEB plan investments | 38,448 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 40,038 | (6,319) |
| District contributions subsequent to the measurement date | <u>114,312</u> | <u>-</u> |
| Total | \$ <u>307,025</u> | <u>(325,800)</u> |

\$629,982 and \$124,823 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2023 (plan year), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

| Year Ended June 30, | Pension | OPEB ARHCT | OPEB ODD | OPEB RMP |
|---------------------------|-------------------|----------------|--------------|------------------|
| 2023 | \$ (484,988) | 232,016 | (804) | (25,687) |
| 2024 | (201,886) | (105,375) | (1,051) | (28,053) |
| 2025 | (468,839) | (244,072) | (1,772) | (35,084) |
| 2026 | 1,293,258 | 736,571 | 3,911 | 22,157 |
| 2027 | - | - | (907) | (26,333) |
| Thereafter | - | - | 1,911 | (40,087) |
| Total | \$ <u>137,545</u> | <u>619,140</u> | <u>1,288</u> | <u>(133,087)</u> |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2023, the District recognized (\$3,874,164) and \$1,231,550 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| | <u>1% Decrease (6.25%)</u> | <u>Current Rate (7.25%)</u> | <u>1% Increase (8.25%)</u> |
|-----------------------|--------------------------------|---------------------------------|--------------------------------|
| Net pension liability | \$ 18,299,868 | 12,234,919 | 7,118,675 |
| Net OPEB ARHCT asset | \$ (4,281,778) | (6,562,341) | (8,464,398) |
| Net OPEB ODD asset | \$ (156,092) | (155,602) | (155,345) |
| Net OPEB RMP asset | \$ (175,811) | (497,988) | (740,065) |

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| | <u>1% Decrease</u> | <u>Current Rate</u> | <u>1% Increase</u> |
|----------------------|--------------------|---------------------|--------------------|
| Net OPEB ARHCT asset | \$ (8,681,484) | (6,562,341) | (4,015,069) |
| Net OPEB ODD asset | \$ N/A | (155,602) | N/A |
| Net OPEB RMP asset | \$ (770,486) | (497,988) | (126,541) |

Alaska Teachers' Retirement System (TRS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan for new hires first enrolled on or after July 1, 2006. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8.65% of their base salaries. State statutes require the employer to contribute 7.00% of employees' eligible compensation. Additionally, employers are required to contribute to other post-employment benefits (DB): 0.83% for the retiree medical plan, 0.08% for occupational death and disability, and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

The District contributed \$1,213,897 for the year ended June 30, 2023, which included forfeitures of \$157,410 which have been applied as employer contributions.

IX. Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. The School District purchases commercial policies through APEI to cover most of these risks. Insurance coverage includes general liability, property and casualty coverage, Worker's Compensation at statutory amounts, and marine coverage, as applicable.

X. Self-Insurance Payable

The District maintains a health and medical benefit program which covers all full-time employees. The District has retained a major portion of the risk for this plan and, accordingly, is liable for any employee health claims that are approved for payment.

The stop-loss coverage limit is \$150,000 for individual claims with no maximum for aggregate claims. Health and medical benefit costs were \$7,478,493 and \$7,565,135 for the years ended June 30, 2023 and 2022, respectively, and consisted of paid claims, stop-loss premiums, and administrative fees.

Accruals were made based upon estimates of the health claims at year end including claims incurred but not reported. Such accruals were accounted for in the School Operating Fund under the liability for "Accrued health and life benefits".

Following is a schedule of changes in claims liabilities for the two years ended June 30, 2023 and 2022 for the Accrued health and life benefits which is included in payroll related liabilities.

| | |
|--|---------------------|
| Accrued Health and Life Benefits , at June 30, 2021 | \$ 2,953,743 |
| Claims and administrative expenses | 7,565,135 |
| Claims and administrative expenses paid | <u>(7,813,393)</u> |
| Accrued Health and Life Benefits , at June 30, 2022 | 2,705,485 |
| Claims and administrative expenses | 7,478,493 |
| Claims and administrative expenses paid | <u>(7,496,406)</u> |
| Accrued Health and Life Benefits , at June 30, 2023 | <u>\$ 2,687,572</u> |

XI. Contingencies

A. General

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and State governments. Any disallowed claims, including amounts already collected, would become a liability of the School Operating Fund.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

The District receives a substantial portion of its revenue from state and local grants and the Northwest Arctic Borough. Significant changes in these revenue sources could have a material effect on the operations of the District.

The District provides services solely to those residents of the Northwest Arctic Borough, Alaska and near-by communities as within the State defined District boundaries. Changes in the local environment or economy could directly affect the District's enrollment. Significant changes in enrollment could have a material effect on the District's funding and operations.

From time to time, the District may be a participant in legal proceedings related to the conduct of its business. In the normal course of business, it also has various commitments and contingent liabilities, which are not reflected in the accompanying financial statements. In the opinion of the management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

B. Grants

The State of Alaska and the District treat the on-behalf funding, created by AS 39.35.280 and AS 14.25.085, as a special funding situation under which the State bears a responsibility to pay an unfunded pension liability. AS 39.35.255 established the uniform contribution rate for PERS employers at 22%, with the State of Alaska contributing the difference between the total PERS actuarial required contributions and the amount employers contribute at 22% of covered payroll. AS 14.25.070 established the TRS employer contributions rate at 12.56%, with the State of Alaska contributing the difference between total TRS actuarial required contribution and the amount employers contribute at 12.56% of covered payroll.

The School District does not agree with how the District's proportionate share of the State of Alaska net pension liability for TRS and PERS is calculated and reserves the right to dispute these allocations at a later date.

XII. Alternative Retirement Plan

The School District participates in a 457 plan through Fidelity Management Trust Company. Participants may contribute up to a maximum of \$20,500. The School District does not contribute a matching amount.

XIII. Short-Term Leases

The School District leases housing to District employees, with varying amounts due on a monthly basis. All rental contracts are for a maximum of either ten or twelve months. Rental income earned during the year ended June 30, 2023 amounted to \$584,910.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of Northwest Arctic Borough)

Notes to Basic Financial Statements, Continued

XIV. Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 100 *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. Effective for fiscal years beginning after June 15, 2023. Multiple effective dates.
- GASB 101 *Compensated Absences*. Effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

GASB Statement No. 101 unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

REQUIRED SUPPLEMENTARY INFORMATION

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

School Operating Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final Budget and Actual

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget- Positive (Negative) |
|---|-----------------------|--------------------|---------------------|--|
| | Original | Final | | |
| Revenues: | | | | |
| Local sources: | | | | |
| Earnings on investment | \$ 3,000 | 230,000 | 316,919 | 86,919 |
| E-rate revenue | 7,456,903 | 7,456,903 | 7,155,754 | (301,149) |
| Other local revenues | 450,000 | 500,000 | 626,238 | 126,238 |
| Intergovernmental: | | | | |
| Borough appropriations and in-kind services | 4,402,689 | 8,540,579 | 8,540,579 | - |
| State of Alaska | 40,412,607 | 41,052,717 | 41,275,172 | 222,455 |
| Federal sources | 6,216,361 | 1,990,131 | 7,177,507 | 5,187,376 |
| Total revenues | <u>58,941,560</u> | <u>59,770,330</u> | <u>65,092,169</u> | <u>5,321,839</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 18,884,988 | 16,138,075 | 15,715,635 | 422,440 |
| Special education instruction | 7,389,897 | 6,647,989 | 6,347,925 | 300,064 |
| Special education support services - students | 1,228,243 | 1,455,909 | 1,414,746 | 41,163 |
| Support services - students | 5,000 | 40,279 | 142,313 | (102,034) |
| Support services - instruction | 10,337,519 | 10,068,117 | 9,942,495 | 125,622 |
| School administration | 3,452,260 | 3,475,086 | 3,389,745 | 85,341 |
| School administration support services | 1,470,102 | 1,422,061 | 1,343,307 | 78,754 |
| District administration | 1,880,702 | 2,067,057 | 1,928,995 | 138,062 |
| District administration support services | 2,573,749 | 2,421,429 | 2,351,066 | 70,363 |
| Operations and maintenance of plant | 14,082,353 | 16,173,201 | 16,225,396 | (52,195) |
| Student activities | 1,686,980 | 1,629,392 | 1,542,911 | 86,481 |
| Food services | - | 14,526 | 4,911 | 9,615 |
| Total expenditures | <u>62,991,793</u> | <u>61,553,121</u> | <u>60,349,445</u> | <u>1,203,676</u> |
| Excess of revenues over expenditures | (4,050,233) | (1,782,791) | 4,742,724 | 6,525,515 |
| Other financing (uses): | | | | |
| Transfers out: | <u>(400,000)</u> | <u>(800,000)</u> | <u>(2,419,731)</u> | <u>(1,619,731)</u> |
| Net change in fund balances | <u>\$ (4,450,233)</u> | <u>(2,582,791)</u> | 2,322,993 | <u>4,905,784</u> |
| Fund balance, beginning of year | | | <u>7,592,230</u> | |
| Fund balance, end of year | | | <u>\$ 9,915,223</u> | |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Emergency Connectivity Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final Budget and Actual

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|------------------|------------|------------|--|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental: | | | | |
| Federal sources | \$ 12,559,684 | 12,559,684 | 12,559,684 | - |
| Expenditures: | | | | |
| Support services - instruction | 12,559,684 | 12,559,684 | 12,559,684 | - |
| Excess of revenues over expenditures | \$ - | - | - | - |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 Schedule of District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)

June 30, 2023

| Year | District's | District's | State of Alaska | Total | District's | District's | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------|--|---|---|--------------------------|--------------------|--------------------|---|
| | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Net Pension Liability | Covered Payroll | Covered Payroll | |
| 2015 | 0.1683% | \$ 7,849,414 | \$ 7,248,559 | \$ 15,097,973 | \$ 7,240,121 | 108.42% | 62.37% |
| 2016 | 0.2783% | \$ 13,498,455 | \$ 3,615,841 | \$ 17,114,296 | \$ 8,378,374 | 161.11% | 63.96% |
| 2017 | 0.3136% | \$ 17,530,603 | \$ 2,210,896 | \$ 19,741,499 | \$ 8,097,929 | 216.48% | 59.55% |
| 2018 | 0.2451% | \$ 12,667,701 | \$ 4,719,677 | \$ 17,387,378 | \$ 8,116,354 | 156.08% | 63.37% |
| 2019 | 0.2973% | \$ 14,770,655 | \$ 4,274,089 | \$ 19,044,744 | \$ 8,097,929 | 182.40% | 65.19% |
| 2020 | 0.2671% | \$ 14,619,390 | \$ 5,807,703 | \$ 20,427,093 | \$ 8,378,374 | 174.49% | 63.42% |
| 2021 | 0.2525% | \$ 14,899,194 | \$ 6,166,568 | \$ 21,065,762 | \$ 8,433,931 | 176.66% | 61.61% |
| 2022 | 0.3051% | \$ 11,190,711 | \$ 1,513,286 | \$ 12,703,997 | \$ 8,353,223 | 133.97% | 76.46% |
| 2023 | 0.2500% | \$ 12,739,771 | \$ 3,525,863 | \$ 16,265,634 | \$ 8,339,086 | 152.77% | 67.97% |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Public Employees' Retirement System (PERS)

June 30, 2023

| Year | District's | | District's | | State of Alaska | | Total | | District's | | District's | | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) |
|--|--|---|---|---|---|---|----------------------------------|----------------------------------|--|--|--|--|---|
| | Proportion of the Net OPEB Liability (Asset) | Proportionate Share of the Net OPEB Liability (Asset) | Net OPEB Liability (Asset) | Net OPEB Liability (Asset) | Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll | Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll | Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll | | |
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | | | | | | | | | |
| 2018 | 0.2450% | \$ 2,070,088 | \$ 772,134 | \$ 2,842,222 | \$ 8,116,354 | \$ 8,116,354 | 25.51% | 89.68% | | | | | |
| 2019 | 0.2900% | \$ 3,050,588 | \$ 885,837 | \$ 3,936,425 | \$ 8,097,929 | \$ 8,097,929 | 37.67% | 88.12% | | | | | |
| 2020 | 0.2671% | \$ 396,297 | \$ 157,525 | \$ 553,822 | \$ 8,378,374 | \$ 8,378,374 | 4.73% | 98.13% | | | | | |
| 2021 | 0.2524% | \$ (1,143,040) | \$ (473,999) | \$ (1,617,039) | \$ 8,433,931 | \$ 8,433,931 | -13.55% | 106.15% | | | | | |
| 2022 | 0.3063% | \$ (7,856,855) | \$ (1,028,105) | \$ (8,884,960) | \$ 8,353,223 | \$ 8,353,223 | -94.06% | 135.54% | | | | | |
| 2023 | 0.2482% | \$ (4,882,814) | \$ (1,395,663) | \$ (6,278,477) | \$ 8,339,086 | \$ 8,339,086 | -58.55% | 128.51% | | | | | |
| Occupational Death and Disability (ODD): | | | | | | | | | | | | | |
| 2018 | 0.4800% | \$ (68,127) | \$ - | \$ (68,127) | \$ 8,116,354 | \$ 8,116,354 | -0.84% | 212.97% | | | | | |
| 2019 | 0.4300% | \$ (84,024) | \$ - | \$ (84,024) | \$ 8,097,929 | \$ 8,097,929 | -1.04% | 270.62% | | | | | |
| 2020 | 0.3265% | \$ (79,156) | \$ - | \$ (79,156) | \$ 8,378,374 | \$ 8,378,374 | -0.94% | 297.43% | | | | | |
| 2021 | 0.3178% | \$ (86,622) | \$ - | \$ (86,622) | \$ 8,433,931 | \$ 8,433,931 | -1.03% | 283.80% | | | | | |
| 2022 | 0.3202% | \$ (141,121) | \$ - | \$ (141,121) | \$ 8,353,223 | \$ 8,353,223 | -1.69% | 374.22% | | | | | |
| 2023 | 0.3113% | \$ (136,456) | \$ - | \$ (136,456) | \$ 8,339,086 | \$ 8,339,086 | -1.64% | 348.80% | | | | | |
| Retiree Medical Plan (RMP): | | | | | | | | | | | | | |
| 2018 | 0.4800% | \$ 25,039 | \$ - | \$ 25,039 | \$ 616,628 | \$ 616,628 | 4.06% | 93.98% | | | | | |
| 2019 | 0.4330% | \$ 55,051 | \$ - | \$ 55,051 | \$ 1,974,709 | \$ 1,974,709 | 2.79% | 88.71% | | | | | |
| 2020 | 0.4108% | \$ 98,279 | \$ - | \$ 98,279 | \$ 1,970,226 | \$ 1,970,226 | 4.99% | 83.17% | | | | | |
| 2021 | 0.3966% | \$ 28,131 | \$ - | \$ 28,131 | \$ 2,038,417 | \$ 2,038,417 | 1.38% | 92.23% | | | | | |
| 2022 | 0.3774% | \$ (101,305) | \$ - | \$ (101,305) | \$ 2,143,741 | \$ 2,143,741 | -4.73% | 115.10% | | | | | |
| 2023 | 0.3664% | \$ (127,258) | \$ - | \$ (127,258) | \$ 2,275,014 | \$ 2,275,014 | -5.59% | 120.08% | | | | | |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2023

| Year | Contractually Required Contribution | | Contributions Relative to the Contractually Required Contribution | | Contribution Deficiency (Excess) | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|------|-------------------------------------|---|---|---|----------------------------------|----------------------------|--|
| | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | | | |
| 2015 | \$ 688,464 | \$ 688,464 | \$ (688,464) | \$ - | \$ - | 8,378,374 | 8.22% |
| 2016 | \$ 707,834 | \$ 707,834 | \$ (707,834) | \$ - | \$ - | 8,097,929 | 8.74% |
| 2017 | \$ 864,088 | \$ 864,088 | \$ (864,088) | \$ - | \$ - | 8,116,354 | 10.65% |
| 2018 | \$ 999,536 | \$ 999,536 | \$ (999,536) | \$ - | \$ - | 8,097,929 | 12.34% |
| 2019 | \$ 1,002,277 | \$ 1,002,277 | \$ (1,002,277) | \$ - | \$ - | 8,378,374 | 11.96% |
| 2020 | \$ 945,362 | \$ 945,362 | \$ (944,735) | \$ 627 | \$ 627 | 8,433,931 | 11.21% |
| 2021 | \$ 1,065,136 | \$ 1,065,136 | \$ (1,069,083) | \$ (3,947) | \$ (3,947) | 8,353,223 | 12.75% |
| 2022 | \$ 1,089,851 | \$ 1,089,851 | \$ (1,091,224) | \$ (1,373) | \$ (1,373) | 8,339,086 | 13.07% |
| 2023 | \$ 1,324,405 | \$ 1,324,405 | \$ (1,336,438) | \$ (12,033) | \$ (12,033) | 8,929,932 | 14.83% |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2023

| Year | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | | | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|--|-------------------------------------|---|----------------------------------|----------------------------------|----------------------------|--|
| | | Contractually Required Contribution | Contribution Deficiency (Excess) | Contribution Deficiency (Excess) | | |
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | | |
| 2018 | \$ 283,252 | \$ (283,252) | \$ - | \$ - | 8,097,929 | 3.50% |
| 2019 | \$ 363,681 | \$ (363,681) | \$ - | \$ - | 8,378,374 | 4.34% |
| 2020 | \$ 377,582 | \$ (377,582) | \$ - | \$ - | 8,433,931 | 4.48% |
| 2021 | \$ 209,879 | \$ (209,879) | \$ - | \$ - | 8,353,223 | 2.51% |
| 2022 | \$ 162,915 | \$ (162,915) | \$ - | \$ - | 8,339,086 | 1.95% |
| 2023 | \$ - | \$ - | \$ - | \$ - | 8,929,932 | 0.00% |
| Occupational Death and Disability (ODD): | | | | | | |
| 2018 | \$ 7,834 | \$ (7,834) | \$ - | \$ - | 8,097,929 | 0.10% |
| 2019 | \$ 13,330 | \$ (13,330) | \$ - | \$ - | 8,378,374 | 0.16% |
| 2020 | \$ 13,935 | \$ (13,935) | \$ - | \$ - | 8,433,931 | 0.17% |
| 2021 | \$ 17,079 | \$ (17,079) | \$ - | \$ - | 8,353,223 | 0.20% |
| 2022 | \$ 17,959 | \$ (17,959) | \$ - | \$ - | 8,339,086 | 0.22% |
| 2023 | \$ 19,163 | \$ (19,163) | \$ - | \$ - | 8,929,932 | 0.21% |
| Retiree Medical Plan (RMP): | | | | | | |
| 2018 | \$ 50,433 | \$ (50,433) | \$ - | \$ - | 1,974,709 | 2.55% |
| 2019 | \$ 48,208 | \$ (48,208) | \$ - | \$ - | 1,970,226 | 2.45% |
| 2020 | \$ 70,478 | \$ (70,478) | \$ - | \$ - | 2,038,417 | 3.46% |
| 2021 | \$ 70,045 | \$ (70,045) | \$ - | \$ - | 2,143,741 | 3.27% |
| 2022 | \$ 61,998 | \$ (61,998) | \$ - | \$ - | 2,275,014 | 2.73% |
| 2023 | \$ 70,266 | \$ (70,266) | \$ - | \$ - | 2,448,718 | 2.87% |

See accompanying notes to Required Supplementary Information.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net Pension Liability

Teachers' Retirement System (TRS)

June 30, 2023

| Year | District's Proportion of the Net Pension Liability | | District's Proportionate Share of the Net Pension Liability | | State of Alaska Proportionate Share of the Net Pension Liability | | Total Net Pension Liability | | District's Covered Payroll | | District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | |
|------|--|------------------------------------|---|------------------------------------|--|------------------------------------|-----------------------------|-----------------------|----------------------------|-----------------|--|-------------------------------|--|-----------|
| | Proportion of the Net Pension Liability | Share of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Share of the Net Pension Liability | Net Pension Liability | Share of the Net Pension Liability | Net Pension Liability | Net Pension Liability | Covered Payroll | Covered Payroll | Percentage of Covered Payroll | Percentage of Covered Payroll | Net Position | Liability |
| 2015 | 0.2395% | \$ 7,182,851 | \$ 49,547,595 | \$ 56,730,446 | \$ 14,843,553 | 48.39% | 55.70% | | | | | | | |
| 2016 | 0.5852% | \$ 10,888,060 | \$ 17,403,698 | \$ 28,291,758 | \$ 15,465,229 | 70.40% | 73.82% | | | | | | | |
| 2017 | 0.8250% | \$ 18,837,867 | \$ 22,390,623 | \$ 41,228,490 | \$ 15,643,154 | 120.42% | 68.40% | | | | | | | |
| 2018 | 0.6749% | \$ 13,676,701 | \$ 23,874,798 | \$ 37,551,499 | \$ 15,774,517 | 86.70% | 72.39% | | | | | | | |
| 2019 | 0.7536% | \$ 14,427,002 | \$ 21,447,040 | \$ 35,874,042 | \$ 16,910,003 | 85.32% | 74.09% | | | | | | | |
| 2020 | 0.8386% | \$ 15,669,599 | \$ 23,236,188 | \$ 38,905,787 | \$ 18,195,563 | 86.12% | 74.68% | | | | | | | |
| 2021 | 0.7605% | \$ 15,461,024 | \$ 26,832,138 | \$ 42,293,162 | \$ 18,284,994 | 84.56% | 72.81% | | | | | | | |
| 2022 | 1.0003% | \$ 7,962,116 | \$ 6,757,667 | \$ 14,719,783 | \$ 16,411,266 | 48.52% | 89.43% | | | | | | | |
| 2023 | 0.7340% | \$ 12,234,919 | \$ 16,303,571 | \$ 28,538,490 | \$ 15,434,562 | 79.27% | 78.33% | | | | | | | |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Teachers' Retirement System (TRS)

June 30, 2023

| Year | District's Proportion of the Net OPEB Liability (Asset) | | District's Share of the Net OPEB Liability (Asset) | | State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | | Total Net OPEB Liability (Asset) | | District's Covered Payroll | | District's Proportionate Share of the Net OPEB Liability as a Percentage of the Total OPEB Liability (Asset) | | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) | |
|--|---|--|--|--|---|---|----------------------------------|----------------------------------|----------------------------|----------------------------|--|--|---|---|
| | District's Proportion of the Net OPEB Liability (Asset) | District's Share of the Net OPEB Liability (Asset) | District's Share of the Net OPEB Liability (Asset) | District's Share of the Net OPEB Liability (Asset) | State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | Total Net OPEB Liability (Asset) | Total Net OPEB Liability (Asset) | District's Covered Payroll | District's Covered Payroll | District's Proportionate Share of the Net OPEB Liability as a Percentage of the Total OPEB Liability (Asset) | District's Proportionate Share of the Net OPEB Liability as a Percentage of the Total OPEB Liability (Asset) | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) |
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | | | | | | | | | | |
| 2018 | 0.0067% | \$ 1,237,722 | \$ 2,170,136 | \$ 3,407,858 | \$ 15,774,517 | \$ 15,774,517 | \$ 3,407,858 | \$ 15,774,517 | 7.85% | 7.85% | 93.75% | 93.75% | | |
| 2019 | 0.0075% | \$ 2,337,774 | \$ 3,488,700 | \$ 5,826,474 | \$ 16,910,003 | \$ 16,910,003 | \$ 5,826,474 | \$ 16,910,003 | 13.82% | 13.82% | 90.23% | 90.23% | | |
| 2020 | 0.8370% | \$ (1,279,084) | \$ (1,903,589) | \$ (3,182,673) | \$ 18,195,563 | \$ 18,195,563 | \$ (3,182,673) | \$ 18,195,563 | -7.03% | -7.03% | 105.50% | 105.50% | | |
| 2021 | 0.7587% | \$ (2,714,089) | \$ (4,729,332) | \$ (7,443,421) | \$ 18,284,994 | \$ 18,284,994 | \$ (7,443,421) | \$ 18,284,994 | -14.84% | -14.84% | 113.78% | 113.78% | | |
| 2022 | 1.0392% | \$ (12,083,061) | \$ (9,409,384) | \$ (21,492,445) | \$ 16,411,266 | \$ 16,411,266 | \$ (21,492,445) | \$ 16,411,266 | -73.63% | -73.63% | 145.41% | 145.41% | | |
| 2023 | 0.7487% | \$ (6,562,341) | \$ (8,441,432) | \$ (15,003,773) | \$ 15,434,562 | \$ 15,434,562 | \$ (15,003,773) | \$ 15,434,562 | -42.52% | -42.52% | 134.84% | 134.84% | | |
| Occupational Death and Disability (ODD): | | | | | | | | | | | | | | |
| 2018 | 0.0312% | \$ (101,913) | \$ - | \$ (101,913) | \$ 15,774,517 | \$ 15,774,517 | \$ (101,913) | \$ 15,774,517 | -0.65% | -0.65% | 1342.59% | 1342.59% | | |
| 2019 | 3.3210% | \$ (11,435) | \$ - | \$ (11,435) | \$ 16,910,003 | \$ 16,910,003 | \$ (11,435) | \$ 16,910,003 | -0.07% | -0.07% | 1304.81% | 1304.81% | | |
| 2020 | 3.4407% | \$ (138,351) | \$ - | \$ (138,351) | \$ 18,195,563 | \$ 18,195,563 | \$ (138,351) | \$ 18,195,563 | -0.76% | -0.76% | 1409.77% | 1409.77% | | |
| 2021 | 3.1667% | \$ (136,327) | \$ - | \$ (136,327) | \$ 18,284,994 | \$ 18,284,994 | \$ (136,327) | \$ 18,284,994 | -0.75% | -0.75% | 931.08% | 931.08% | | |
| 2022 | 2.7895% | \$ (170,020) | \$ - | \$ (170,020) | \$ 16,411,266 | \$ 16,411,266 | \$ (170,020) | \$ 16,411,266 | -1.04% | -1.04% | 1254.36% | 1254.36% | | |
| 2023 | 2.5762% | \$ (155,602) | \$ - | \$ (155,602) | \$ 15,434,562 | \$ 15,434,562 | \$ (155,602) | \$ 15,434,562 | -1.01% | -1.01% | 1268.28% | 1268.28% | | |
| Retiree Medical Plan (RMP): | | | | | | | | | | | | | | |
| 2018 | 0.0312% | \$ (147,817) | \$ - | \$ (147,817) | \$ 9,588,581 | \$ 9,588,581 | \$ (147,817) | \$ 9,588,581 | -1.54% | -1.54% | 118.16% | 118.16% | | |
| 2019 | 0.0332% | \$ (106,206) | \$ - | \$ (106,206) | \$ 9,548,581 | \$ 9,548,581 | \$ (106,206) | \$ 9,548,581 | -1.11% | -1.11% | 109.56% | 109.56% | | |
| 2020 | 3.4266% | \$ (131,445) | \$ - | \$ (131,445) | \$ 9,628,765 | \$ 9,628,765 | \$ (131,445) | \$ 9,628,765 | -1.37% | -1.37% | 110.03% | 110.03% | | |
| 2021 | 3.1772% | \$ (313,432) | \$ - | \$ (313,432) | \$ 9,885,765 | \$ 9,885,765 | \$ (313,432) | \$ 9,885,765 | -3.17% | -3.17% | 125.59% | 125.59% | | |
| 2022 | 2.7766% | \$ (557,541) | \$ - | \$ (557,541) | \$ 9,342,293 | \$ 9,342,293 | \$ (557,541) | \$ 9,342,293 | -5.97% | -5.97% | 142.54% | 142.54% | | |
| 2023 | 2.5715% | \$ (497,988) | \$ - | \$ (497,988) | \$ 9,301,282 | \$ 9,301,282 | \$ (497,988) | \$ 9,301,282 | -5.35% | -5.35% | 140.73% | 140.73% | | |

See accompanying notes to Required Supplementary Information.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2023

| Year | Contractually Required Contribution | | Contributions Relative to the Contractually Required Contribution | | Contribution Deficiency (Excess) | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|------|-------------------------------------|---|---|---|----------------------------------|----------------------------|--|
| | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | | | |
| 2015 | \$ 505,554 | \$ 505,554 | (\$ 505,554) | \$ - | \$ - | 15,465,229 | 3.27% |
| 2016 | \$ 451,723 | \$ 451,723 | (\$ 451,723) | \$ - | \$ - | 15,643,154 | 2.89% |
| 2017 | \$ 527,326 | \$ 527,326 | (\$ 527,326) | \$ - | \$ - | 15,774,517 | 3.34% |
| 2018 | \$ 586,779 | \$ 586,779 | (\$ 586,779) | \$ - | \$ - | 16,910,003 | 3.47% |
| 2019 | \$ 527,002 | \$ 527,002 | (\$ 527,002) | \$ - | \$ - | 18,195,563 | 2.90% |
| 2020 | \$ 516,444 | \$ 516,444 | (\$ 522,121) | (\$ 5,677) | \$ (5,677) | 18,284,994 | 2.82% |
| 2021 | \$ 499,135 | \$ 499,135 | (\$ 492,116) | \$ 7,019 | \$ 7,019 | 16,411,266 | 3.04% |
| 2022 | \$ 478,440 | \$ 478,440 | (\$ 471,586) | \$ 6,854 | \$ 6,854 | 15,434,562 | 3.10% |
| 2023 | \$ 595,863 | \$ 595,863 | (\$ 629,982) | \$ (34,119) | \$ (34,119) | 15,674,379 | 3.80% |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2023

| Year | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | Contribution Deficiency (Excess) | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|--|-------------------------------------|---|----------------------------------|----------------------------|--|
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | |
| 2018 | \$ 290,622 | \$ (290,622) | \$ - | \$ 16,910,003 | 1.72% |
| 2019 | \$ 252,163 | \$ (252,163) | \$ - | \$ 18,195,563 | 1.39% |
| 2020 | \$ 291,322 | \$ (291,322) | \$ - | \$ 18,284,994 | 1.59% |
| 2021 | \$ 268,572 | \$ (268,572) | \$ - | \$ 16,411,266 | 1.64% |
| 2022 | \$ 183,552 | \$ (183,552) | \$ - | \$ 15,434,562 | 1.19% |
| 2023 | \$ - | \$ - | \$ - | \$ 15,674,379 | 0.00% |
| Occupational Death and Disability (ODD): | | | | | |
| 2018 | \$ - | \$ - | \$ - | \$ 16,910,003 | 0.00% |
| 2019 | \$ 10,740 | \$ (10,740) | \$ - | \$ 18,195,563 | 0.06% |
| 2020 | \$ 10,403 | \$ (10,403) | \$ - | \$ 18,284,994 | 0.06% |
| 2021 | \$ 10,098 | \$ (10,098) | \$ - | \$ 16,411,266 | 0.06% |
| 2022 | \$ 10,127 | \$ (10,127) | \$ - | \$ 15,434,562 | 0.07% |
| 2023 | \$ 10,511 | \$ (10,511) | \$ - | \$ 15,674,379 | 0.07% |
| Retiree Medical Plan (RMP): | | | | | |
| 2018 | \$ 108,628 | \$ (108,628) | \$ - | \$ 9,548,581 | 1.14% |
| 2019 | \$ 105,705 | \$ (105,705) | \$ - | \$ 9,628,765 | 1.10% |
| 2020 | \$ 141,746 | \$ (141,746) | \$ - | \$ 9,885,765 | 1.43% |
| 2021 | \$ 117,077 | \$ (117,077) | \$ - | \$ 9,342,293 | 1.25% |
| 2022 | \$ 105,075 | \$ (105,075) | \$ - | \$ 9,301,282 | 1.13% |
| 2023 | \$ 114,312 | \$ (114,312) | \$ - | \$ 9,664,785 | 1.18% |

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information

June 30, 2023

1. Budgetary Information

Annual budgets are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting.

The Superintendent submits to the District School Board (School Board), at such time as the School Board directs, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the School Board to obtain the comments of residents of the District. The proposed budget is revised and approved by the School Board. The School Board approved budget is submitted to the Northwest Arctic Borough Assembly (Assembly) by April 1. The Assembly may increase or decrease the budget of the District only as to total amount. The Assembly shall approve the budget of the District as amended, and appropriates by ordinance the necessary resources at least sixty days prior to the end of the current fiscal year of the District. If the Assembly fails to approve the District budget and make the necessary appropriation within the time stated, the budget as submitted to the Assembly becomes the budget and appropriation for the fiscal year of the District without further Assembly action. The School Board submits the approved budget to the State of Alaska commissioner of Education 30 days before the end of the current fiscal year of the District. The appropriated budget is prepared by fund, function and object. The District's department heads may make transfers of appropriations within a department.

Any transfers of appropriations between funds of over \$50,000 require the approval of the School Board. All transfers not requiring approval are reported to the School Board. The General Fund level of budgetary control is at the fund level. Annual budgets of the various Special Revenue Funds are prepared in connection with the application for the special programs' award.

Excess of Expenditures over Appropriations

For the year ended June 30, 2023, expenditures exceeded appropriations in the School Operating Fund for the support services – students function by \$102,034 and the operations and maintenance of plant function by \$52,195.

2. Public Employees' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021

Healthcare claim costs are updated annually. Retired member contributions were updated to reflect the 5% decrease from CY20 to CY21. The amounts included in the normal cost for administrative expenses were changed from \$7,223,000 to \$7,625,000 for pension, and from \$4,934,000 to \$5,531,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in benefit provisions since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021

Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$1,000 to \$16,000 for occupational death and disability, and from \$20,000 to \$24,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021

There have been no changes in benefit provisions valued since the prior valuation.

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

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2021 which was rolled forward to June 30, 2022. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

3. Teachers' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

- a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021**
There were no changes in actuarial methods since the prior valuation.
- b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021**
Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$3,003,000 to \$3,217,000 for pension, and from \$1,362,000 to \$1,604,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.
- c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021**
There were no changes in benefit provisions since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

- a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021**
There were no changes in the asset or valuation methods since the prior valuation.
- b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021**
Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$0 to \$5,000 for occupational death and disability, and from \$8,000 to \$22,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.
- c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021**
There have been no changes in benefit provisions valued since the prior valuation.

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

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2021 which was rolled forward to June 30, 2022. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

SUPPLEMENTARY INFORMATION

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

School Operating Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|-------------------|-------------------|--|
| Revenues: | | | |
| Local sources: | | | |
| Earnings on investment | \$ 230,000 | 316,919 | 86,919 |
| E-rate revenue | 7,456,903 | 7,155,754 | (301,149) |
| Other local revenues | 500,000 | 626,238 | 126,238 |
| Total local sources | <u>8,186,903</u> | <u>8,098,911</u> | <u>(87,992)</u> |
| Intergovernmental: | | | |
| Borough appropriations and in-kind services | 8,540,579 | 8,540,579 | - |
| State of Alaska: | | | |
| Foundation | 37,679,925 | 37,679,925 | - |
| On-behalf TRS | 1,536,630 | 1,720,115 | 183,485 |
| On-behalf PERS | 202,622 | 241,592 | 38,970 |
| Other State revenues | 1,633,540 | 1,633,540 | - |
| Total State of Alaska | <u>41,052,717</u> | <u>41,275,172</u> | <u>222,455</u> |
| Federal sources - Impact Aid | 1,990,131 | 7,177,507 | 5,187,376 |
| Total revenues | <u>59,770,330</u> | <u>65,092,169</u> | <u>5,321,839</u> |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 8,057,497 | 8,005,133 | 52,364 |
| Non-certificated salaries | 1,933,524 | 2,007,263 | (73,739) |
| Employee benefits | 5,498,216 | 5,208,618 | 289,598 |
| Transportation allowance | 100,000 | - | 100,000 |
| Professional and technical services | 185,420 | 171,435 | 13,985 |
| Staff travel | 23,805 | 17,191 | 6,614 |
| Student travel | 20,243 | 10,183 | 10,060 |
| Other purchased services | 101,000 | 78,105 | 22,895 |
| Supplies, materials and media | 186,991 | 186,528 | 463 |
| Tuition-students and stipends | 7,000 | 5,000 | 2,000 |
| Equipment | 24,379 | 26,179 | (1,800) |
| Total instruction | <u>16,138,075</u> | <u>15,715,635</u> | <u>422,440</u> |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

School Operating Fund

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

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|------------------|------------------|--|
| Expenditures, continued: | | | |
| Special education instruction: | | | |
| Certificated salaries | \$ 1,933,261 | 1,879,328 | 53,933 |
| Non-certificated salaries | 2,037,699 | 2,027,609 | 10,090 |
| Employee benefits | 2,636,029 | 2,435,864 | 200,165 |
| Staff travel | 14,000 | 913 | 13,087 |
| Student travel | 7,000 | - | 7,000 |
| Supplies, materials and media | 20,000 | 4,211 | 15,789 |
| Total special education instruction | <u>6,647,989</u> | <u>6,347,925</u> | <u>300,064</u> |
| Special education support services - students: | | | |
| Certificated salaries | 508,712 | 508,248 | 464 |
| Non-certificated salaries | 82,702 | 113,504 | (30,802) |
| Employee benefits | 293,375 | 316,444 | (23,069) |
| Professional and technical services | 475,000 | 404,315 | 70,685 |
| Staff travel | 55,000 | 32,247 | 22,753 |
| Student travel | 2,000 | 160 | 1,840 |
| Other purchased services | 24,000 | 24,793 | (793) |
| Supplies, materials and media | 14,000 | 15,035 | (1,035) |
| Other purchased services | 1,120 | - | 1,120 |
| Total special education support services - students | <u>1,455,909</u> | <u>1,414,746</u> | <u>41,163</u> |
| Support services - students: | | | |
| Certificated salaries | 9,600 | 9,600 | - |
| Non-certificated salaries | 22,915 | 24,038 | (1,123) |
| Employee benefits | 2,564 | 107,900 | (105,336) |
| Staff travel | - | 590 | (590) |
| Supplies, materials and media | 5,000 | - | 5,000 |
| Other | 200 | 185 | 15 |
| Total support services - students | <u>40,279</u> | <u>142,313</u> | <u>(102,034)</u> |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

School Operating Fund

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

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|------------|-----------|--|
| Expenditures, continued: | | | |
| Support services - instruction: | | | |
| Certificated salaries | \$ 384,204 | 375,980 | 8,224 |
| Non-certificated salaries | 490,662 | 437,804 | 52,858 |
| Employee benefits | 352,779 | 422,003 | (69,224) |
| Transportation allowance | 100 | - | 100 |
| Professional and technical services | 44,281 | 47,504 | (3,223) |
| Staff travel | 101,745 | 115,599 | (13,854) |
| Utility services | 7,933,363 | 7,766,153 | 167,210 |
| Insurance and bond premiums | 29,384 | 29,384 | - |
| Supplies, materials and media | 726,599 | 742,738 | (16,139) |
| Tuition-students and stipends | 5,000 | 5,330 | (330) |
| Total support services - instruction | 10,068,117 | 9,942,495 | 125,622 |
| School administration: | | | |
| Certificated salaries | 2,257,048 | 2,214,419 | 42,629 |
| Non-certificated salaries | 17,744 | 8,976 | 8,768 |
| Employee benefits | 1,060,554 | 1,001,314 | 59,240 |
| Professional and technical services | 3,050 | 3,050 | - |
| Staff travel | 63,513 | 77,013 | (13,500) |
| Other purchased services | 717 | 4,921 | (4,204) |
| Supplies, materials and media | 58,450 | 68,346 | (9,896) |
| Other | 14,010 | 11,706 | 2,304 |
| Total school administration | 3,475,086 | 3,389,745 | 85,341 |
| School administration support services: | | | |
| Non-certificated salaries | 808,978 | 772,362 | 36,616 |
| Employee benefits | 613,083 | 570,945 | 42,138 |
| Total school administration support services | 1,422,061 | 1,343,307 | 78,754 |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

School Operating Fund

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

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|-------------------|-------------------|--|
| Expenditures, continued: | | | |
| District administration: | | | |
| Certificated salaries | \$ 403,085 | 362,193 | 40,892 |
| Non-certificated salaries | 295,528 | 292,632 | 2,896 |
| Employee benefits | 532,716 | 515,416 | 17,300 |
| Professional and technical services | 448,539 | 406,765 | 41,774 |
| Staff travel | 186,654 | 165,535 | 21,119 |
| Other purchased services | 60,000 | 38,406 | 21,594 |
| Supplies, materials and media | 88,500 | 97,292 | (8,792) |
| Tuition-students and stipends | 1,620 | 1,620 | - |
| Other | 50,415 | 49,136 | 1,279 |
| Total district administration | <u>2,067,057</u> | <u>1,928,995</u> | <u>138,062</u> |
| District administration support services: | | | |
| Certificated salaries | 139,359 | 139,359 | - |
| Non-certificated salaries | 1,084,399 | 1,083,328 | 1,071 |
| Employee benefits | 628,419 | 651,066 | (22,647) |
| Professional and technical services | 292,000 | 307,479 | (15,479) |
| Staff travel | 40,000 | 31,500 | 8,500 |
| Other purchased services | 25,000 | 48,439 | (23,439) |
| Insurance and bond premiums | 362,987 | 362,987 | - |
| Supplies, materials and media | 55,000 | 43,586 | 11,414 |
| Other | 94,265 | 75,561 | 18,704 |
| Indirect recovery | (300,000) | (392,239) | 92,239 |
| Total district administration support services | <u>2,421,429</u> | <u>2,351,066</u> | <u>70,363</u> |
| Operations and maintenance of plant: | | | |
| Certificated salaries | 109,784 | 110,484 | (700) |
| Non-certificated salaries | 1,677,047 | 1,556,803 | 120,244 |
| Employee benefits | 886,400 | 845,261 | 41,139 |
| Transportation allowance | 9,176 | - | 9,176 |
| Professional and technical services | 2,190,450 | 2,712,486 | (522,036) |
| Staff travel | 115,000 | 119,448 | (4,448) |
| Utility services | 705,588 | 661,859 | 43,729 |
| Energy | 5,077,848 | 4,863,679 | 214,169 |
| Other purchased services | 4,288,906 | 4,300,002 | (11,096) |
| Insurance and bond premiums | 559,676 | 559,676 | - |
| Supplies, materials and media | 526,700 | 469,072 | 57,628 |
| Other | 33 | 33 | - |
| Equipment | 26,593 | 26,593 | - |
| Total operations and maintenance of plant | <u>16,173,201</u> | <u>16,225,396</u> | <u>(52,195)</u> |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

School Operating Fund

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

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|----------------|--------------|--|
| Expenditures, continued: | | | |
| Student activities: | | | |
| Certificated salaries | \$ 224,607 | 201,369 | 23,238 |
| Non-certificated salaries | 104,205 | 86,956 | 17,249 |
| Employee benefits | 69,580 | 64,877 | 4,703 |
| Professional and technical services | 200,000 | 192,650 | 7,350 |
| Staff travel | 9,000 | 14,731 | (5,731) |
| Student travel | 975,000 | 938,882 | 36,118 |
| Insurance and bond premiums | 3,000 | - | 3,000 |
| Supplies, materials and media | 27,000 | 28,293 | (1,293) |
| Other | 17,000 | 15,153 | 1,847 |
| Total student activities | 1,629,392 | 1,542,911 | 86,481 |
| Food services: | | | |
| Employee benefits | 11,100 | 1,431 | 9,669 |
| Supplies, materials and media | 3,426 | 3,480 | (54) |
| Total food services | 14,526 | 4,911 | 9,615 |
| Total expenditures | 61,553,121 | 60,349,445 | 1,203,676 |
| Excess of revenues over expenditures | (1,782,791) | 4,742,724 | 6,525,515 |
| Other financing sources (uses): | | | |
| Transfers out: | | | |
| Special Revenue Funds: | | | |
| Student Transportation | - | (21,250) | (21,250) |
| STAR Northwest Magnet School | (50,000) | (63,268) | (13,268) |
| Teacher Housing | (750,000) | (735,833) | 14,167 |
| Food Service | - | (76,794) | (76,794) |
| Capital Project Fund: | | | |
| Local Funded Maintenance | - | (1,200,000) | (1,200,000) |
| AHFC Selawik | - | (45,441) | (45,441) |
| AHFC Kivalina Teacher Housing | - | (358,476) | (358,476) |
| AHFC Kivalina THP-21-NAB-1 | - | (256,143) | (256,143) |
| Kivalina Teacher Housing | - | (322,058) | (322,058) |
| Alaska Technical Center Family Housing | - | (113,155) | (113,155) |
| Magnet School (ATC) Expansion Project | - | 507,439 | 507,439 |
| Kotzebue Magnet School Dorm | - | 299,947 | 299,947 |
| Construction Management | - | (34,699) | (34,699) |
| Net other financing sources (uses) | (800,000) | (2,419,731) | (1,619,731) |
| Net change in fund balances | \$ (2,582,791) | 2,322,993 | 4,905,784 |
| Fund balance, beginning of year | | 7,592,230 | |
| Fund balance, end of year | | \$ 9,915,223 | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Emergency Connectivity Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|--------------------------------------|---------------|---------------|--|
| Revenues: | | | |
| Intergovernmental: | | | |
| Federal sources - direct | \$ 12,559,684 | 12,559,684 | - |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Professional and technical services | 12,559,684 | 12,559,684 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Balance Sheet

June 30, 2023

| | T.V.E.P Basic | Alaska Construction Academy Program | STAR of the Northwest Magnet School | Facilities Housing | Teacher Housing | S.T.E.P Construction | CRRSA Act | ARPA ESSER | ARP Homeless | COVID Discretionary | Food Service |
|---|-------------------|--|--|-----------------------|--------------------|-------------------------|------------------|----------------|-----------------|------------------------|-----------------|
| Assets: | | | | | | | | | | | |
| Accounts receivable | \$ 236,515 | 29,542 | - | - | 1,600 | 1,578 | 1,545,659 | 613,638 | 15,178 | 28,381 | 13,675 |
| Due from other funds | - | - | 22,252 | 39,548 | 60,409 | - | - | - | - | - | 60,363 |
| Inventory | - | - | 71,798 | - | 870 | - | - | - | - | - | 71,011 |
| Total assets | <u>236,515</u> | <u>29,542</u> | <u>94,050</u> | <u>39,548</u> | <u>62,879</u> | <u>1,578</u> | <u>1,545,659</u> | <u>613,638</u> | <u>15,178</u> | <u>28,381</u> | <u>145,069</u> |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | |
| Accounts payable | 15,976 | 690 | 22,252 | - | 62,009 | 110 | 5,941 | 4,216 | 5,792 | 10,018 | 141,390 |
| Due to other funds | 220,539 | 28,852 | - | - | - | 1,468 | 1,539,718 | 609,422 | 9,386 | 18,363 | - |
| Due to others | - | - | - | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | <u>236,515</u> | <u>29,542</u> | <u>22,252</u> | <u>-</u> | <u>62,009</u> | <u>1,578</u> | <u>1,545,659</u> | <u>613,638</u> | <u>15,178</u> | <u>28,381</u> | <u>142,487</u> |
| Fund balances (deficits): | | | | | | | | | | | |
| Nonspendable | - | - | 71,798 | - | 870 | - | - | - | - | - | 71,011 |
| Restricted | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | 39,548 | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - | - |
| Total fund balances (deficits) | <u>-</u> | <u>-</u> | <u>71,798</u> | <u>39,548</u> | <u>870</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(68,429)</u> |
| Total liabilities and fund balances (deficits) | \$ <u>236,515</u> | <u>29,542</u> | <u>94,050</u> | <u>39,548</u> | <u>62,879</u> | <u>1,578</u> | <u>1,545,659</u> | <u>613,638</u> | <u>15,178</u> | <u>28,381</u> | <u>145,069</u> |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Balance Sheet, Continued

Special Revenue Funds

| | GenYouth | Consolidated Administration | Title I-A Basic | Title I-C Migrant Education | Title IV-A | Title I-A Parent Engagement | Title I-A Professional Development | Migrant Education - Books | Career Technical Education | Title II-A Higher Education | Title I-A School Improvement 1003(a) | Title I-A School Improvement 1003(g) |
|---|----------|-----------------------------|-----------------|-----------------------------|------------|-----------------------------|------------------------------------|---------------------------|----------------------------|-----------------------------|--------------------------------------|--------------------------------------|
| Assets | | | | | | | | | | | | |
| Accounts receivable | - | 282,529 | 758,949 | 522,563 | 151,233 | 3,578 | 14,016 | 1,600 | 70,964 | - | 121,836 | - |
| Due from other funds | 8,208 | - | - | - | - | - | - | - | - | 495 | - | 5,548 |
| Inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | 8,208 | 282,529 | 758,949 | 522,563 | 151,233 | 3,578 | 14,016 | 1,600 | 70,964 | 495 | 121,836 | 5,548 |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | |
| Accounts payable | - | - | 128,639 | 79,844 | - | - | - | - | 5,802 | - | 12,017 | - |
| Due to other funds | - | 282,529 | 630,310 | 442,719 | 151,233 | 3,578 | 14,016 | 1,600 | 65,162 | - | 109,819 | - |
| Due to others | - | - | - | - | - | - | - | - | - | 495 | - | 5,548 |
| Unearned revenue | 8,208 | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | 8,208 | 282,529 | 758,949 | 522,563 | 151,233 | 3,578 | 14,016 | 1,600 | 70,964 | 495 | 121,836 | 5,548 |
| Fund balances (deficits): | | | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - | - | - |
| Total fund balances (deficits) | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities and fund balances (deficits) | 8,208 | 282,529 | 758,949 | 522,563 | 151,233 | 3,578 | 14,016 | 1,600 | 70,964 | 495 | 121,836 | 5,548 |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Balance Sheet, Continued

Special Revenue Funds

| | Early Learning | Title I-A School Improvement 1003(g) | Positive Behavior Intervention Strategies | Early Intervention Infant Learning Program | Early Intervention Infant Learning Program Part C | Medical Assistance | Special Education Title VI-B | Special Education Section 619 | Safe Children's Act | ARPA Special Education Title VI-B | ELF ARPA | Adult Basic Education Unit 7556 |
|---|------------------|--------------------------------------|---|--|---|--------------------|------------------------------|-------------------------------|---------------------|-----------------------------------|--------------|---------------------------------|
| Assets | | | | | | | | | | | | |
| Accounts receivable | - | - | 8,461 | 13,861 | 25,651 | - | 106,041 | 6,245 | - | 31,293 | 2,745 | 31,608 |
| Due from other funds | 40,061 | 209 | - | - | - | 112,985 | - | - | 895 | - | - | - |
| Inventories | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | 40,061 | 209 | 8,461 | 13,861 | 25,651 | 112,985 | 106,041 | 6,245 | 895 | 31,293 | 2,745 | 31,608 |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | 134 | - | - | - | 1,067 | - |
| Due to other funds | - | - | 8,461 | 13,861 | 25,651 | - | 105,907 | 6,245 | - | 31,293 | 1,678 | 31,608 |
| Due to others | - | 209 | - | - | - | - | - | - | - | - | - | - |
| Unearned revenue | 40,061 | - | - | - | - | 112,985 | - | - | 895 | - | - | - |
| Total liabilities | 40,061 | 209 | 8,461 | 13,861 | 25,651 | 112,985 | 106,041 | 6,245 | 895 | 31,293 | 2,745 | 31,608 |
| Fund balances (deficits): | | | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - | - | - |
| Total fund balances (deficits) | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities and fund balances (deficits) | \$ 40,061 | 209 | 8,461 | 13,861 | 25,651 | 112,985 | 106,041 | 6,245 | 895 | 31,293 | 2,745 | 31,608 |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Balance Sheet, Continued

| | Special Revenue Funds | | | | | | | | | | |
|---|--|-------------------------------|-----------------------------|--|-------------------------|------------------------------|---------------------|---------------------------------|--|--------------|--------------------------------|
| | Title II-A Teacher and Principal Training | Educators Rising Alaska | Youth Leaders Program | Computer Lab Access Pilot Project | Literacy Connections | Native Youth in Action | Indian Education | Johnson O'Malley Contract | Rural Education Achievement Program | Our Youth | Manilaq ABE/GED Contract |
| Assets | | | | | | | | | | | |
| Accounts receivable | \$ 84,689 | - | 250,000 | - | 117,658 | 80,377 | 73,050 | - | 4,293 | 49,194 | 1,973 |
| Due from other funds | - | 1,810 | 728,117 | 120 | - | - | - | 277,962 | - | - | - |
| Inventory | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | 84,689 | 1,810 | 978,117 | 120 | 117,658 | 80,377 | 73,050 | 277,962 | 4,293 | 49,194 | 1,973 |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | |
| Accounts payable | 1,833 | - | - | - | 14,524 | 23,641 | 2,715 | 18,147 | 1,608 | - | 279 |
| Due to other funds | 62,856 | - | - | - | 103,134 | 56,736 | 70,335 | - | 2,685 | 49,194 | 1,441 |
| Due to others | - | - | - | - | - | - | - | - | - | - | - |
| Unearned revenue | - | 1,810 | 728,117 | 120 | - | - | - | 259,815 | - | - | 253 |
| Total liabilities | 84,689 | 1,810 | 728,117 | 120 | 117,658 | 80,377 | 73,050 | 277,962 | 4,293 | 49,194 | 1,973 |
| Fund balances (deficits): | | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | 250,000 | - | - | - | - | - | - | - | - |
| Unassigned | - | - | 250,000 | - | - | - | - | - | - | - | - |
| Total fund balances (deficits) | - | - | 250,000 | - | - | - | - | - | - | - | - |
| Total liabilities and fund balances (deficits) | \$ 84,689 | 1,810 | 978,117 | 120 | 117,658 | 80,377 | 73,050 | 277,962 | 4,293 | 49,194 | 1,973 |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Balance Sheet, Continued

Special Revenue Funds

| | Local Donation Payroll | Village Improvement Funds | Local Donation Professional and Technical Services | Noorvik Afterschool | IPRARS | Star of NW Magnet School | Manilaaq Health Activities | Manilaaq Counselor Program | Student Activities | Total Special Revenue Funds |
|---|------------------------------|---------------------------------|--|------------------------|--------|--------------------------------|----------------------------------|----------------------------------|-----------------------|--------------------------------------|
| Assets | | | | | | | | | | |
| Accounts receivable | \$ - | - | - | - | 14,061 | - | - | - | 750 | 5,314,984 |
| Due from other funds | 1,410,987 | 90,019 | 7,294 | 10,973 | - | 9,998 | 15,242 | 39,543 | 797,446 | 3,793,817 |
| Inventory | - | - | - | - | - | - | - | - | - | 143,679 |
| Total assets | 1,410,987 | 90,019 | 7,294 | 10,973 | 14,061 | 9,998 | 15,242 | 39,543 | 798,196 | 9,252,480 |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts payable | - | - | 3,570 | - | - | - | - | - | 26,092 | 588,306 |
| Due to other funds | - | - | - | - | 14,061 | - | - | - | - | 4,733,860 |
| Due to others | - | - | - | - | - | 9,998 | - | - | - | 16,250 |
| Unearned revenue | 1,410,987 | 90,019 | 3,724 | 10,389 | - | - | 15,242 | 27,149 | - | 2,764,184 |
| Total liabilities | 1,410,987 | 90,019 | 7,294 | 10,389 | 14,061 | 9,998 | 15,242 | 27,149 | 26,092 | 8,102,600 |
| Fund balances (deficits): | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | 143,679 |
| Restricted | - | - | - | 584 | - | - | - | - | 772,104 | 772,688 |
| Assigned | - | - | - | - | - | - | - | 12,394 | - | 301,942 |
| Unassigned | - | - | - | 584 | - | - | - | - | - | (68,429) |
| Total fund balances (deficits) | - | - | - | 584 | - | - | - | 12,394 | 772,104 | 1,149,880 |
| Total liabilities and fund balances (deficits) | \$ 1,410,987 | 90,019 | 7,294 | 10,973 | 14,061 | 9,998 | 15,242 | 39,543 | 798,196 | 9,252,480 |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Balance Sheet, Continued

Capital Project Funds

| | District Technology | Impact Aid Capital | Local Funded Maintenance | CIP Reserved Local Share | AHFC Selawik | AHFC Kivalina Teacher Housing | AHFC Kivalina THP-21-NAB-1 | Kivilina Bus Barn and Garage | Deering K-12 School Improvement | Shughnak K-12 School Improvement |
|--|---------------------|--------------------|--------------------------|--------------------------|--------------|-------------------------------|----------------------------|------------------------------|---------------------------------|----------------------------------|
| Assets | | | | | | | | | | |
| Accounts receivable | - | - | 140,247 | - | - | 35,599 | 43,363 | 157,615 | - | - |
| Due from other funds | 1,134,481 | 53,386 | 564,331 | 227,679 | 84,944 | - | - | - | 30,159 | 234,033 |
| Inventory | - | - | - | - | - | - | - | - | - | - |
| Total assets | 1,134,481 | 53,386 | 704,578 | 227,679 | 84,944 | 35,599 | 43,363 | 157,615 | 30,159 | 234,033 |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts payable | - | - | - | - | 84,944 | - | - | - | - | - |
| Due to other funds | - | - | - | - | - | 35,599 | 43,363 | 157,615 | - | - |
| Due to others | - | - | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - | - | 234,033 |
| Total liabilities | - | - | - | - | 84,944 | 35,599 | 43,363 | 157,615 | - | 234,033 |
| Fund balances (deficits): | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | 53,386 | - | - | - | - | - | - | - | - |
| Assigned | 1,134,481 | - | 704,578 | 227,679 | - | - | - | - | 30,159 | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Total fund balances (deficits) | 1,134,481 | 53,386 | 704,578 | 227,679 | - | - | - | - | 30,159 | - |
| Total liabilities and fund balances (deficits) | \$ 1,134,481 | \$ 53,386 | \$ 704,578 | \$ 227,679 | \$ 84,944 | \$ 35,599 | \$ 43,363 | \$ 157,615 | \$ 30,159 | \$ 234,033 |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Balance Sheet, Continued

Capital Project Funds

| | Kivalina K-12 Replacement School | Buckland HVAC | Alaska Technical Center Family Housing | Magnet School (ATC) Expansion Project | Construction Management | Selawik Renovations | June Nelson Elementary Roof Replacement | Total Capital Project Funds | Total Other Governmental Funds |
|---|---|------------------|---|--|----------------------------|------------------------|--|--------------------------------------|---|
| Assets | | | | | | | | | |
| Accounts receivable | \$ 957,114 | 60,230 | - | - | - | - | - | 1,394,168 | 6,709,152 |
| Due from other funds | 1,393,865 | - | 17,452 | 673,518 | 5,714 | - | - | 4,419,562 | 8,213,379 |
| Inventory | - | - | - | - | - | - | - | - | 143,679 |
| Total assets | 2,350,979 | 60,230 | 17,452 | 673,518 | 5,714 | - | - | 5,813,730 | 15,066,210 |
| Liabilities and Fund Balances (Deficits) | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts payable | 2,970 | 1,000 | - | - | 5,714 | - | - | 94,628 | 682,934 |
| Due to other funds | - | 59,230 | - | - | - | 29,681 | 637,799 | 963,287 | 5,697,147 |
| Due to others | - | - | - | - | - | - | - | - | 16,260 |
| Unearned revenue | 2,348,009 | - | - | - | - | - | - | 2,582,042 | 5,346,226 |
| Total liabilities | 2,350,979 | 60,230 | - | - | 5,714 | 29,681 | 637,799 | 3,639,957 | 11,742,557 |
| Fund balances (deficits): | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | 143,679 |
| Restricted | - | - | - | - | - | - | - | 53,386 | 826,074 |
| Assigned | - | - | 17,452 | 673,518 | - | - | - | 2,787,867 | 3,089,809 |
| Unassigned | - | - | - | - | - | (29,681) | (637,799) | (667,480) | (735,909) |
| Total fund balances (deficits) | - | - | 17,452 | 673,518 | - | (29,681) | (637,799) | 2,173,773 | 3,323,653 |
| Total liabilities and fund balances (deficits) | \$ 2,350,979 | 60,230 | 17,452 | 673,518 | 5,714 | - | - | 5,813,730 | 15,066,210 |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Year Ended June 30, 2023

| | Special Revenue Funds | | | | | | | | | |
|---|------------------------|---------------|-------------------------------------|-------------------------------------|--------------------|-----------------|----------------------|-----------------------------|------------------------|-----------|
| | Student Transportation | T.V.E.P Basic | Alaska Construction Academy Program | STAR of the Northwest Magnet School | Facilities Housing | Teacher Housing | S.T.E.P Construction | School Broadband Assistance | Rural Student Services | CARES Act |
| Revenues: | | | | | | | | | | |
| Local sources: | | | | | | | | | | |
| Charges for services | \$ - | - | - | - | - | 584,910 | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental: | | | | | | | | | | |
| State of Alaska | 49,739 | 1,063,351 | 185,090 | 676,546 | - | - | 187,385 | 3,750 | - | - |
| Borough appropriations | - | - | - | - | - | - | - | - | - | - |
| Federal sources: | | | | | | | | | | |
| Passed through the State of Alaska | - | - | - | - | - | - | - | - | - | 4,212 |
| Passed through other local entity | - | - | - | - | - | - | - | - | - | - |
| Direct | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 49,739 | 1,063,351 | 185,090 | 676,546 | - | 584,910 | 187,385 | 3,750 | - | 4,212 |
| Expenditures: | | | | | | | | | | |
| Instruction | - | - | 185,090 | - | - | 346,754 | - | - | - | - |
| Special education support services - students | - | - | - | - | - | - | - | - | - | - |
| Support services - students | - | 223,569 | - | 266,207 | - | - | - | - | - | - |
| Support services - instruction | - | - | - | 195,541 | - | - | 187,385 | 3,750 | - | - |
| School administration | - | - | - | 346 | - | - | - | - | - | - |
| School administration support services | - | 129,639 | - | - | - | - | - | - | - | - |
| District administration support services | - | - | - | - | - | - | - | - | - | - |
| Operations and maintenance of plant | - | 89,004 | - | 119,657 | - | 974,099 | - | - | - | 4,212 |
| Student activities | - | - | - | - | - | - | - | - | - | - |
| Student transportation- to and from school | 70,989 | - | - | - | - | - | - | - | - | - |
| Adult and continuing education instruction | - | 581,158 | - | - | - | - | - | - | - | - |
| Food services | - | 39,981 | - | 109,913 | - | - | - | - | - | - |
| Construction and facilities acquisition | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 70,989 | 1,063,351 | 185,090 | 691,664 | - | 1,320,853 | 187,385 | 3,750 | - | 4,212 |
| Excess (deficiency) of revenues over expenditures | (21,250) | - | - | (15,118) | - | (735,943) | - | - | - | - |
| Other financing sources (uses): | | | | | | | | | | |
| Transfers in | 21,250 | - | - | 63,268 | - | 735,833 | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | 21,250 | - | - | 63,268 | - | 735,833 | - | - | - | - |
| Net change in fund balances | - | - | - | 48,150 | - | (110) | - | - | - | - |
| Fund balances (deficits), beginning of year | - | - | - | 23,648 | 39,548 | 980 | - | - | - | - |
| Fund balances (deficits), end of year | - | - | - | 71,798 | 39,548 | 870 | - | - | - | - |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

Special Revenue Funds

| | CRRSA Act | ARPA ESSER | ARP Homeless | COVID Discretionary | Food Service | Consolidated Administration | Title I-A Basic | Title I-C Migrant Education | Title IV-A | Title I-A Parent Engagement | Title I-A Professional Development |
|---|------------------|------------------|---------------|---------------------|------------------|-----------------------------|------------------|-----------------------------|----------------|-----------------------------|------------------------------------|
| Revenues: | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | |
| Charges for services | - | - | - | - | 33,199 | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental: | | | | | | | | | | | |
| State of Alaska | - | - | - | - | - | - | - | - | - | - | - |
| Borough appropriations | - | - | - | - | - | - | - | - | - | - | - |
| Federal sources: | | | | | | | | | | | |
| Passed through the State of Alaska | 1,897,152 | 1,437,431 | 15,314 | 28,381 | 1,667,484 | 570,595 | 1,436,161 | 1,280,600 | 249,708 | 20,064 | 33,252 |
| Passed through other local entity | - | - | - | - | - | - | - | - | - | - | - |
| Direct | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 1,897,152 | 1,437,431 | 15,314 | 28,381 | 1,700,683 | 570,595 | 1,436,161 | 1,280,600 | 249,708 | 20,064 | 33,252 |
| Expenditures: | | | | | | | | | | | |
| Instruction | 22,110 | 665,872 | 14,712 | 27,855 | - | - | 839,548 | 1,188,930 | 126,014 | 19,276 | - |
| Special education support services - students | - | - | - | - | - | - | - | - | - | - | - |
| Support services - students | - | 439,256 | - | - | - | - | 297,340 | - | 41,112 | - | - |
| Support services - instruction | 505,144 | 277,460 | - | - | - | - | 242,888 | 41,351 | 72,770 | - | 31,945 |
| School administration | - | - | - | - | - | - | - | - | - | - | - |
| School administration support services | - | - | - | - | - | - | - | - | - | - | - |
| District administration support services | 369,898 | 54,843 | 602 | 526 | - | 570,595 | 56,385 | 50,319 | 9,812 | 788 | 1,307 |
| Operations and maintenance of plant | - | - | - | - | - | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | - | - | - | - | - | - | - | - | - |
| Adult and continuing education instruction | - | - | - | - | - | - | - | - | - | - | - |
| Food services | 1,000,000 | - | - | - | 1,777,476 | - | - | - | - | - | - |
| Construction and facilities acquisition | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 1,897,152 | 1,437,431 | 15,314 | 28,381 | 1,777,476 | 570,595 | 1,436,161 | 1,280,600 | 249,708 | 20,064 | 33,252 |
| Excess (deficiency) of revenues over expenditures | - | - | - | - | (76,793) | - | - | - | - | - | - |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | - | - | - | - | 76,794 | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | - | - | - | - | 76,794 | - | - | - | - | - | - |
| Net change in fund balances | - | - | - | - | 1 | - | - | - | - | - | - |
| Fund balances (deficits), beginning of year | - | - | - | - | 2,581 | - | - | - | - | - | - |
| Fund balances (deficits), end of year | - | - | - | - | 2,582 | - | - | - | - | - | - |

(continued)

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

Special Revenue Funds

| | Migrant Education - Books | Youth Risk Behavior | Career Technical Education | Title I-A School Improvement 1003(a) | Positive Behavior Intervention Strategies | Early Intervention Learning Program | Early Intervention Infant Learning Program Part C | Medical Assistance | Special Education Title VI-B | Special Education Section 619 | ARPA Special Education Title VI-B |
|---|---------------------------|---------------------|----------------------------|--------------------------------------|---|-------------------------------------|---|--------------------|------------------------------|-------------------------------|-----------------------------------|
| Revenues: | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | |
| Charges for services | | | | | | | | | | | |
| Other | | | | | | | | 14,846 | | | |
| Intergovernmental: | | | | | | | | | | | |
| State of Alaska | | 3,500 | | | | 134,537 | | | | | |
| Borough appropriations | | | | | | | | | | | |
| Federal sources: | | | | | | | | | | | |
| Passed through the State of Alaska | 13,142 | 1,750 | 115,847 | 144,080 | 13,314 | | 113,560 | | 491,803 | 13,956 | 47,093 |
| Passed through other local entity | | | | | | | | | | | |
| Direct | | | | | | | | | | | |
| Total revenues | 13,142 | 5,250 | 115,847 | 144,080 | 13,314 | 134,537 | 113,560 | 14,846 | 491,803 | 13,956 | 47,093 |
| Expenditures: | | | | | | | | | | | |
| Instruction | 12,626 | | 111,295 | 32,750 | | 129,251 | 109,098 | | 472,479 | 13,408 | 45,554 |
| Special education support services - students | | | | | | | | | | | |
| Support services - students | | 5,250 | | | 12,791 | | | | | | |
| Support services - instruction | | | | 105,669 | | | | | | | |
| School administration | | | | | | | | | | | |
| School administration support services | | | | | | | | | | | |
| District administration support services | 516 | | 4,552 | 5,661 | 523 | 5,286 | 4,462 | | 19,324 | 548 | 1,539 |
| Operations and maintenance of plant | | | | | | | | | | | |
| Student activities | | | | | | | | | | | |
| Student transportation - to and from school | | | | | | | | | | | |
| Adult and continuing education instruction | | | | | | | | | | | |
| Food services | | | | | | | | | | | |
| Construction and facilities acquisition | | | | | | | | | | | |
| Total expenditures | 13,142 | 5,250 | 115,847 | 144,080 | 13,314 | 134,537 | 113,560 | 14,846 | 491,803 | 13,956 | 47,093 |
| Excess (deficiency) of revenues over expenditures | | | | | | | | | | | |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | | | | | | | | | | | |
| Transfers out | | | | | | | | | | | |
| Net other financing sources (uses) | | | | | | | | | | | |
| Net change in fund balances | | | | | | | | | | | |
| Fund balances (deficits), beginning of year | | | | | | | | | | | |
| Fund balances (deficits), end of year | | | | | | | | | | | |

(continued)



NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

Special Revenue Funds

| | ARPA Special Education Section 619 | ELF ARPA | Adult Basic Education Unit 7556 | Title II-A Teacher and Principal Training | Youth Leaders Program | Literacy Connections | Native Youth in Action | Indian Education | Johnson O'Malley | Johnson O'Malley Contract | Rural Education Achievement Program |
|---|---|-------------|--|--|-----------------------------|-------------------------|------------------------------|---------------------|---------------------|---------------------------------|--|
| Revenues: | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | 449,834 | - | - | - | - | - | - |
| Intergovernmental: | | | | | | | | | | | |
| State of Alaska | - | - | 52,301 | - | - | - | - | - | - | - | - |
| Borough appropriations | - | - | - | - | - | - | - | - | - | - | - |
| Federal sources: | | | | | | | | | | | |
| Passed through the State of Alaska | 2,299 | 13,582 | 29,018 | 316,771 | - | - | - | - | - | - | - |
| Passed through other local entity | - | - | - | - | - | 623,450 | 259,234 | 727,197 | 12,163 | 77,513 | 51,677 |
| Direct | - | - | - | - | - | 623,450 | 259,234 | 727,197 | 12,163 | 77,513 | 51,677 |
| Total revenues | 2,299 | 13,582 | 81,319 | 316,771 | 449,834 | 623,450 | 259,234 | 727,197 | 12,163 | 77,513 | 51,677 |
| Expenditures: | | | | | | | | | | | |
| Instruction | - | - | - | - | - | 248,805 | 240,516 | 121,846 | - | - | - |
| Special education support services - students | 2,209 | 12,485 | - | - | - | - | - | - | - | - | - |
| Support services - students | - | 563 | - | - | 199,834 | - | - | - | - | - | - |
| Support services - instruction | - | - | - | 304,324 | - | 345,662 | 8,532 | 576,777 | 12,163 | 77,513 | 49,646 |
| School administration | - | - | 2,295 | - | - | - | - | - | - | - | - |
| School administration support services | - | - | - | - | - | - | - | - | - | - | - |
| District administration support services | 90 | 534 | - | 12,447 | - | 28,983 | 10,186 | 28,574 | - | - | 2,031 |
| Operations and maintenance of plant | - | - | - | - | - | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | - | - | - | - | - | - | - | - | - |
| Adult and continuing education instruction | - | - | 79,024 | - | - | - | - | - | - | - | - |
| Food services | - | - | - | - | - | - | - | - | - | - | - |
| Construction and facilities acquisition | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 2,299 | 13,582 | 81,319 | 316,771 | 199,834 | 623,450 | 259,234 | 727,197 | 12,163 | 77,513 | 51,677 |
| Excess (deficiency) of revenues | - | - | - | - | 250,000 | - | - | - | - | - | - |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | - | - | - | - | 250,000 | - | - | - | - | - | - |
| Change in fund balances | - | - | - | - | - | - | - | - | - | - | - |
| Fund balances (deficits), beginning of year | - | - | - | - | - | - | - | - | - | - | - |
| Fund balances (deficits), end of year | - | - | - | - | 250,000 | - | - | - | - | - | - |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

| | Special Revenue Funds | | | | | | | | | | Total Special Revenue Funds |
|---|-----------------------|--------------------------|------------------------|---------------------------|--|----------------------|---------|---------------------------|---------------------------|--------------------|-----------------------------|
| | Our Youth | Manilaq ABE/GED Contract | Local Donation Payroll | Village Improvement Funds | Local Donation Professional and Technical Services | Noorvik After School | IPRARS | Manilaq Health Activities | Manilaq Counselor Program | Student Activities | |
| Revenues: | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | |
| Charges for services | - | - | - | - | - | - | - | - | - | - | 618,109 |
| Other | - | 4,667 | 272,959 | - | 54,686 | - | - | 34,758 | 39,543 | 575,716 | 1,447,009 |
| Intergovernmental: | | | | | | | | | | | |
| State of Alaska | - | - | - | 75,556 | - | - | - | - | - | - | 2,643,774 |
| Borough appropriations | - | - | - | - | - | - | - | - | - | - | 75,556 |
| Federal sources: | | | | | | | | | | | |
| Passed through the State of Alaska | - | - | - | - | - | - | 198,516 | - | - | - | 9,956,569 |
| Passed through other local entity | - | - | - | - | - | - | - | - | - | - | 198,516 |
| Direct | 176,330 | - | - | - | - | - | - | - | - | - | 1,927,564 |
| Total revenues | 176,330 | 4,667 | 272,959 | 75,556 | 54,686 | - | 198,516 | 34,758 | 39,543 | 575,716 | 16,867,097 |
| Expenditures: | | | | | | | | | | | |
| Instruction | - | - | 272,959 | 75,556 | - | - | - | - | - | - | 4,834,522 |
| Special education support services - students | - | - | - | - | - | - | - | - | - | - | 799,330 |
| Support services - students | 169,401 | - | - | - | - | - | - | 34,758 | 27,149 | - | 1,704,439 |
| Support services - instruction | - | - | - | - | - | - | 198,516 | - | - | - | 3,249,827 |
| School administration | - | - | - | - | - | - | - | - | - | - | 8,208 |
| School administration support services | - | - | - | - | - | - | - | - | - | - | 129,639 |
| District administration support services | 6,929 | - | - | - | - | - | - | - | - | - | 1,251,472 |
| Operations and maintenance of plant | - | - | - | - | - | - | - | - | - | - | 1,182,760 |
| Student activities | - | - | - | - | - | - | - | - | - | - | 434,307 |
| Student transportation - to and from school | - | - | - | - | 54,686 | - | - | - | - | 379,621 | 70,989 |
| Adult and continuing education instruction | - | 4,667 | - | - | - | - | - | - | - | - | 664,849 |
| Food services | - | - | - | - | - | - | - | - | - | - | 2,927,370 |
| Construction and facilities acquisition | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 176,330 | 4,667 | 272,959 | 75,556 | 54,686 | - | 198,516 | 34,758 | 27,149 | 379,621 | 17,257,712 |
| Excess (deficiency) of revenues over expenditures | - | - | - | - | - | - | - | - | 12,394 | 196,095 | (390,615) |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - | - | - | 897,145 |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | - | - | - | - | - | - | - | - | - | - | 897,145 |
| Net change in fund balances | - | - | - | - | - | - | - | - | 12,394 | 196,095 | 506,530 |
| Fund balances (deficits), beginning of year | - | - | - | - | - | - | 584 | - | - | 576,009 | 643,350 |
| Fund balances (deficits), end of year | - | - | - | - | - | - | 584 | - | 12,394 | 772,104 | 1,149,880 |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

| | Capital Project Funds | | | | | | | | | |
|---|-----------------------|--------------------|--------------------------|--------------------------|--------------|-------------------------------|----------------------------|------------------------------|---------------------------------|----------------------------------|
| | District Technology | Impact Aid Capital | Local Funded Maintenance | CJP Reserved Local Share | AHFC Selawik | AHFC Kivalina Teacher Housing | AHFC Kivalina THP-21-NAB-1 | Kivalina Bus Barn and Garage | Deering K-12 School Improvement | Kivalina K-12 Replacement School |
| Revenues: | | | | | | | | | | |
| Local sources: | | | | | | | | | | |
| Charges for services | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | 140,247 | 17,755 | - | - | - | - | - | - |
| Intergovernmental: | | | | | | | | | | |
| State of Alaska | - | - | - | - | 196,423 | - | 96,601 | 193,487 | - | 6,188,974 |
| Borough appropriations | - | - | - | - | - | - | - | - | - | 1,546,744 |
| Federal sources: | | | | | | | | | | |
| Passed through the State of Alaska | - | - | - | - | - | - | - | - | - | - |
| Passed through other local entity | - | - | - | - | - | - | - | - | - | - |
| Direct | - | - | - | - | - | - | - | - | - | - |
| Total revenues | - | - | 140,247 | 17,755 | 196,423 | - | 96,601 | 193,487 | - | 7,733,718 |
| Expenditures: | | | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - | - | - |
| Special education support services - students | - | - | - | - | - | - | - | - | - | - |
| Support services - students | - | - | - | - | - | - | - | - | - | - |
| Support services - instruction | - | - | - | - | - | - | - | - | - | - |
| School administration | - | - | - | - | - | - | - | - | - | - |
| School administration support services | - | - | - | - | - | - | - | - | - | - |
| District administration support services | - | - | - | - | - | - | - | - | - | - |
| Operations and maintenance of plant | - | - | 20,945 | - | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | 443,144 | - | - | - | - | - | - | - |
| Adult and continuing education instruction | - | - | - | - | - | - | - | - | - | - |
| Food services | - | - | - | - | - | - | - | - | - | - |
| Construction and facilities acquisition | - | - | 924,412 | - | 363,190 | 410,625 | 376,391 | 193,487 | 51,565 | 7,733,718 |
| Total expenditures | - | - | 1,388,501 | - | 363,190 | 410,625 | 376,391 | 193,487 | 51,565 | 7,733,718 |
| Excess (deficiency) of revenues over expenditures | - | - | (1,248,254) | 17,755 | (166,767) | (410,625) | (279,790) | - | (51,565) | - |
| Other financing sources (uses): | | | | | | | | | | |
| Registers in | - | - | 1,200,000 | - | 45,441 | 358,476 | 256,143 | - | - | - |
| Registers out | - | - | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | - | - | 1,200,000 | - | 45,441 | 358,476 | 256,143 | - | - | - |
| Change in fund balances | - | - | (48,254) | 17,755 | (121,326) | (52,149) | (23,647) | - | (51,565) | - |
| and balances (deficits), beginning of year | 1,134,481 | 53,386 | 752,832 | 209,924 | 121,326 | 52,149 | 23,647 | - | 81,724 | - |
| and balances (deficits), end of year | 1,134,481 | 53,386 | 704,578 | 227,679 | - | - | - | - | 30,159 | - |

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

| | Capital Project Funds | | | | | | | | | | Total Other Governmental Funds |
|---|-----------------------|--------------------------------|---|--|--------------------------------------|----------------------------|------------------------|--|--------------------------------------|---|---|
| | Buckland HVAC | Kivalina Teacher Housing | Alaska Technical Center Family Housing | Magnet School (ATC) Expansion Project | Kotzebue Magnet School Dorm | Construction Management | Selawik Renovations | June Nelson Elementary Roof Replacement | Total Capital Project Funds | | |
| Revenues: | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | |
| Charges for services | - | - | - | - | - | - | - | - | - | - | 618,109 |
| Other | - | - | - | - | - | - | - | - | 158,002 | - | 1,605,011 |
| Intergovernmental: | | | | | | | | | | | |
| State of Alaska | 60,230 | - | - | - | - | - | - | - | 6,733,715 | - | 9,377,489 |
| Borough appropriations | - | - | - | - | - | - | - | - | 1,546,744 | - | 1,622,300 |
| Federal sources: | | | | | | | | | | | |
| Passed through the State of Alaska | - | - | - | - | - | - | - | - | - | - | 9,956,569 |
| Passed through other local entity | - | - | - | - | - | - | - | - | - | - | 196,516 |
| Direct | - | - | - | - | - | - | - | - | - | - | 1,927,564 |
| Total revenues | 60,230 | - | - | - | - | - | - | - | 8,438,461 | - | 25,305,558 |
| Expenditures: | | | | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - | - | - | 4,834,522 |
| Special education support services - students | - | - | - | - | - | - | - | - | - | - | 799,330 |
| Support services - students | - | - | - | - | - | - | - | - | - | - | 1,704,439 |
| Support services - instruction | - | - | - | - | - | - | - | - | - | - | 3,249,827 |
| School administration | - | - | - | - | - | - | - | - | - | - | 8,208 |
| School administration support services | - | - | - | - | - | - | - | - | - | - | 129,639 |
| District administration support services | - | - | - | - | - | - | - | - | - | - | 1,251,472 |
| Operations and maintenance of plant | - | - | - | - | - | - | - | - | 20,945 | - | 1,203,705 |
| Student activities | - | - | - | - | - | - | - | - | - | - | 434,307 |
| Student transportation - to and from school | - | - | - | - | - | - | - | - | 443,144 | - | 514,133 |
| Adult and continuing education instruction | - | - | - | - | - | - | - | - | - | - | 664,849 |
| Food services | - | - | - | - | - | - | - | - | - | - | 2,927,370 |
| Construction and facilities acquisition | 52,024 | 1,708,266 | 95,703 | - | - | 34,699 | 4,480 | 637,799 | 12,586,359 | - | 12,586,359 |
| Total expenditures | 52,024 | 1,708,266 | 95,703 | - | - | 34,699 | 4,480 | 637,799 | 13,050,448 | - | 30,308,160 |
| Excess (deficiency) of revenues over expenditures | 8,206 | (1,708,266) | (95,703) | - | - | (34,699) | (4,480) | (637,799) | (4,611,987) | - | (5,002,602) |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | - | 322,058 | 113,155 | - | - | 34,699 | - | - | 2,329,972 | - | 3,227,117 |
| Transfers out | - | - | - | (507,439) | (299,947) | - | - | - | (807,386) | - | (807,386) |
| Net other financing sources (uses) | - | 322,058 | 113,155 | (507,439) | (299,947) | 34,699 | - | - | 1,522,586 | - | 2,419,731 |
| Net change in fund balances | 8,206 | (1,386,208) | 17,452 | (507,439) | (299,947) | - | (4,480) | (637,799) | (3,089,401) | - | (2,562,871) |
| Fund balances (deficits), beginning of year | (8,206) | 1,386,208 | - | 1,180,957 | 299,947 | - | (25,201) | - | 5,263,174 | - | 5,906,524 |
| Fund balances (deficits), end of year | - | - | 17,452 | 673,518 | - | - | (29,681) | (637,799) | 2,173,773 | - | 3,323,653 |

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|-----------------|---------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 49,739 | 49,739 | - |
| Expenditures: | | | |
| Student transportation - to and from school: | | | |
| Non-certificated salaries | 60,413 | 39,158 | 21,255 |
| Employee benefits | 39,763 | 27,641 | 12,122 |
| Staff travel | - | 3,319 | (3,319) |
| Supplies, materials and media | - | 871 | (871) |
| Total expenditures | <u>100,176</u> | <u>70,989</u> | <u>29,187</u> |
| Excess (deficiency) of revenues over expenditures | (50,437) | (21,250) | 29,187 |
| Other financing sources: | | | |
| Transfer in - School Operating Fund | <u>50,000</u> | <u>21,250</u> | <u>(28,750)</u> |
| Net change in fund balance | <u>\$ (437)</u> | - | <u>437</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

T.V.E.P Basic Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|--------------|-----------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 1,233,500 | 1,063,351 | (170,149) |
| Expenditures: | | | |
| Support services - students: | | | |
| Non-certificated salaries | 233,450 | 133,868 | 99,582 |
| Employee benefits | 68,587 | 70,143 | (1,556) |
| Supplies, materials and media | 15,495 | 19,558 | (4,063) |
| Total support services - students | 317,532 | 223,569 | 93,963 |
| School administration support services: | | | |
| Non-certificated salaries | 112,546 | 80,862 | 31,684 |
| Employee benefits | 54,013 | 48,777 | 5,236 |
| Total school administration support services | 166,559 | 129,639 | 36,920 |
| Operations and maintenance of plant: | | | |
| Professional and technical services | 83,320 | 67,342 | 15,978 |
| Energy | 22,000 | 21,662 | 338 |
| Total operations and maintenance of plant | 105,320 | 89,004 | 16,316 |
| Adult and continuing education instruction: | | | |
| Certificated salaries | 102,239 | 89,286 | 12,953 |
| Non-certificated salaries | 20,000 | 17,921 | 2,079 |
| Employee benefits | 61,230 | 47,877 | 13,353 |
| Professional and technical services | 292,897 | 269,611 | 23,286 |
| Staff travel | 2,858 | 3,477 | (619) |
| Student travel | 39,760 | 78,754 | (38,994) |
| Other purchased services | 11,000 | 5,286 | 5,714 |
| Supplies, materials and media | 54,105 | 58,946 | (4,841) |
| Tuition-students and stipends | 20,000 | 10,000 | 10,000 |
| Total adult and continuing education instruction | 604,089 | 581,158 | 22,931 |
| Food services: | | | |
| Supplies, materials and media | 40,000 | 39,981 | 19 |
| Total expenditures | 1,233,500 | 1,063,351 | 170,149 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Alaska Construction Academy Program Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|------------|---------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 230,360 | 185,090 | (45,270) |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 35,189 | 34,177 | 1,012 |
| Non-certificated salaries | 19,000 | 17,921 | 1,079 |
| Employee benefits | 47,095 | 23,303 | 23,792 |
| Professional and technical services | 15,350 | 5,695 | 9,655 |
| Staff travel | 5,120 | - | 5,120 |
| Supplies, materials and media | 60,606 | 56,016 | 4,590 |
| Tuition-students and stipends | 48,000 | 47,978 | 22 |
| Total expenditures | 230,360 | 185,090 | 45,270 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

STAR of the Northwest Magnet School Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|----------------|----------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 602,306 | 676,546 | 74,240 |
| Expenditures: | | | |
| Support services - students: | | | |
| Certificated salaries | 10,200 | 6,100 | 4,100 |
| Non-certificated salaries | 205,277 | 172,117 | 33,160 |
| Employee benefits | 119,149 | 74,793 | 44,356 |
| Supplies, materials and media | 15,000 | 13,197 | 1,803 |
| Total support services - students | <u>349,626</u> | <u>266,207</u> | <u>83,419</u> |
| Support services - instruction: | | | |
| Non-certificated salaries | 77,427 | 109,366 | (31,939) |
| Employee benefits | 41,036 | 51,831 | (10,795) |
| Student travel | 35,000 | 34,344 | 656 |
| Total support services - instruction | <u>153,463</u> | <u>195,541</u> | <u>(42,078)</u> |
| School administration: | | | |
| Staff travel | - | 346 | (346) |
| Operations and maintenance of plant: | | | |
| Professional and technical services | 53,419 | 61,166 | (7,747) |
| Utility services | 10,500 | 16,921 | (6,421) |
| Energy | 80,700 | 41,570 | 39,130 |
| Total operations and maintenance of plant | <u>144,619</u> | <u>119,657</u> | <u>24,962</u> |
| Food services: | | | |
| Professional and technical services | 57,000 | 56,736 | 264 |
| Supplies, materials and media | 63,168 | 53,177 | 9,991 |
| Total food services | <u>120,168</u> | <u>109,913</u> | <u>10,255</u> |
| Total expenditures | <u>767,876</u> | <u>691,664</u> | <u>76,212</u> |
| Excess (deficiency) of revenues over expenditures | (165,570) | (15,118) | 150,452 |
| Other financing sources: | | | |
| Transfer in - School Operating Fund | 165,570 | 63,268 | (102,302) |
| Net change in fund balance | \$ - | 48,150 | 48,150 |
| Fund balance, beginning of year | | 23,648 | |
| Fund balance, end of year | | \$ 71,798 | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Teacher Housing Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|-----------|--|
| Revenues - local sources: | | | |
| Charges for services - rental income | \$ 600,001 | 584,910 | (15,091) |
| Expenditures: | | | |
| Instruction: | | | |
| Employee benefits | 6,700 | 6,700 | - |
| Housing allowance/subsidy | 340,054 | 340,054 | - |
| Total instruction | 346,754 | 346,754 | - |
| Operations and maintenance of plant: | | | |
| Certificated salaries | 27,446 | 27,446 | - |
| Non-certificated salaries | 178,747 | 178,746 | 1 |
| Employee benefits | 111,140 | 111,139 | 1 |
| Staff travel | 16,784 | 16,784 | - |
| Utility services | 101,341 | 101,340 | 1 |
| Energy | 328,182 | 328,184 | (2) |
| Other purchased services | 94,802 | 94,802 | - |
| Supplies, materials and media | 115,657 | 115,658 | (1) |
| Total operations and maintenance of plant | 974,099 | 974,099 | - |
| Total expenditures | 1,320,853 | 1,320,853 | - |
| Excess (deficiency) of revenues over expenditures | (720,852) | (735,943) | (15,091) |
| Other financing sources: | | | |
| Transfer in - School Operating Fund | 720,852 | 735,833 | 14,981 |
| Net change in fund balance | \$ - | (110) | (110) |
| Fund balance, beginning of year | | 980 | |
| Fund balance, end of year | | \$ 870 | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

S.T.E.P Construction Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--|----------------|----------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 300,000 | 287,575 | (12,425) |
| Expenditures: | | | |
| Instruction: | | | |
| Professional and technical services | 87,410 | 87,410 | - |
| Student travel | 68,764 | 67,567 | 1,197 |
| Other purchased services | 5,000 | - | 5,000 |
| Supplies, materials and media | 3,300 | 2,111 | 1,189 |
| Tuition-students and stipends | 130,000 | 124,920 | 5,080 |
| Total instruction | <u>294,474</u> | <u>282,008</u> | <u>12,466</u> |
| School administration: | | | |
| Other purchased services | <u>5,526</u> | <u>5,567</u> | <u>(41)</u> |
| Total expenditures | <u>300,000</u> | <u>287,575</u> | <u>12,425</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

School Broadband Assistance Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|------------|---------|--|
| Revenues - Intergovernmental: | | | |
| State of Alaska | \$ 187,385 | 187,385 | - |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Utility services | 187,385 | 187,385 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Rural Student Services Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|----------|--------|--|
| Revenues - Intergovernmental: | | | |
| State of Alaska | \$ 3,750 | 3,750 | - |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Supplies, materials and media | 3,750 | 3,750 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

CARES Act Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 4,212 | 4,212 | - |
| Expenditures: | | | |
| District administration support services: | | | |
| Supplies, materials and media | 4,047 | 4,047 | - |
| Indirect costs | 165 | 165 | - |
| Total expenditures | <u>4,212</u> | <u>4,212</u> | <u>-</u> |
| Excess of revenues over expenditures | \$ - | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

CRRSA Act Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|------------------|------------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 1,918,652 | 1,897,152 | (21,500) |
| Expenditures: | | | |
| Instruction: | | | |
| Staff travel | 14,567 | 14,567 | - |
| Supplies, materials and media | 7,543 | 7,543 | - |
| Total instruction | <u>22,110</u> | <u>22,110</u> | <u>-</u> |
| Support services - instruction: | | | |
| Professional and technical services | 144,400 | 144,400 | - |
| Supplies, materials and media | 326,740 | 326,740 | - |
| Equipment | 34,004 | 34,004 | - |
| Total support services - instruction | <u>505,144</u> | <u>505,144</u> | <u>-</u> |
| District administration support services: | | | |
| Supplies, materials and media | 44,317 | 44,317 | - |
| Indirect costs | 62,886 | 62,886 | - |
| Equipment | 284,195 | 262,695 | 21,500 |
| Total district administration support services | <u>391,398</u> | <u>369,898</u> | <u>21,500</u> |
| Food services: | | | |
| Professional and technical services | <u>1,000,000</u> | <u>1,000,000</u> | <u>-</u> |
| Total expenditures | <u>1,918,652</u> | <u>1,897,152</u> | <u>21,500</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

ARPA ESSER Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|--------------|-----------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 2,054,867 | 1,437,431 | (617,436) |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 410,635 | 343,466 | 67,169 |
| Non-certificated salaries | 36,001 | 4,219 | 31,782 |
| Employee benefits | 287,000 | 148,170 | 138,830 |
| Supplies, materials and media | 188,906 | 128,330 | 60,576 |
| Equipment | 41,687 | 41,687 | - |
| Total instruction | 964,229 | 665,872 | 298,357 |
| Support services - students: | | | |
| Certificated salaries | 400,000 | 314,690 | 85,310 |
| Employee benefits | 250,000 | 124,566 | 125,434 |
| Total support services - students | 650,000 | 439,256 | 210,744 |
| Support services - instruction: | | | |
| Certificated salaries | 10,000 | 10,000 | - |
| Non-certificated salaries | 6,000 | 6,000 | - |
| Employee benefits | 1,715 | 1,678 | 37 |
| Supplies, materials and media | 343,820 | 259,782 | 84,038 |
| Total support services - instruction | 361,535 | 277,460 | 84,075 |
| District administration support services: | | | |
| Indirect costs | 79,103 | 54,843 | 24,260 |
| Total expenditures | 2,054,867 | 1,437,431 | 617,436 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

ARP Homeless Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 22,830 | 15,314 | (7,516) |
| Expenditures: | | | |
| Instruction: | | | |
| Supplies, materials and media | 21,933 | 14,712 | 7,221 |
| District administration support services: | | | |
| Indirect costs | 897 | 602 | 295 |
| Total expenditures | 22,830 | 15,314 | 7,516 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

COVID Discretionary Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|-----------|--------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 48,767 | 28,381 | (20,386) |
| Expenditures: | | | |
| Instruction: | | | |
| Professional and technical services | 13,845 | 4,995 | 8,850 |
| Supplies, materials and media | 11,010 | 7,865 | 3,145 |
| Equipment | 19,308 | 14,995 | 4,313 |
| Total instruction | 44,163 | 27,855 | 16,308 |
| Support services - instruction: | | | |
| Certificated salaries | 3,000 | - | 3,000 |
| Employee benefits | 446 | - | 446 |
| Total support services - instruction | 3,446 | - | 3,446 |
| District administration support services: | | | |
| Indirect costs | 1,158 | 526 | 632 |
| Total expenditures | 48,767 | 28,381 | 20,386 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Food Service Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|-------------|-----------|--|
| Revenues: | | | |
| Local sources: | | | |
| Charges for services | \$ 56,000 | 33,199 | (22,801) |
| Intergovernmental: | | | |
| State of Alaska | 13,500 | - | (13,500) |
| Federal sources passed through the State of Alaska | 1,696,525 | 1,667,484 | (29,041) |
| Total revenue | 1,766,025 | 1,700,683 | (65,342) |
| Expenditures: | | | |
| Food services: | | | |
| Non-certificated salaries | 55,408 | 55,408 | - |
| Employee benefits | 40,388 | 39,582 | 806 |
| Professional and technical services | 2,528,205 | 1,375,752 | 1,152,453 |
| Supplies, materials and media | 146,525 | 306,479 | (159,954) |
| Other | 300 | 255 | 45 |
| Total expenditures | 2,770,826 | 1,777,476 | 993,350 |
| Excess (deficiency) of revenues over expenditures | (1,004,801) | (76,793) | 928,008 |
| Other financing sources: | | | |
| Transfer in - School Operating Fund | 1,004,801 | 76,794 | (928,007) |
| Net change in fund balance | \$ - | 1 | 1 |
| Fund balance, beginning of year | | 2,581 | |
| Fund balance, end of year | | \$ 2,582 | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Consolidated Administration Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|----------------|----------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 599,700 | 570,595 | (29,105) |
| Expenditures: | | | |
| District administration support services: | | | |
| Certificated salaries | 277,355 | 271,861 | 5,494 |
| Non-certificated salaries | 98,160 | 93,487 | 4,673 |
| Employee benefits | 146,965 | 143,867 | 3,098 |
| Professional and technical services | 5,401 | 4,501 | 900 |
| Staff travel | 34,203 | 22,119 | 12,084 |
| Supplies, materials and media | 14,052 | 12,340 | 1,712 |
| Indirect costs | 23,564 | 22,420 | 1,144 |
| Total expenditures | <u>599,700</u> | <u>570,595</u> | <u>29,105</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------------|--------------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ <u>1,801,625</u> | <u>1,436,161</u> | <u>(365,464)</u> |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 237,677 | 237,676 | 1 |
| Non-certificated salaries | 142,873 | 42,096 | 100,777 |
| Employee benefits | 210,783 | 98,290 | 112,493 |
| Supplies, materials and media | 490,188 | 461,486 | 28,702 |
| Total instruction | <u>1,081,521</u> | <u>839,548</u> | <u>241,973</u> |
| Support services - students: | | | |
| Certificated salaries | 242,412 | 212,816 | 29,596 |
| Employee benefits | 118,665 | 84,524 | 34,141 |
| Staff travel | 12,402 | - | 12,402 |
| Total support services - students | <u>373,479</u> | <u>297,340</u> | <u>76,139</u> |
| Support services - instruction: | | | |
| Certificated salaries | 127,626 | 125,626 | 2,000 |
| Non-certificated salaries | 35,118 | 35,117 | 1 |
| Employee benefits | 61,703 | 60,280 | 1,423 |
| Professional and technical services | 1,125 | 1,125 | - |
| Staff travel | 13,240 | 11,300 | 1,940 |
| Supplies, materials and media | 32,699 | 8,271 | 24,428 |
| Tuition-students and stipends | 4,500 | 1,169 | 3,331 |
| Total support services - instruction | <u>276,011</u> | <u>242,888</u> | <u>33,123</u> |
| District administration support services: | | | |
| Indirect costs | <u>70,614</u> | <u>56,385</u> | <u>14,229</u> |
| Total expenditures | <u>1,801,625</u> | <u>1,436,161</u> | <u>365,464</u> |
| Excess of revenues over expenditures | \$ <u><u>-</u></u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u><u>-</u></u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Title I-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|------------------|------------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 1,858,283 | 1,280,600 | (577,683) |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 220,000 | 191,300 | 28,700 |
| Non-certificated salaries | 479,510 | 335,045 | 144,465 |
| Employee benefits | 459,850 | 237,668 | 222,182 |
| Professional and technical services | 36,000 | 14,360 | 21,640 |
| Student travel | 16,550 | 6,953 | 9,597 |
| Supplies, materials and media | 490,556 | 403,604 | 86,952 |
| Total instruction | <u>1,702,466</u> | <u>1,188,930</u> | <u>513,536</u> |
| Support services - instruction: | | | |
| Certificated salaries | 2,000 | 2,000 | - |
| Non-certificated salaries | 32,500 | 10,703 | 21,797 |
| Employee benefits | 3,895 | 7,088 | (3,193) |
| Professional and technical services | 5,200 | 1,425 | 3,775 |
| Staff travel | 39,204 | 20,135 | 19,069 |
| Total support services - instruction | <u>82,799</u> | <u>41,351</u> | <u>41,448</u> |
| District administration support services: | | | |
| Indirect costs | <u>73,018</u> | <u>50,319</u> | <u>22,699</u> |
| Total expenditures | <u>1,858,283</u> | <u>1,280,600</u> | <u>577,683</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Title IV-A Special Revenue Funds

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|---------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 285,629 | 249,708 | (35,921) |
| Expenditures: | | | |
| Instruction: | | | |
| Professional and technical services | 13,400 | 13,400 | - |
| Student travel | 62,957 | 61,634 | 1,323 |
| Supplies, materials and media | 50,980 | 50,980 | - |
| Total instruction | 127,337 | 126,014 | 1,323 |
| Support services - students: | | | |
| Supplies, materials and media | 43,080 | 41,112 | 1,968 |
| Support services - instruction: | | | |
| Certificated salaries | 59,667 | 42,467 | 17,200 |
| Non-certificated salaries | 18,084 | 13,834 | 4,250 |
| Employee benefits | 6,430 | 2,045 | 4,385 |
| Professional and technical services | 1,320 | 1,320 | - |
| Staff travel | 12,640 | 7,256 | 5,384 |
| Other | 5,848 | 5,848 | - |
| Total support services - instruction | 103,989 | 72,770 | 31,219 |
| District administration support services: | | | |
| Indirect costs | 11,223 | 9,812 | 1,411 |
| Total expenditures | 285,629 | 249,708 | 35,921 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Title I-A Parent Engagement Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 48,941 | 20,064 | (28,877) |
| Expenditures: | | | |
| Instruction: | | | |
| Supplies, materials and media | 47,018 | 19,276 | 27,742 |
| District administration support services: | | | |
| Indirect costs | 1,923 | 788 | 1,135 |
| Total expenditures | 48,941 | 20,064 | 28,877 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Title I-A Professional Development Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|--------------------|--------------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ <u>33,829</u> | <u>33,252</u> | <u>(577)</u> |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Professional and technical services | 5,450 | 5,450 | - |
| Staff travel | <u>27,050</u> | <u>26,495</u> | <u>555</u> |
| Total support services - instruction | <u>32,500</u> | <u>31,945</u> | <u>555</u> |
| District administration support services: | | | |
| Indirect costs | <u>1,329</u> | <u>1,307</u> | <u>22</u> |
| Total expenditures | <u>33,829</u> | <u>33,252</u> | <u>577</u> |
| Excess of revenues over expenditures | \$ <u><u>-</u></u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u><u>-</u></u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Migrant Education - Books Special Revenue Funds

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|--------------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 21,700 | 13,142 | (8,558) |
| Expenditures: | | | |
| Instruction: | | | |
| Supplies, materials and media | 20,847 | 12,626 | 8,221 |
| District administration support services: | | | |
| Indirect costs | 853 | 516 | 337 |
| Total expenditures | <u>21,700</u> | <u>13,142</u> | <u>8,558</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u><u>-</u></u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Youth Risk Behavior Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| State of Alaska | \$ 3,500 | 3,500 | - |
| Federal sources passed through the State of Alaska | <u>1,750</u> | <u>1,750</u> | <u>-</u> |
| Total revenues | <u>5,250</u> | <u>5,250</u> | <u>-</u> |
| Expenditures: | | | |
| Support services - students: | | | |
| Supplies, materials and media | <u>5,250</u> | <u>5,250</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Career Technical Education Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|----------------|----------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 132,409 | 115,847 | (16,562) |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 15,000 | 13,500 | 1,500 |
| Employee benefits | 845 | 308 | 537 |
| Professional and technical services | 17,231 | 15,235 | 1,996 |
| Staff travel | 22,314 | 18,962 | 3,352 |
| Supplies, materials and media | 68,414 | 63,290 | 5,124 |
| Tuition-students and stipends | 2,500 | - | 2,500 |
| Other | 1,000 | - | 1,000 |
| Total instruction | <u>127,304</u> | <u>111,295</u> | <u>16,009</u> |
| District administration support services: | | | |
| Indirect costs | <u>5,105</u> | <u>4,552</u> | <u>553</u> |
| Total expenditures | <u>132,409</u> | <u>115,847</u> | <u>16,562</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Title I-A School Improvement 1003(a) Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|---------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 243,602 | 144,080 | (99,522) |
| Expenditures: | | | |
| Instruction: | | | |
| Professional and technical services | 3,950 | - | 3,950 |
| Supplies, materials and media | 81,351 | 32,750 | 48,601 |
| Total instruction | 85,301 | 32,750 | 52,551 |
| Support services - instruction: | | | |
| Certificated salaries | 68,100 | 55,350 | 12,750 |
| Non-certificated salaries | 28,750 | 26,050 | 2,700 |
| Employee benefits | 4,349 | 2,289 | 2,060 |
| Professional and technical services | 1,425 | 543 | 882 |
| Staff travel | 46,105 | 21,437 | 24,668 |
| Total support services - instruction | 148,729 | 105,669 | 43,060 |
| District administration support services: | | | |
| Indirect costs | 9,572 | 5,661 | 3,911 |
| Total expenditures | 243,602 | 144,080 | 99,522 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Positive Behavior Intervention Strategies Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 21,629 | 13,314 | (8,315) |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Professional and technical services | 2,250 | 2,000 | 250 |
| Staff travel | 16,341 | 10,791 | 5,550 |
| Supplies, materials and media | 2,180 | - | 2,180 |
| Total support services - instruction | <u>20,771</u> | <u>12,791</u> | <u>5,800</u> |
| District administration support services: | | | |
| Indirect costs | <u>858</u> | <u>523</u> | <u>335</u> |
| Total expenditures | <u>21,629</u> | <u>13,314</u> | <u>8,315</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Early Intervention Infant Learning Program Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|----------------|----------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 136,520 | 134,537 | (1,983) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Certificated salaries | 24,748 | 24,748 | - |
| Non-certificated salaries | 52,322 | 50,987 | 1,335 |
| Employee benefits | 46,338 | 46,014 | 324 |
| Staff travel | 6,400 | 6,400 | - |
| Supplies, materials and media | 1,348 | 1,102 | 246 |
| Total special education support services - students | <u>131,156</u> | <u>129,251</u> | <u>1,905</u> |
| District administration support services - Indirect costs | <u>5,364</u> | <u>5,286</u> | <u>78</u> |
| Total expenditures | <u>136,520</u> | <u>134,537</u> | <u>1,983</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Early Intervention Infant Learning Program Part C Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|----------------|----------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 113,665 | 113,560 | (105) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Non-certificated salaries | 59,198 | 59,198 | - |
| Employee benefits | 40,716 | 40,715 | 1 |
| Professional and technical services | 9,285 | 9,185 | 100 |
| Total special education support services - students | <u>109,199</u> | <u>109,098</u> | <u>101</u> |
| District administration support services: | | | |
| Indirect costs | <u>4,466</u> | <u>4,462</u> | <u>4</u> |
| Total expenditures | <u>113,665</u> | <u>113,560</u> | <u>105</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Medical Assistance Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--|----------------|--------------------|--|
| Revenues - local sources - other | \$ 127,831 | 14,846 | (112,985) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Certificated salaries | 48,288 | - | 48,288 |
| Non-certificated salaries | 16,037 | 4,594 | 11,443 |
| Employee benefits | 9,705 | 1,764 | 7,941 |
| Professional and technical services | 22,084 | 4,113 | 17,971 |
| Staff travel | 11,615 | 4,276 | 7,339 |
| Supplies, materials and media | 9,702 | 99 | 9,603 |
| Other | 10,400 | - | 10,400 |
| Total expenditures | <u>127,831</u> | <u>14,846</u> | <u>112,985</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u><u>-</u></u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Special Education Title VI-B Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|------------------|----------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 1,211,364 | 491,803 | (719,561) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Certificated salaries | 156,000 | 114,254 | 41,746 |
| Non-certificated salaries | 59,000 | - | 59,000 |
| Employee benefits | 45,500 | 43,945 | 1,555 |
| Professional and technical services | 680,000 | 226,149 | 453,851 |
| Staff travel | 59,993 | 11,074 | 48,919 |
| Student travel | 12,000 | 5,306 | 6,694 |
| Supplies, materials and media | 151,273 | 71,751 | 79,522 |
| Total special education support services - students | <u>1,163,766</u> | <u>472,479</u> | <u>691,287</u> |
| District administration support services: | | | |
| Indirect costs | 47,598 | 19,324 | 28,274 |
| Total expenditures | <u>1,211,364</u> | <u>491,803</u> | <u>719,561</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Special Education Section 619 Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 24,870 | 13,956 | (10,914) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Professional and technical services | 10,000 | 6,000 | 4,000 |
| Supplies, materials and media | 13,893 | 7,408 | 6,485 |
| Total special education support services - students | <u>23,893</u> | <u>13,408</u> | <u>10,485</u> |
| District administration support services: | | | |
| Indirect costs | 977 | 548 | 429 |
| Total expenditures | <u>24,870</u> | <u>13,956</u> | <u>10,914</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

ARPA Special Education Title VI-B Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 55,574 | 47,093 | (8,481) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Professional and technical services | 32,000 | 24,094 | 7,906 |
| Staff travel | 13,000 | 13,325 | (325) |
| Supplies, materials and media | 224 | 215 | 9 |
| Equipment | 8,500 | 7,920 | 580 |
| Total special education support services - students | <u>53,724</u> | <u>45,554</u> | <u>8,170</u> |
| District administration support services: | | | |
| Indirect costs | <u>1,850</u> | <u>1,539</u> | <u>311</u> |
| Total expenditures | <u>55,574</u> | <u>47,093</u> | <u>8,481</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

ARPA Special Education Section 619 Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 11,003 | 2,299 | (8,704) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Professional and technical services | 8,000 | - | 8,000 |
| Staff travel | 2,000 | 1,645 | 355 |
| Supplies, materials and media | 571 | 564 | 7 |
| Total special education support services - students | <u>10,571</u> | <u>2,209</u> | <u>8,362</u> |
| District administration support services: | | | |
| Indirect costs | <u>432</u> | <u>90</u> | <u>342</u> |
| Total expenditures | <u>11,003</u> | <u>2,299</u> | <u>8,704</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

ELF ARPA Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 15,995 | 13,582 | (2,413) |
| Expenditures: | | | |
| Special education support services - students: | | | |
| Certificated salaries | 7,401 | 5,800 | 1,601 |
| Non-certificated salaries | 2,427 | 2,228 | 199 |
| Employee benefits | 847 | 46 | 801 |
| Professional and technical services | 500 | 500 | - |
| Staff travel | 2,845 | 2,845 | - |
| Supplies, materials and media | 1,346 | 1,066 | 280 |
| Total special education support services - students | <u>15,366</u> | <u>12,485</u> | <u>2,881</u> |
| Support services - students: | | | |
| Employee benefits | 629 | 563 | 66 |
| District administration support services: | | | |
| Indirect costs | - | 534 | (534) |
| Total expenditures | <u>15,995</u> | <u>13,582</u> | <u>2,413</u> |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Adult Basic Education - Unit 7556 Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|---|----------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| State of Alaska | \$ 93,390 | 52,301 | (41,089) |
| Federal sources passed through the State of Alaska | <u>52,532</u> | <u>29,018</u> | <u>(23,514)</u> |
| Total revenues | <u>145,922</u> | <u>81,319</u> | <u>(64,603)</u> |
| Expenditures: | | | |
| School administration: | | | |
| Non-certificated salaries | 4,444 | 1,846 | 2,598 |
| Employee benefits | <u>2,283</u> | <u>449</u> | <u>1,834</u> |
| Total school administration | <u>6,727</u> | <u>2,295</u> | <u>4,432</u> |
| Adult and continuing education instruction: | | | |
| Non-certificated salaries | 84,436 | 55,537 | 28,899 |
| Employee benefits | 43,371 | 22,489 | 20,882 |
| Staff travel | 2,000 | 773 | 1,227 |
| Other purchased services | 1,775 | - | 1,775 |
| Supplies, materials and media | <u>7,613</u> | <u>225</u> | <u>7,388</u> |
| Total adult and continuing education instruction | <u>139,195</u> | <u>79,024</u> | <u>60,171</u> |
| Total expenditures | <u>145,922</u> | <u>81,319</u> | <u>64,603</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Title II-A Teacher and Principal Training Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|----------------|----------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through the State of Alaska | \$ 453,227 | 316,771 | (136,456) |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Certificated salaries | 9,800 | 9,800 | - |
| Employee benefits | 2,623 | 222 | 2,401 |
| Professional and technical services | 164,550 | 110,633 | 53,917 |
| Staff travel | 205,401 | 132,776 | 72,625 |
| Supplies, material and media | 47,944 | 47,713 | 231 |
| Other | 5,100 | 3,180 | 1,920 |
| Total support services - instruction | <u>435,418</u> | <u>304,324</u> | <u>131,094</u> |
| District administration support services: | | | |
| Indirect costs | <u>17,809</u> | <u>12,447</u> | <u>5,362</u> |
| Total expenditures | <u>453,227</u> | <u>316,771</u> | <u>136,456</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | - |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Youth Leaders Program Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|----------------|-------------------|--|
| Revenues - local sources - other | \$ 187,000 | 449,834 | 262,834 |
| Expenditures: | | | |
| Support services - students: | | | |
| Certificated salaries | 53,000 | 21,250 | 31,750 |
| Non-certificated salaries | 2,000 | 13,450 | (11,450) |
| Employee benefits | 7,000 | 4,564 | 2,436 |
| Professional and technical services | 10,000 | 20,551 | (10,551) |
| Student travel | 75,000 | 99,075 | (24,075) |
| Supplies, materials and media | 30,000 | 40,944 | (10,944) |
| Other | 10,000 | - | 10,000 |
| Total expenditures | <u>187,000</u> | <u>199,834</u> | <u>(12,834)</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | 250,000 | <u>250,000</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>250,000</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Literacy Connections Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|--------------|---------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 1,319,587 | 623,450 | (696,137) |
| Expenditures: | | | |
| Instruction: | | | |
| Supplies, materials and media | 576,403 | 248,805 | 327,598 |
| Support services - instruction: | | | |
| Certificated salaries | 428,244 | 230,426 | 197,818 |
| Non-certificated salaries | 15,250 | 15,250 | - |
| Employee benefits | 140,484 | 59,349 | 81,135 |
| Professional and technical services | 45,979 | 29,435 | 16,544 |
| Staff travel | 56,304 | 11,202 | 45,102 |
| Total support services - instruction | 686,261 | 345,662 | 340,599 |
| District administration support services: | | | |
| Indirect costs | 56,923 | 28,983 | 27,940 |
| Total expenditures | 1,319,587 | 623,450 | 696,137 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Native Youth in Action Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|---------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 458,584 | 259,234 | (199,350) |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 10,800 | - | 10,800 |
| Employee benefits | 1,785 | - | 1,785 |
| Professional and technical services | 390,000 | 220,569 | 169,431 |
| Student travel | 20,780 | 19,947 | 833 |
| Total instruction | 423,365 | 240,516 | 182,849 |
| Support services - instruction: | | | |
| Professional and technical services | 15,200 | 6,621 | 8,579 |
| Staff travel | 2,000 | 1,911 | 89 |
| Total support services - instruction | 17,200 | 8,532 | 8,668 |
| District administration support services: | | | |
| Indirect costs | 18,019 | 10,186 | 7,833 |
| Total expenditures | 458,584 | 259,234 | 199,350 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Indian Education Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|---------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 729,866 | 727,197 | (2,669) |
| Expenditures: | | | |
| Instruction: | | | |
| Non-certificated salaries | 56,613 | 56,613 | - |
| Employee benefits | 40,796 | 40,796 | - |
| Supplies, materials and media | 29,619 | 24,437 | 5,182 |
| Total instruction | 127,028 | 121,846 | 5,182 |
| Support services - instruction: | | | |
| Certificated salaries | 330,403 | 330,403 | - |
| Non-certificated salaries | 71,978 | 71,895 | 83 |
| Employee benefits | 174,753 | 174,479 | 274 |
| Total support services - instruction | 577,134 | 576,777 | 357 |
| District administration support services: | | | |
| Indirect cost | 25,704 | 28,574 | (2,870) |
| Total expenditures | 729,866 | 727,197 | 2,669 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Johnson O'Malley Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|---|---------------|---------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 13,251 | 12,163 | (1,088) |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Supplies, materials and media | 12,163 | 12,163 | - |
| District administration support services: | | | |
| Indirect cost | 1,088 | - | 1,088 |
| Total expenditures | 13,251 | 12,163 | 1,088 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Johnson O'Malley Contract Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|--------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 337,328 | 77,513 | (259,815) |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Certificated salaries | 20,000 | 13,000 | 7,000 |
| Non-certificated salaries | 63,500 | 16,995 | 46,505 |
| Employee benefits | 20,250 | 2,999 | 17,251 |
| Professional and technical services | 30,000 | 3,725 | 26,275 |
| Staff travel | 28,392 | - | 28,392 |
| Student travel | 20,000 | - | 20,000 |
| Supplies, materials and media | 141,620 | 40,794 | 100,826 |
| Total support services - instruction | 323,762 | 77,513 | 246,249 |
| District administration support services: | | | |
| Indirect cost | 13,566 | - | 13,566 |
| Total expenditures | 337,328 | 77,513 | 259,815 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Rural Education Achievement Program Special Revenue Program

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|-----------|--------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 60,540 | 51,677 | (8,863) |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Professional and technical services | 11,000 | 10,613 | 387 |
| Staff travel | 45,000 | 36,872 | 8,128 |
| Supplies, materials and media | 2,161 | 2,161 | - |
| Total support services - instruction | 58,161 | 49,646 | 8,515 |
| District administration support services: | | | |
| Indirect cost | 2,379 | 2,031 | 348 |
| Total expenditures | 60,540 | 51,677 | 8,863 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Our Youth Special Revenue Program

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------|---------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources - direct | \$ 711,279 | 176,330 | (534,949) |
| Expenditures: | | | |
| Support services - students: | | | |
| Certificated salaries | 344,000 | 95,986 | 248,014 |
| Employee benefits | 164,256 | 42,225 | 122,031 |
| Transportation allowance | 36,000 | - | 36,000 |
| Professional and technical services | 30,100 | 6,537 | 23,563 |
| Student travel | 92,975 | - | 92,975 |
| Supplies, materials and media | 16,000 | 24,653 | (8,653) |
| Total support services - students | 683,331 | 169,401 | 513,930 |
| District administration support services: | | | |
| Indirect cost | 27,948 | 6,929 | 21,019 |
| Total expenditures | 711,279 | 176,330 | 534,949 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Maniilaq ABE/GED Contract Special Revenue Fund

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

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--|---------------|--------------|--|
| Revenues - local sources - other | \$ 70,000 | 4,667 | (65,333) |
| Expenditures: | | | |
| Adult and continuing education instruction: | | | |
| Staff travel | 10,000 | 1,877 | 8,123 |
| Student travel | 18,000 | - | 18,000 |
| Utility services | 5,000 | 2,790 | 2,210 |
| Other purchased services | 10,000 | - | 10,000 |
| Supplies, materials and media | 16,500 | - | 16,500 |
| Student transportation - in-lieu-of agreements | 10,000 | - | 10,000 |
| Other purchased services | 500 | - | 500 |
| Total expenditures | <u>70,000</u> | <u>4,667</u> | <u>65,333</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | <u>\$ -</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Local Donation Payroll Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|----------------|----------------|--|
| Revenues - local sources - other | \$ 281,026 | 272,959 | (8,067) |
| Expenditures: | | | |
| Instruction: | | | |
| Certificated salaries | 157,419 | 157,420 | (1) |
| Non-certificated salaries | 35,905 | 35,906 | (1) |
| Employee benefits | 86,522 | 78,453 | 8,069 |
| Supplies, materials and media | 1,180 | 1,180 | - |
| Total expenditures | <u>281,026</u> | <u>272,959</u> | <u>8,067</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Village Improvement Funds Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|-----------------------|------------------------------|--|
| Revenues - Intergovernmental | | | |
| Borough appropriation | \$ 165,575 | 75,556 | (90,019) |
| Expenditures: | | | |
| Instruction: | | | |
| Professional and technical services | 40,127 | 26,417 | 13,710 |
| Staff travel | 23,724 | 38,622 | (14,898) |
| Supplies, materials and media | 60,724 | 1,904 | 58,820 |
| Tuition-students and stipends | 41,000 | 8,613 | 32,387 |
| Total expenditures | <u>165,575</u> | <u>75,556</u> | <u>90,019</u> |
| Excess of revenues over expenditures | \$ <u> -</u> | - | <u> -</u> |
| Fund balance, beginning of year | | <u> -</u> | |
| Fund balance, end of year | | <u>\$ <u> -</u></u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Local Donation Professional and Technical Services Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2023

| | Budget | Actual | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|-----------|--------|--|
| Revenues - local sources - other | \$ 58,410 | 54,686 | (3,724) |
| Expenditures: | | | |
| Student activities: | | | |
| Certificated salaries | 16,000 | 15,750 | 250 |
| Employee benefits | 600 | 207 | 393 |
| Professional and technical services | 618 | 618 | - |
| Student travel | 41,192 | 38,111 | 3,081 |
| Total expenditures | 58,410 | 54,686 | 3,724 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | | \$ - | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

IPRARS Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--|----------------|----------------|--|
| Revenues - Intergovernmental: | | | |
| Federal sources passed through other local entity | \$ 630,200 | 198,516 | (431,684) |
| Expenditures: | | | |
| Support services - instruction: | | | |
| Certificated salaries | 598,000 | 194,150 | 403,850 |
| Non-certificated salaries | 7,200 | - | 7,200 |
| Employee benefits | 20,000 | 4,366 | 15,634 |
| Supplies, materials and media | 5,000 | - | 5,000 |
| Total expenditures | <u>630,200</u> | <u>198,516</u> | <u>431,684</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Maniilaq Health Activities Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|--------------------------------------|---------------|---------------|--|
| Revenues - local sources - other | \$ 34,758 | 34,758 | - |
| Expenditures: | | | |
| Support services - students: | | | |
| Certificated salaries | 26,000 | 26,000 | - |
| Non-certificated salaries | 4,400 | 4,400 | - |
| Employee benefits | 137 | 137 | - |
| Supplies, materials and media | 4,221 | 4,221 | - |
| Total expenditures | <u>34,758</u> | <u>34,758</u> | <u>-</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | - | <u>-</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>-</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Maniilaq Counselor Program Special Revenue Fund

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

Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|---------------|------------------|--|
| Revenues - local sources - other | \$ 66,692 | 39,543 | (27,149) |
| Expenditures: | | | |
| Support services - students: | | | |
| Professional and technical services | - | 1,303 | (1,303) |
| Staff travel | 50,000 | 23,474 | 26,526 |
| Supplies, materials and media | 16,692 | 2,372 | 14,320 |
| Total expenditures | <u>66,692</u> | <u>27,149</u> | <u>39,543</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | 12,394 | <u>12,394</u> |
| Fund balance, beginning of year | | <u>-</u> | |
| Fund balance, end of year | | \$ <u>12,394</u> | |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Student Activities Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance

Year Ended June 30, 2023

| | |
|--------------------------------------|--------------------------|
| Revenues - local sources - other | \$ <u>575,716</u> |
| Expenditures: | |
| Student activities: | |
| Certificated salaries | 320 |
| Employee benefits | 7 |
| Professional and technical services | 6,324 |
| Student travel | 164,526 |
| Supplies, materials and media | 202,514 |
| Tuition-students and stipends | 3,148 |
| Other | <u>2,782</u> |
| Total expenditures | <u>379,621</u> |
| Excess of revenues over expenditures | 196,095 |
| Fund balance, beginning of year, | <u>576,009</u> |
| Fund balance, end of year | \$ <u><u>772,104</u></u> |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Capital Project Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Year Ended June 30, 2023

Capital Project Funds

| | District Technology | Impact Aid Capital | Local Funded Maintenance | CIP Reserved Local Share | AHFC Selawik | AHFC Kivalina Teacher Housing | AHFC Kivalina THP-21-NAB-1 | Kivilina Bus Barn and Garage |
|---|---------------------|--------------------|--------------------------|--------------------------|--------------|-------------------------------|----------------------------|------------------------------|
| Revenues: | | | | | | | | |
| Local sources: | | | | | | | | |
| Other | - | - | 140,247 | 17,755 | - | - | - | - |
| Intergovernmental: | | | | | | | | |
| State of Alaska | - | - | - | - | 196,423 | - | 96,601 | 193,487 |
| Borough appropriations | - | - | - | - | - | - | - | - |
| Total revenues | - | - | 140,247 | 17,755 | 196,423 | - | 96,601 | 193,487 |
| Expenditures: | | | | | | | | |
| Operations and maintenance of plant | - | - | 20,945 | - | - | - | - | - |
| Student transportation - to and from school | - | - | 443,144 | - | - | - | - | - |
| Construction and facilities acquisition | - | - | 924,412 | - | 363,190 | 410,625 | 376,391 | 193,487 |
| Total expenditures | - | - | 1,388,501 | - | 363,190 | 410,625 | 376,391 | 193,487 |
| Excess (deficiency) of revenues over expenditures | - | - | (1,248,254) | 17,755 | (166,767) | (410,625) | (279,790) | - |
| Other financing sources (uses): | | | | | | | | |
| Transfers in | - | - | 1,200,000 | - | 45,441 | 358,476 | 256,143 | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | - | - | 1,200,000 | - | 45,441 | 358,476 | 256,143 | - |
| Net change in fund balances | - | - | (48,254) | 17,755 | (121,326) | (52,149) | (23,647) | - |
| Fund balances (deficits), beginning of year | 1,134,481 | 53,386 | 752,832 | 209,924 | 121,326 | 52,149 | 23,647 | - |
| Fund balances (deficits), end of year | \$ 1,134,481 | \$ 53,386 | \$ 704,578 | \$ 227,679 | \$ - | \$ - | \$ - | \$ - |

(Continued)

PROVISIONAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Capital Project Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits), Continued

| | Deering K-12 School Improvement | Kivalina K-12 Replacement School | Buckland HVAC | Kivalina Teacher Housing | Alaska Technical Center Family Housing | Magnet School (ATC) Expansion Project | Koizebue Magnet School Dorm | Construction Management | Selawik Renovations | June Nelson Elementary Roof Replacement | Total Capital Project Funds |
|---|---------------------------------|----------------------------------|---------------|--------------------------|--|---------------------------------------|-----------------------------|-------------------------|---------------------|---|-----------------------------|
| Revenues: | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | |
| Other | - | - | - | - | - | - | - | - | - | - | 158,002 |
| Intergovernmental: | | | | | | | | | | | |
| State of Alaska | - | 6,186,974 | 60,230 | - | - | - | - | - | - | - | 6,733,715 |
| Borough appropriations | - | 1,546,744 | - | - | - | - | - | - | - | - | 1,546,744 |
| Total revenues | - | 7,733,718 | 60,230 | - | - | - | - | - | - | - | 8,438,461 |
| Expenditures: | | | | | | | | | | | |
| Operations and maintenance of plant | - | - | - | - | - | - | - | - | - | - | 20,945 |
| Student transportation - to and from school | - | - | - | - | - | - | - | - | - | - | 443,144 |
| Construction and facilities acquisition | 51,565 | 7,733,718 | 52,024 | 1,708,266 | 95,703 | - | - | 34,699 | 4,480 | 637,799 | 12,586,359 |
| Total expenditures | 51,565 | 7,733,718 | 52,024 | 1,708,266 | 95,703 | - | - | 34,699 | 4,480 | 637,799 | 13,050,448 |
| Excess (deficiency) of revenues over expenditures | (51,565) | - | 8,206 | (1,708,266) | (95,703) | - | - | (34,699) | (4,480) | (637,799) | (4,611,987) |
| Other financing sources (uses): | | | | | | | | | | | |
| Transfers in | - | - | - | 322,058 | 113,155 | - | - | 34,699 | - | - | 2,329,972 |
| Transfers out | - | - | - | (322,058) | (113,155) | (507,439) | (299,947) | (34,699) | - | - | (807,386) |
| Net other financing sources (uses) | - | - | - | - | - | (507,439) | (299,947) | - | - | - | 1,522,586 |
| Net change in fund balances | (51,565) | - | 8,206 | (1,386,208) | 17,452 | (507,439) | (299,947) | - | (4,480) | (637,799) | (3,089,401) |
| Fund balances (deficits), beginning of year | 81,724 | - | (8,206) | 1,386,208 | - | 1,180,957 | 299,947 | - | (25,201) | - | 5,263,174 |
| Fund balances (deficits), end of year | 30,159 | - | - | - | 17,452 | 673,518 | - | (29,681) | (637,799) | - | 2,173,773 |

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Northwest Arctic Borough)

Schedule of Compliance AS 14.17.505

Year Ended June 30, 2023

| | | |
|--|----|------------------|
| Total fund balance - School Operating Fund | \$ | <u>9,915,223</u> |
| Less exemptions per 4 AAC 09.160(a): | | |
| Inventory | | 1,520,272 |
| Prepaid items | | 203,419 |
| Federal impact aid received | | <u>6,079,159</u> |
| | | <u>7,802,850</u> |
| Fund balance subject to 10% limitation | \$ | <u>2,112,373</u> |

Unreserved fund balance as a percentage of
 current year expenditures:

$$\frac{\text{Fund balance subject to limitation}}{\text{Current year expenditures}} = \frac{2,112,373}{60,349,445} = \underline{\underline{3.50\%}}$$

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

| Grant Title | Grant/Pass Through Number | Assistance Listing Number | Total Grant Award | Federal Share of Expenditures |
|--|------------------------------|---------------------------------|-------------------------|-------------------------------------|
| U.S. Department of Agriculture: | | | | |
| Passed through the State of Alaska, Department of Education and Early Development: | | | | |
| Child Nutrition Cluster: | | | | |
| National School Breakfast Program | 03701 | 10.553 | \$ 286,876 | 286,876 |
| National School Lunch Program | 03701 | 10.555 | 1,063,785 | 1,063,785 |
| USDA Commodities | None | 10.555 | 164,965 | 164,965 |
| Supply Chain Assistance | FD 23.NABD.02 | 10.555 | 68,304 | 68,304 |
| Total ALN 10.555 | | | <u>1,297,054</u> | <u>1,297,054</u> |
| Fresh Fruit and Vegetable Program | FF 23.NABD.01 | 10.582 | 12,066 | 12,066 |
| Fresh Fruit and Vegetable Program | FF 23.NABD.02 | 10.582 | 68,063 | 68,063 |
| Total ALN 10.582 | | | <u>80,129</u> | <u>80,129</u> |
| Total Child Nutrition Cluster | | | <u>1,664,059</u> | <u>1,664,059</u> |
| Food Distribution Administrative Fee Reimbursement | FD 22.NABD.01 | 10.560 | 3,425 | 3,425 |
| Total U.S. Department of Agriculture | | | <u>1,667,484</u> | <u>1,667,484</u> |
| U.S Department of Education: | | | | |
| Passed through the State of Alaska, Department of Education and Early Development: | | | | |
| Title I Grants to Local Educational Agencies: | | | | |
| Title I-A - Consolidated Administration | IP 23.NABD.01 | 84.010A | 230,700 | 219,508 |
| Title I-A Basic | IP 23.NABD.01 | 84.010A | 1,258,041 | 892,577 |
| Title I-A Basic | IP 23.NABD.01 | 84.010 | 543,584 | 543,584 |
| Title I-A Parent Engagement | IP 23.NABD.01 | 84.010A | 48,941 | 20,064 |
| Title I-A Professional Development | IP 23.NABD.01 | 84.010A | 33,829 | 33,252 |
| School Improvement 1003(a) | SI 23.NABD.01 | 84.010A | 200,000 | 144,080 |
| Total ALN 84.010 | | | <u>2,315,095</u> | <u>1,853,065</u> |
| Migrant Education State Grant Program: | | | | |
| Title I-C - Consolidated Administration | IP 23.NABD.01 | 84.011A | 340,000 | 323,527 |
| Title I-C Migrant Education | IP 23.NABD.01 | 84.011A | 1,168,874 | 591,191 |
| Title I-C Migrant Education | IP 23.NABD.01 | 84.011 | 689,409 | 689,409 |
| Migrant Education Literacy | MB 23.NABD.01 | 84.011 | 21,700 | 13,142 |
| Total ALN 84.011 | | | <u>2,219,983</u> | <u>1,617,269</u> |
| Supporting Effective Instruction State Grants: | | | | |
| Title II-A - Consolidated Administration | IP 23.NABD.01 | 84.367A | 25,000 | 23,794 |
| Title II-A Teacher and Principal Training | IP 23.NABD.01 | 84.367A | 260,759 | 124,303 |
| Title II-A Teacher and Principal Training | IP 23.NABD.01 | 84.367 | 192,468 | 192,468 |
| Total ALN 84.367 | | | <u>478,227</u> | <u>340,565</u> |
| Title IV-A - Consolidated Administration | IP 23.NABD.01 | 84.424A | 4,000 | 3,766 |
| Title IV-A Student Support and Academic Enrichment | IP 23.NABD.01 | 84.424A | 285,629 | 249,708 |
| Total ALN 84.424 | | | <u>289,629</u> | <u>253,474</u> |
| Education Stabilization Fund: | | | | |
| COVID-19 - CARES Act ESSER I | ER 23.NABD.01 | 84.425D | 4,212 | 4,212 |
| COVID-19 - COVID Discretionary | CO 23.NABD.01 | 84.425D | 48,767 | 28,381 |
| COVID-19 - CRRSA Act ESSER II | ER 23.NABD.01 | 84.425D | 1,918,652 | 1,897,152 |
| COVID-19 - ARPA ESSER III | ER 23.NABD.01 | 84.425U | 6,118,894 | 1,437,431 |
| COVID-19 - ARP Homeless | AH 23.NABD.01 | 84.425W | 22,695 | 15,314 |
| COVID-19 - Positive Behavioral Intervention Strategies | PB.23.NABD.01 | 84.425D | 21,629 | 13,314 |
| Total ALN 84.425 | | | <u>8,134,849</u> | <u>3,395,804</u> |
| Special Education Cluster (IDEA): | | | | |
| Title VI-B Special Education Grants to States | SE 23.NABD.01 | 84.027A | 478,836 | 77,756 |
| Title VI-B Special Education Grants to States | SE 23.NABD.01 | 84.027 | 414,047 | 414,047 |
| COVID-19 - Title VI-B IDEA ARP Funds | SE 23.NABD.01 | 84.027X | 55,574 | 47,093 |
| Total ALN 84.027 | | | <u>948,457</u> | <u>538,896</u> |
| Section 619 Special Education Preschool Grants | SE 23.NABD.01 | 84.173A | 12,885 | 1,971 |
| Section 619 Special Education Preschool Grants | SE 23.NABD.01 | 84.173 | 11,985 | 11,985 |
| COVID-19 - Special Education - ARP Section 619 | SE 23.NABD.01 | 84.173X | 11,003 | 2,299 |
| Total ALN 84.173 | | | <u>35,873</u> | <u>16,255</u> |
| Total Special Education Cluster (IDEA) | | | <u>984,330</u> | <u>555,151</u> |
| Career and Technical Education: | | | | |
| Career and Technical Education | EK 22.NABD.01 | 84.048A | 113,768 | 97,206 |
| Career and Technical Education | EK 22.NABD.01 | 84.048 | 18,641 | 18,641 |
| Total ALN 84.048 | | | <u>132,409</u> | <u>115,847</u> |

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Schedule of Expenditures of Federal Awards, Continued

| <u>Grant Title</u> | <u>Grant/Pass Through Number</u> | <u>Assistance Listing Number</u> | <u>Total Grant Award</u> | <u>Federal Share of Expenditures</u> |
|--|--------------------------------------|--|----------------------------------|--|
| U.S Department of Education, continued | | | | |
| Passed through the State of Alaska, Department of Health: | | | | |
| Early Intervention Infant Learning Program: | | | | |
| Special Education - Grants for Infants and Families Part C | 167-319-23009 | 84.181A | \$ 113,665 | 113,560 |
| COVID-19 ARPA Special Education - Grants for Infants and Families Part C | 167-319-23009 | 84.181A | 15,995 | 13,582 |
| Total for CFDA 84.181 | | | <u>129,660</u> | <u>127,142</u> |
| Passed through the State of Alaska, Department of Labor and Workforce Development: | | | | |
| Adult Education - Basic Grants to States | FY2023 | 84.002 | 52,071 | 29,018 |
| Passed through Alaska Council of School Administrators: | | | | |
| IPRARS | None | 84.374A | 630,200 | 198,516 |
| Direct programs: | | | | |
| Impact Aid: | | | | |
| Impact Aid | S041B-2023-0167 | 84.041 | 7,177,507 | 7,177,507 |
| Innovative Approaches to Literacy: | | | | |
| Literacy Connections | S215G210084 | 84.215G | 758,351 | 623,450 |
| Indian Education Grant to Local Educational Agencies | | | | |
| | S060A220098 | 84.060A | 729,866 | 727,197 |
| Special Programs for Indian Children: | | | | |
| Native Youth in Action | S299A220063 | 84.299A | 458,584 | 259,234 |
| REAP - RLIS Special Qualified Agencies | | | | |
| | S358C220014 | 84.358C | 60,540 | 51,677 |
| School Safety National Activities: | | | | |
| Our Youth-Positive Vision for the Future | S184H220225 | 84.184H | 711,279 | 176,330 |
| Total U.S. Department of Education | | | <u>25,243,939</u> | <u>17,501,246</u> |
| U.S. Department of the Interior: | | | | |
| Indian Education Assistance to Schools - direct programs: | | | | |
| Johnson O'Malley | A16AV00691 | 15.130 | 287,639 | 12,163 |
| Johnson O'Malley | A19AV00999 | 15.130 | 105,273 | 23,272 |
| Johnson O'Malley | A20AV00965 | 15.130 | 233,582 | 54,241 |
| Total ALN 15.130 | | | <u>626,494</u> | <u>89,676</u> |
| U.S. Department of the Health and Human Services: | | | | |
| Passed through the State of Alaska, Department of Education and Early Development: | | | | |
| Youth Risk Behavior Survey | YR 23 NABD 01 | 93.079 | 1,750 | 1,750 |
| Federal Communications Commission: | | | | |
| COVID-19 Emergency Connectivity Fund Program - direct program | ECF202103608 | 32.009 | 12,559,684 | 12,559,684 |
| Total Expenditures of Federal Awards | | | <u>\$ 40,099,351</u> | <u>31,819,840</u> |

See accompanying notes to schedule.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Northwest Arctic Borough School District under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Northwest Arctic Borough School District, it is not intended to and does not present the basic financial statements of Northwest Arctic Borough School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The Northwest Arctic Borough School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform guidance.

Note 4. Non-monetary Assistance

Non-monetary assistance is reported in the schedule at fair market value of commodities received and disbursed. For the year ended June 30, 2023, the District received \$164,965 in commodities.

Note 5. Passed Through Awards

No amounts were passed through to subrecipients.

Northwest Arctic Borough School District
(A Component Unit of the Northwest Arctic Borough)

Schedule of State Financial Assistance
Year Ended June 30, 2023

| <u>Grant Title</u> | <u>Grant Number</u> | <u>Total Grant Award</u> | <u>Eligible Expenditures</u> |
|---|---------------------|--------------------------|------------------------------|
| Department of Education and Early Development: | | | |
| * Foundation | FY23 | \$ 37,679,925 | 37,679,925 |
| * HB 281 | FY23 | 1,490,717 | 1,490,717 |
| Quality Schools | FY23 | 108,384 | 108,384 |
| Disparity test | FY23 | 23,012 | 23,012 |
| Dividend Raffle Funds | FY23 | 11,427 | 11,427 |
| Student Transportation | FY23 | 49,739 | 49,739 |
| * STAR of the Northwest Magnet School | FY23 | 676,546 | 676,546 |
| Broadband Assistance Grant | FY23 | 187,385 | 187,385 |
| Rural Student Services Practice | RS23NABD01 | 3,750 | 3,750 |
| Youth Risk Behavior Survey | YR23NABD01 | 3,500 | 3,500 |
| Kivalina K-12 Replacement School | GR-16-005 | 50,475,822 | 6,186,974 |
| Total Department of Education and Early Development | | 90,710,207 | 46,421,359 |
| Department of Labor and Workforce Development: | | | |
| Alaska Technical Center: | | | |
| Technical Vocational Education Program FY2023 | TVEP FY23 | 1,233,500 | 1,063,351 |
| Alaska Construction Academy Program FY2023 | ACA FY23 | 230,360 | 185,090 |
| State Training and Employment Program FY2023 | STEP FY23 | 300,000 | 287,575 |
| Adult Basic Education - Unit 7556 | FY2023 | 93,851 | 52,301 |
| Total Department of Labor and Workforce Development | | 1,857,711 | 1,588,317 |
| Alaska Housing Finance Corporation: | | | |
| Selawik New Teacher Housing Duplex | THP-22-NAB-2 | 370,374 | 196,423 |
| Kivalina Replacement Teacher Housing Duplex | THP-21-NAB-1 | 443,631 | 96,601 |
| Total Alaska Housing Finance Corporation | | 814,005 | 293,024 |
| Department of Commerce, Community, and Economic Development: | | | |
| Passed through Northwest Arctic Borough: | | | |
| Designated Legislative Grant - Kivalina Bus Barn | 20-RR-003 | 1,100,000 | 193,487 |
| Designated Legislative Grant - Buckland HVAC | 20-RR-003 | 888,089 | 60,230 |
| Total Department of Commerce, Community, and Economic Development | | 1,988,089 | 253,717 |
| Department of Health and Social Services: | | | |
| Early Intervention Infant Learning | 167-319-23009 | 136,520 | 134,537 |
| Total State Financial Assistance | | \$ 95,506,532 | 48,690,954 |

See accompanying notes to schedule.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
(A Component Unit of the Northwest Arctic Borough)

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Northwest Arctic Borough School District under programs of the State of Alaska for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Northwest Arctic Borough School District, it is not intended to and does not present the basic financial statements of Northwest Arctic Borough School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the Northwest Arctic Borough School District's basic financial statements.

Note 3. Subrecipients

No state funds were passed through to Subrecipients.

Note 4. Major Programs

* Denotes a major program for compliance audit purposes.

Note 5. Reconciliation of State Expenditures to the Financial Statements

The following programs are reported as Intergovernmental-State of Alaska revenues, however are not subject to compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*:

| | |
|--|---------------------|
| Total Schedule of State Financial Assistance | \$48,690,954 |
| PERS On-Behalf | 241,592 |
| TRS On-Behalf | <u>1,720,115</u> |
| Total State Financial Assistance | <u>\$50,652,611</u> |

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Members of the School Board
Northwest Arctic Borough School District
Kotzebue, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Arctic Borough School District a component unit of Northwest Arctic Borough; as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Northwest Arctic Borough School District's basic financial statements, and have issued our report thereon dated Month XX, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Northwest Arctic Borough School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Northwest Arctic Borough School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Northwest Arctic Borough School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northwest Arctic Borough School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anchorage, Alaska
Month XX, 2023

Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance as Required by the *Uniform Guidance*

Independent Auditor's Report

Members of the School Board
Northwest Arctic Borough School District
Kotzebue, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northwest Arctic Borough School District's compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Northwest Arctic Borough School District's major federal programs for the year ended June 30, 2023. Northwest Arctic Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying Federal Schedule of Findings and Questioned costs.

In our opinion, Northwest Arctic Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northwest Arctic Borough School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Northwest Arctic Borough School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Northwest Arctic Borough School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northwest Arctic Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Northwest Arctic Borough School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Northwest Arctic Borough School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Northwest Arctic Borough School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Northwest Arctic Borough School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Anchorage, Alaska
Month XX, 2023

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statement audited were prepared in accordance with GAAP: Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report Yes No

Internal control over financial reporting:
Material weakness(es) identified? Yes No
Significant deficiency(ies) identified? Yes None noted

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:
Material weakness(es) identified (2 CFR 200.516 (a) (1))? Yes No
Significant deficiency(ies) identified (2 CFR 200.516 (a) (1))? Yes None noted

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a) (2))? Yes No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, 2 CFR 200.516 (a) (3) or (4)? Yes No

Identification of major programs:

| <u>ALN Number(s)</u> | <u>Name of Federal Program</u> |
|----------------------|--|
| 84.041 | Impact Aid |
| 84.060 | Indian Education Grant to Local Educational Agencies |
| 84.425 | Education Stabilization Fund (ESF) |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 954,595

Auditee qualified as low-risk auditee? Yes

Section II - Financial Statement Findings

The Northwest Arctic Borough School District did not have any findings that related to the financial statements.

Section III - Federal Award Findings and Questioned Costs

The Northwest Arctic Borough School District did not have any findings related to federal awards.

Report on Compliance For Each Major State Program and Report on Internal Control Over Compliance Required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits

Independent Auditor's Report

Members of the School Board
Northwest Arctic Borough School District
Kotzebue, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Northwest Arctic Borough School District's compliance with the types of compliance requirements identified as subject to audit in the State of Alaska Audit Guide and Compliance Supplements that could have a direct and material effect on each of Northwest Arctic Borough School District's major state programs for the year ended June 30, 2023. Northwest Arctic Borough School District's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, Northwest Arctic Borough School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements in the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northwest Arctic Borough School District's and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Northwest Arctic Borough School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Northwest Arctic Borough School District's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northwest Arctic Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and State of Alaska Audit Guide requirements will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Northwest Arctic Borough School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the State of Alaska Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Northwest Arctic Borough School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Northwest Arctic Borough School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of Alaska requirements, but not for the purpose of expressing an opinion on the effectiveness of Northwest Arctic Borough School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of Alaska. Accordingly, this report is not suitable for any other purpose.

Anchorage, Alaska
Month XX, 2023

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

_____ Yes X No

Significant deficiency identified?

_____ Yes X None reported

Noncompliance material to the financial statements noted?

_____ Yes X No

State Financial Assistance

Internal control over major programs:

Material weakness identified?

_____ Yes X No

Significant deficiency identified?

_____ Yes X None reported

Type of auditor's report issued on compliance
for major programs:

Unmodified

Dollar threshold used to distinguish between
Type A and Type B programs:

\$1,460,729

Auditee qualified as low-risk auditee?

X Yes _____ No

Section II – Financial Statement Findings

Northwest Arctic Borough School District did not have any findings that related to the financial statements.

Section III – State Award Findings and Questioned Costs

Northwest Arctic Borough School District did not have any findings related to State awards.