

NWABSD Board of Education Work Session

Wednesday, November 12, 2025 3:00 PM

Microsoft Teams, 744 Third Ave., Kotzebue, AK 99752

1. FY25 Financial Statement, final draft report

Presenter: Alman,
Roger & Co

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

Letter to the Governing Board

Year Ended June 30, 2025

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

Letter to the Governing Board

Year Ended June 30, 2025

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

Month XX, 2025

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, 2025 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 May 30, 2025. 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. During 2025, as discussed in Note XIV to the financial statements, the District changed accounting policies related to the recognition, measurement, and financial reporting for compensated absences as required by GASB Statement No. 101, *Compensated Absences*. 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.

Governmental Activities 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/asset 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.

Management's estimate of the amounts of compensated absences used is based upon historical data. We evaluated key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

School Operating Fund Opinion Unit and Governmental Activities 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. During the course of the audit we noted the following misstatements that were corrected by management:

- \$4,459,730 to adjust Grant Revenue, Grant Receivable, and Deferred Revenue.
- \$733,214 to adjust inventories to actual in School Operating Fund, Food Service and Teacher Housing Special Revenue Funds.
- \$1,049,868 to record transfer to cover deficit in the Food Service Special Revenue Fund.
- \$1,702,535 to record transfers to cover fund balance deficit in the Student Transportation and Teacher Housing Special Revenue 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, 2025.

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 the schedule of expenditures of federal awards, state schedule of financial assistance and related notes, 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 statements 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,

Anchorage, Alaska

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, 2025

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, 2025

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 (the District), a component unit of the Northwest Arctic Borough, Alaska, as of and for the year ended June 30, 2025, 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, 2025, 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

Changes in Accounting Principles

As discussed in Note XIV to the financial statements, in 2025, the District implemented GASB Statement No. 101, *Compensated Absences*, which established standards of accounting and financial reporting for compensated absences. The requirements of this Statement apply to financial statements of all state and local governments.

The 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.

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 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; 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) – Special Revenue Funds; Combining Statement of Revenues, Expenditures and Changes in Fund Balances (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 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, 2025 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.

Anchorage, Alaska
Month XX, 2025

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

Statement of Net Position

June 30, 2025

	Governmental Activities
<u>Assets and Deferred Outflows of Resources</u>	
Current assets:	
Cash and cash equivalents	\$ 24,479,306
Accounts receivable	3,723,322
Prepaid items	100,332
Inventory	1,940,823
Total current assets	30,243,783
Long-term assets:	
Deferred contribution (construction in progress), not being depreciated	69,881,989
Depreciable capital assets, net of accumulated depreciation	2,418,799
Net OPEB assets	12,183,697
Total long-term assets	84,484,485
Deferred outflows of resources:	
Pension and OPEB deferrals	3,472,360
Total assets and deferred outflows of resources	118,200,628
<u>Liabilities and Deferred Inflows of Resources</u>	
Current liabilities:	
Accounts payable	589,492
Accrued payroll liabilities	4,432,804
Unearned revenue	6,919,881
Compensated absences	1,280,761
Total current liabilities	13,222,938
Long-term liabilities:	
Net pension liabilities	23,772,636
Deferred inflows of resources:	
Pension and OPEB deferrals	416,959
Total liabilities and deferred inflows of resources	37,412,533
<u>Net Position</u>	
Net investment in capital assets	72,300,788
Restricted	1,191,687
Unrestricted	7,295,620
Total net position	80,788,095
Total liabilities, deferred inflows of resources, and net position	\$ 118,200,628

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

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Statement of Activities

Year Ended June 30, 2025

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	\$ 23,602,479	161,834	7,182,040	-	(16,258,605)
Special education instruction	7,218,834	-	527,444	-	(6,691,390)
Special education support services - students	2,086,007	-	1,177,806	-	(908,201)
Support services - students	2,035,759	-	2,398,265	-	362,506
Support services - instruction	26,743,831	-	3,995,652	-	(22,748,179)
School administration	4,279,952	-	514,271	-	(3,765,681)
School administration support services	1,451,071	-	484,099	-	(966,972)
District administration	1,790,118	-	101,696	-	(1,688,422)
District administration support services	4,284,152	-	1,086,661	-	(3,197,491)
Operations and maintenance of plant	19,645,945	573,776	425,695	2,938,293	(15,708,181)
Student activities	2,582,120	-	675,694	-	(1,906,426)
Student transportation - to and from school	64,786	-	56,619	-	(8,167)
Adult and continuing education instruction	1,573,674	-	1,572,889	-	(785)
Food services	3,237,042	26,371	1,949,280	-	(1,261,391)
Total governmental activities	\$ 100,595,770	761,981	22,148,111	2,938,293	(74,747,385)
General revenues and transfers:					
Borough appropriations				\$ 8,068,263	
Investment income				754,278	
Grants not restricted to specific programs				45,507,039	
E-rate				19,526,602	
Other				1,397,867	
Capital assets transferred to the Borough				(7,010)	
Total general revenues and transfers				75,247,039	
Change in net position					499,654
Net position - beginning of year, as originally stated					80,990,429
Change in accounting principle					(701,988)
Net position - beginning of year, as restated					80,288,441
Net position, end of year				\$ 80,788,095	

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, 2025

	<u>School Operating Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 24,479,306	-	24,479,306
Accounts receivable	15,516	3,707,806	3,723,322
Inventory	1,872,383	68,440	1,940,823
Prepaid items	89,600	10,732	100,332
Due from other funds	3,432,813	12,942,175	16,374,988
Total assets	29,889,618	16,729,153	46,618,771
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	440,081	149,411	589,492
Accrued payroll liabilities	4,432,804	-	4,432,804
Unearned revenue	1,440,000	5,479,881	6,919,881
Due to other funds	12,942,175	3,432,813	16,374,988
Total liabilities	19,255,060	9,062,105	28,317,165
Fund balances:			
Nonspendable	1,961,983	79,172	2,041,155
Restricted	-	1,191,687	1,191,687
Assigned	4,121,701	6,507,293	10,628,994
Unassigned	4,550,874	(111,104)	4,439,770
Total fund balances	10,634,558	7,667,048	18,301,606
Total liabilities and fund balances	\$ 29,889,618	16,729,153	46,618,771

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, 2025

Total fund balances of governmental funds	\$	18,301,606
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)	\$ 69,881,989	
Vehicles	2,173,974	
Teacher housing	4,443,700	
Machinery and equipment	1,410,357	
Total capital assets	77,910,020	
Accumulated depreciation	(5,609,232)	
Total capital assets, net		72,300,788
Long-term liabilities are not due in the current period, and therefore, are not reported in the funds;		
Compensated absences		(1,280,761)
Long-term liabilities reported in these statements consist of:		
Proportionate share of the collective net pension liability:		
PERS	(13,111,689)	
TRS	(10,660,947)	(23,772,636)
Proportionate share of the collective OPEB asset:		
PERS	5,585,008	
TRS	6,598,689	12,183,697
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	2,127,686	
TRS	1,344,674	3,472,360
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources.		
PERS	(160,151)	
TRS	(256,808)	(416,959)
Net position of governmental activities	\$	80,788,095

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, 2025

	School Operating Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
Local sources:			
Earnings on investment	\$ 754,278	-	754,278
E-rate revenue	19,526,602	-	19,526,602
Charges for services	-	761,981	761,981
Other	1,397,867	1,617,512	3,015,379
Intergovernmental:			
Borough appropriations	8,068,263	1,091,836	9,160,099
State of Alaska	44,178,759	6,383,564	50,562,323
Federal sources	4,121,701	12,166,906	16,288,607
Total revenues	<u>78,047,470</u>	<u>22,021,799</u>	<u>100,069,269</u>
Expenditures:			
Current:			
Instruction	16,775,133	5,674,520	22,449,653
Special education instruction	6,853,402	-	6,853,402
Special education support services - students	1,131,876	893,649	2,025,525
Support services - students	89,077	1,881,358	1,970,435
Support services - instruction	22,450,540	4,180,393	26,630,933
School administration	3,984,284	60,125	4,044,409
School administration support services	1,246,459	165,315	1,411,774
District administration	1,712,956	21,598	1,734,554
District administration support services	3,003,661	1,146,203	4,149,864
Operations and maintenance of plant	17,568,872	1,504,559	19,073,431
Student activities	1,882,503	671,039	2,553,542
Student transportation - to and from school	-	64,786	64,786
Adult and continuing education instruction	27,140	1,530,425	1,557,565
Food services	175,713	3,073,540	3,249,253
Construction and facilities acquisition	33,000	3,027,030	3,060,030
Total expenditures	<u>76,934,616</u>	<u>23,894,540</u>	<u>100,829,156</u>
Excess (deficiency) of revenues over expenditures	<u>1,112,854</u>	<u>(1,872,741)</u>	<u>(759,887)</u>
Other financing sources (uses):			
Transfers in	324,136	2,188,364	2,512,500
Transfers out	(2,188,364)	(324,136)	(2,512,500)
Net other financing sources (uses)	<u>(1,864,228)</u>	<u>1,864,228</u>	<u>-</u>
Net change in fund balances	<u>(751,374)</u>	<u>(8,513)</u>	<u>(759,887)</u>
Fund balances, beginning of year, as originally stated	10,927,573	7,675,561	18,603,134
Change in accounting principle	458,359	-	458,359
Fund balances, beginning of year, as restated	<u>11,385,932</u>	<u>7,675,561</u>	<u>19,061,493</u>
Fund balances, end of year	<u>\$ 10,634,558</u>	<u>7,667,048</u>	<u>18,301,606</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 Changes in Fund Balances of
Governmental Funds to Statement of Activities

Year Ended June 30, 2025

Net change in fund balances - total governmental funds		\$	(759,887)
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	\$	2,794,140	
Depreciation expense		<u>(318,362)</u>	2,475,778
Construction in progress should exclude costs of capital assets that will be transferred to another government upon completion, while governmental funds are shown as expenditures.			
Completed construction transferred to Northwest Arctic Borough			(7,010)
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.			
Changes in compensated absenses			(120,414)
Change in the unfunded net pension and OPEB liabilities:			
PERS		(359,609)	
TRS		<u>(686,077)</u>	(1,045,686)
Changes in deferred inflows and outflows 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		283,470	
TRS		<u>(326,597)</u>	<u>(43,127)</u>
Change in net position of governmental activities		\$	<u><u>499,654</u></u>

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, 2025

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 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 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 Cash Equivalents

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.

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

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

Notes to Basic Financial Statements, Continued

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

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. Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaid items. Reported inventories and prepaid items 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 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 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.

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

Notes to Basic Financial Statements, Continued

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.

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

All permanent employees earn and accrue vacation leave and sick leave. A liability is recognized when it is attributable to services already rendered. It accumulates, and it is more likely than not that the government will compensate an employee (either as paid time off or cash payment). Unused leave is accrued utilizing current salary costs as earned by employees, and recorded as a liability in the government-wide Statement of Net Position.

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.

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

Notes to Basic Financial Statements, Continued

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.

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.

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

Notes to Basic Financial Statements, Continued

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.

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 expenditures 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 School Operating 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 and transfers in excess of appropriations:

Teacher Housing	\$	1,239
Food Service	\$	53,094
Village Improvement Funds	\$	17,440

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."

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

Notes to Basic Financial Statements, Continued

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 \$24,479,306 in governmental funds with combined bank balances of \$25,402,548. 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, 2025.

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, 2025:

Bank deposits	\$	8,525,906
Investments - cash equivalents		<u>15,953,400</u>
Total cash and cash equivalents	\$	<u>24,479,306</u>

IV. Accounts Receivable

Accounts receivable 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
Accounts receivable:				
Grants	\$	-	3,747,867	3,747,867
Other		<u>15,516</u>	-	<u>15,516</u>
Total	\$	<u>15,516</u>	<u>3,747,867</u>	<u>3,763,383</u>

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, 2024	Additions	Transfers and Deletions	Balance June 30, 2025
Capital assets not being depreciated:				
Deferred contribution - CIP	\$ 67,268,318	2,620,681	(7,010)	69,881,989
Capital assets being depreciated:				
Vehicles	2,029,415	144,559	-	2,173,974
Machinery and equipment	4,438,865	28,900	(24,065)	4,443,700
Teacher housing	1,410,357	-	-	1,410,357
Total capital assets being depreciated	<u>7,878,637</u>	<u>173,459</u>	<u>(24,065)</u>	<u>8,028,031</u>
Accumulated depreciation:				
Vehicles	1,194,583	136,795	-	1,331,378
Machinery and equipment	3,927,448	146,308	(24,065)	4,049,691
Teacher housing	192,904	35,259	-	228,163
Total accumulated depreciation	<u>5,314,935</u>	<u>318,362</u>	<u>(24,065)</u>	<u>5,609,232</u>
Net depreciable capital assets	<u>2,563,702</u>	<u>(144,903)</u>	<u>-</u>	<u>2,418,799</u>
Total capital assets	<u>\$ 69,832,020</u>	<u>2,475,778</u>	<u>(7,010)</u>	<u>72,300,788</u>

During the year the District completed and transferred capital assets to the Northwest Arctic Borough of \$7,010.

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

Instruction	\$ 100,389
Special education instruction	1,584
Operations and maintenance of plant	204,350
Student activities	10,036
Food services	2,003
Total depreciation expense	<u>\$ 318,362</u>

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, 2025	School Operating Fund	Other Governmental Funds	Totals
Nonspendable:			
Inventory	\$ 1,872,383	68,440	1,940,823
Prepaid items	89,600	10,732	100,332
Total nonspendable	1,961,983	79,172	2,041,155
Restricted:			
Special Revenue Funds:			
Medical Assistance	-	177,439	177,439
Students Activities	-	960,862	960,862
Capital Project Funds:			
Impact Aid Capital	-	53,386	53,386
Total restricted	-	1,191,687	1,191,687
Assigned:			
Special Revenue Funds:			
Facilities Housing	-	39,548	39,548
Youth Leaders Program	-	6,779	6,779
Maniilaq Counselor Program	-	11,421	11,421
Capital Project Funds:			
District Technology	-	1,099,367	1,099,367
Local Funded Maintenance	-	306,002	306,002
CIP Reserved Local Share	-	4,080,144	4,080,144
AHFC Buckland Duplex THP-23-NAB-1	-	23,993	23,993
AHFC Buckland Duplex THP-23-NAB-2	-	15,296	15,296
Kivalina K-12 Replacement School and Teacher Housing	-	233,773	233,773
Alaska Technical Center Family Housing	-	17,452	17,452
Magnet School (ATC) Expansion Project	-	673,518	673,518
Impact Aid	4,121,701	-	4,121,701
Total assigned	4,121,701	6,507,293	10,628,994
Unassigned	4,550,874	(111,104)	4,493,770
Total fund balances	\$ 10,634,558	7,667,048	18,301,606

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

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, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
Other Governmental Funds	School Operating Fund	\$ 12,942,175
School Operating Fund	Other Governmental Funds	3,432,813
Total		\$ 16,374,988

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.

Transfers

From School Operating Fund to Other Governmental Funds to cover operating costs \$ 2,188,364

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 (ARMB). 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.

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

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

Plan Memberships

The table below includes the plan membership counts from the separately issued financial statements for the various plans:

	PERS	TRS
Retired plan members or beneficiaries currently receiving benefits	36,198	13,236
Inactive plan members entitled to but not yet receiving benefits	4,516	751
Inactive plan members not entitled to benefits	9,790	1,504
Active plan members	7,963	2,555
Total plan memberships	<u>58,467</u>	<u>18,046</u>

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, 2025, employer contributions were 0.00% for PERS and 0.00% 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, 2025, the employer contribution rates were 0.24% for PERS and 0.08% for TRS.

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

Notes to Basic Financial Statements, Continued

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, 2025, employer contributions were 0.83% for PERS and 0.68% for TRS.

Health Reimbursement Arrangement Plan (HRA)

The Health Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3.00% of the average annual compensation of all employees in the PERS and TRS plans.

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, 2024 for PERS and TRS for the DB Pension Plan were 8.75% and 8.74%, the ARHCT Plan were 8.89% and 8.90%, the ODD Plan were 9.01% and 8.84%, and the RMP were 9.02% and 8.90%, 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>.

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

Notes to Basic Financial Statements, Continued

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 2.39%):

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Domestic Equity	5.48%
Global Equity (ex-U.S.)	7.14%
Global Equity	5.79%
Aggregate Bonds	2.10%
Real Assets	4.63%
Private Equity	8.84%
Cash Equivalents	0.77%

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.25%. 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 4.21% as of June 30, 2024.

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 22.00% 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. Starting on June 30, 2014, the State of Alaska 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. Effective June 30, 2018, each future year's unfunded service liability is separately amortized on a level percent of pay basis over 25 years.

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

Notes to Basic Financial Statements, Continued

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.

Employer Contribution rates for the fiscal year 2025 are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	22.00%	26.76%	4.76%
OPEB	0.00%	0.00%	0.00%
Total PERS contribution rates	22.00%	26.76%	4.76%
TRS:			
Pension	12.56%	28.59%	16.03%
OPEB	0.00%	0.00%	0.00%
Total TRS contribution rates	12.56%	28.59%	16.03%

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 fiscal year 2025, the past service rate for PERS and TRS is 17.88%.

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

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2024 (latest available) were determined by an actuarial valuation as of June 30, 2023 which was rolled forward to the measurement date June 30, 2024. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021.

Inflation	2.50% per year.
Salary Increases	Increases range from 2.85% to 8.50% 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-2010, projected with MP-2021 generational improvement.
Healthcare cost trend rates	Pre-65 medical: 6.4% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Rx/EGWP: 6.9% grading down to 4.5%. Initial trend rates are for FY2025. Ultimate trend rates reached in FY2050.

The actuarial assumptions used in the June 30, 2023 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new demographic and economic assumptions were adopted by the Board at the June 2022 meeting to better reflect expected future experience and were effective for the June 30, 2022 actuarial valuation. For the ARHCT and RM plan, the per capita claims costs were updated to reflect recent experience for the June 30, 2023 actuarial valuation.

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>.

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

Notes to Basic Financial Statements, Continued

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.

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.

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

Notes to Basic Financial Statements, Continued

Employee Contribution Rate. PERS active members are required to contribute 6.75%, 7.50% for peace officers and firefighters, and 9.60% for certain school district employees.

Employer contributions for the year ended June 30, 2025, were:

Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$ 1,530,642	83,670	1,614,312

Public Employees' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed \$441,422 (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, 2024 to a total of \$865,575 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, 2025, 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	\$ 13,111,689
State's proportionate share of the net pension liability	4,905,296
Total	\$ 18,016,985
OPEB	
District's proportionate share of the ARHCT OPEB liability (asset)	\$ (5,275,500)
State's proportionate share of the ARHCT OPEB liability (asset)	(1,960,189)
Total	\$ (7,235,689)
District's proportionate share of the ODD OPEB liability (asset)	\$ (159,759)
District's proportionate share of the RMP OPEB liability (asset)	\$ (149,749)
Total District's share of net pension and OPEB liabilities and assets	\$ 7,526,681

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024 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 the fiscal years ending FY2026 to FY2039, as determined by projections based on the June 30, 2023 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, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.23907%	0.25973%	(0.02066%)
OPEB:			
ARHCT	0.23956%	0.25910%	(0.01954%)
ODD	0.26760%	0.31283%	(0.04523%)
RMP	0.32125%	0.37469%	(0.05344%)

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of \$1,913,411 and \$652,480, respectively, for the year ended June 30, 2025, 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	126,220	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	1,530,642	-
Total	<u>\$ 1,656,862</u>	<u>-</u>

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,858	-
Changes of assumptions	141,639	-
Net difference between projected and actual earnings on OPEB plan investments	80,336	-
Changes in proportion and differences between District contributions and proportionate share of contributions	77,281	-
District contributions subsequent to the measurement date	-	-
Total	<u>\$ 302,114</u>	<u>-</u>

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	\$ -	(37,425)
Changes of assumptions	-	(396)
Net difference between projected and actual earnings on OPEB plan investments	510	-
Changes in proportion and differences between District contributions and proportionate share of contributions	21,302	(849)
District contributions subsequent to the measurement date	18,767	-
Total	\$ 40,579	(38,670)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,769	(16,642)
Changes of assumptions	50,673	(100,668)
Net difference between projected and actual earnings on OPEB plan investments	2,113	-
Changes in proportion and differences between District contributions and proportionate share of contributions	6,673	(4,171)
District contributions subsequent to the measurement date	64,903	-
Total	\$ 128,131	(121,481)

\$1,530,642 and \$83,670 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, 2025, 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
2025	\$ (351,417)	(74,775)	(6,554)	(21,283)
2026	654,222	532,096	(920)	252
2027	(96,571)	(85,284)	(4,825)	(21,624)
2028	(80,014)	(69,923)	(3,987)	(14,795)
2029	-	-	(1,664)	(7,800)
Thereafter	-	-	1,092	6,997
Total	\$ 126,220	302,114	(16,858)	(58,253)

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

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2025, the District recognized (\$982,692) and \$354,145 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 (asset)	\$ 17,466,004	13,111,689	9,426,895
Net OPEB ARHCT liability (asset)	\$ (3,340,366)	(5,275,500)	(6,903,957)
Net OPEB ODD liability (asset)	\$ (150,058)	(159,759)	(167,362)
Net OPEB RMP liability (asset)	\$ 25,941	(149,749)	(284,032)

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 liability (asset)	\$ (7,089,871)	(5,275,500)	(3,120,151)
Net OPEB ODD liability (asset)	\$ N/A	(159,759)	N/A
Net OPEB RMP liability (asset)	\$ (301,756)	(149,749)	52,213

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 8.00% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5.00% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 0.83% for the retiree medical plan (DB), 0.24% 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 22.00% 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
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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 \$656,612 for the year ended June 30, 2025, which included forfeitures of \$41,019 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 57 employers participating in TRS, including 53 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 Management Board (ARMB). 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
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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, 2025, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	610,883	108,619	719,502

Teachers' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed \$2,351,999 (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, 2024 to a total of \$2,961,011 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, 2025, 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:		Pension
District's proportionate share of the net pension liability	\$	10,660,947
State's proportionate share of the net pension liability		18,327,477
Total	\$	28,988,424
		OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	\$	(5,964,589)
State's proportionate share of the ARHCT OPEB liability (asset)		(9,668,379)
Total	\$	(15,632,968)
District's proportionate share of the ODD OPEB liability (asset)	\$	(165,968)
District's proportionate share of the RMP OPEB liability (asset)	\$	(468,132)
Total District's share of net pension and OPEB liabilities and assets	\$	(4,062,258)

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024 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 the fiscal years ending FY2026 to FY2039, as determined by projections based on the June 30, 2023 valuation.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT
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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, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.57631%	0.57300%	0.00331%
OPEB:			
ARHCT	0.59785%	0.58932%	0.00853%
ODD	2.08294%	2.55709%	(0.47415%)
RMP	2.08188%	2.55911%	(0.47723%)

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of \$4,099,724 and \$495,584 respectively, for the year ended June 30, 2025, 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	177,748	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	610,883	-
Total	<u>\$ 788,631</u>	<u>-</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(1,462)
Changes of assumptions	70,430	-
Net difference between projected and actual earnings on OPEB plan investments	75,568	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(8,216)
District contributions subsequent to the measurement date	-	-
Total	<u>\$ 145,998</u>	<u>(9,678)</u>

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	\$ -	(26,227)
Changes of assumptions	-	(236)
Net difference between projected and actual earnings on OPEB plan investments	704	-
Changes in proportion and differences between District contributions and proportionate share of contributions	44,758	(3,280)
District contributions subsequent to the measurement date	11,441	-
Total	\$ 56,903	(29,743)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 65,352	(31,883)
Changes of assumptions	87,340	(181,652)
Net difference between projected and actual earnings on OPEB plan investments	6,662	-
Changes in proportion and differences between District contributions and proportionate share of contributions	96,610	(3,852)
District contributions subsequent to the measurement date	97,178	-
Total	\$ 353,142	(217,387)

\$610,883 and \$108,619 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, 2025, 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
2025	\$ (490,092)	(217,308)	93	(17,194)
2026	893,466	504,996	4,688	29,149
2027	(121,971)	(83,165)	780	(10,120)
2028	(103,655)	(68,203)	2,658	(6,651)
2029	-	-	2,743	10,106
Thereafter	-	-	4,757	33,287
Total	\$ 177,748	136,320	15,719	38,577

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

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2025, the District recognized (\$274,773) and \$175,372 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	\$ 15,466,173	10,660,947	6,593,286
Net OPEB ARHCT liability (asset)	\$ (4,110,795)	(5,964,589)	(7,515,898)
Net OPEB ODD liability (asset)	\$ (166,510)	(165,968)	(165,635)
Net OPEB RMP liability (asset)	\$ (123,560)	(468,132)	(728,325)

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 liability (asset)	\$ (7,685,268)	(5,964,589)	(3,908,836)
Net OPEB ODD liability (asset)	\$ N/A	(165,968)	N/A
Net OPEB RMP liability (asset)	\$ (759,762)	(468,132)	(73,303)

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 8.00% 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): 0.68% 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.

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 \$1,323,778 for the year ended June 30, 2025, which included forfeitures of \$145,899 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 \$200,000 for individual claims. Aggregate Stop Loss Coverage is also provided when claims exceed 125%. Health and medical benefit costs were \$7,417,193 and \$8,829,951 for the years ended June 30, 2025 and 2024, 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 payroll liabilities.

Following is a schedule of changes in claims liabilities for the two years ended June 30, 2025 and 2024 for the accrued health and life benefits which is included in payroll related liabilities.

Accrued Health and Life Benefits, at June 30, 2023	\$	2,687,572
Claims and administrative expenses		8,829,951
Claims and administrative expenses paid		(8,458,627)
Accrued Health and Life Benefits, at June 30, 2024		3,058,896
Claims and administrative expenses		7,417,193
Claims and administrative expenses paid		(7,695,702)
Accrued Health and Life Benefits, at June 30, 2025	\$	2,780,387

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

Notes to Basic Financial Statements, Continued

XI. Contingencies

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.

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. As of fiscal year 2025, there are two active litigation against the District. The first litigation, filed by the Alaska Department of Environmental Conservation (ADEC), named the District as a potential responsible party for a diesel fuel spill from the mid-1950s to mid-1980s in Kotzebue. As of the issuance of these financial statements, no outcome has been determined for this litigation. The second litigation, filed by a private party, named the District as one of the parties responsible for the wrongful death of a student and other various damages. As of the issuance of these financial statements, no outcome has been determined for this litigation.

XII. Alternative Retirement Plan

The District participates in a 457 plan through Fidelity Management Trust Company. Participants may contribute up to a maximum of \$23,500. The District does not contribute a matching amount.

XIII. Short-Term Leases

The 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, 2025 amounted to \$753,610.

XIV. Implementation of New Accounting Standard GASB Statement No. 101

Effective July 1, 2024, the School District implemented GASB Statement No. 101, *Compensated Absences*. This Statement modifies the recognition and measurement of the compensated absences liability. Prior to the implementation of GASB Statement No. 101, the School District did not include certain balances related to sick leave. Under GASB Statement No. 101, all earned, accumulating leave that is more likely than not to be paid or settled, is included in the measurement of compensated absences. The School District restated its long-term liabilities to recognize that portion of leave in the compensated absences balance as of June 30, 2024. This resulted in a restatement of previously reported net position and fund balance, as follows:

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

Notes to Basic Financial Statements, Continued

	Governmental Activities	Governmental Funds
Net position, as of		
June 30, 2024, as originally stated	\$ 80,990,429	18,603,134
Change in accounting principle:	(701,988)	458,359
Net position, beginning of year as restated	\$ 80,288,441	19,061,493

	Balance July 1, 2024	Change	Balance June 30, 2025	Due within one year
Compensated absences	\$ 1,160,347	120,414	1,280,761	1,280,761

XV. Subsequent Accounting Pronouncements

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

- GASB 103 *Financial Reporting Model Improvements*: Effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
- GASB 104 *Disclosure of Certain Capital Assets*: Effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 103 will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The changes primarily include updates to three key areas: management's discussion and analysis, presentation of proprietary fund financial statements, and budgetary comparison information. This Statement also addresses certain application issues.

GASB Statement No. 104 establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. The Statement also establishes requirements for capital assets held for sale and requires additional disclosures for those capital assets. Under the guidance, a capital asset is a capital asset held for sale if: (a) the government has decided to pursue the sale of the asset, and (b) it is probable the sale will be finalized within a year of the financial statement date. A government should disclose the historical cost and accumulated depreciation of capital assets held for sale, by major class of asset.

XVI. Subsequent Event

Subsequent to June 30, 2025, the area served by the District was severely affected by Typhoon Halong, which caused extensive flooding and damage to District facilities. The storm also resulted in the evacuation of surrounding communities, which may affect future student enrollment and related state and federal funding. Because the event occurred after the fiscal year-end, it represents a nonrecognized subsequent event under GASB guidance. Accordingly, no adjustments have been made to the financial statements as of June 30, 2025. The District is currently assessing the extent of the damage, expected insurance recoveries, and potential financial and operational impacts. At this time, the financial effects of this event cannot be reasonably estimated.

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Earnings on investment	\$ 770,000	770,000	754,278	(15,722)
E-rate revenue	7,205,220	19,452,945	19,526,602	73,657
Other	2,100,000	2,200,000	1,397,867	(802,133)
Intergovernmental:				
Borough appropriations	6,645,111	8,068,263	8,068,263	-
State of Alaska	42,952,424	44,128,797	44,178,759	49,962
Federal sources	4,206,505	3,441,882	4,121,701	679,819
Total revenues	<u>63,879,260</u>	<u>78,061,887</u>	<u>78,047,470</u>	<u>(14,417)</u>
Expenditures:				
Current				
Instruction	17,727,977	18,142,439	16,775,133	1,367,306
Special education instruction	8,627,583	7,550,357	6,853,402	696,955
Special education support services - students	1,243,038	1,358,601	1,131,876	226,725
Support services - students	299,296	303,848	89,077	214,771
Support services - instruction	10,222,671	23,621,738	22,450,540	1,171,198
School administration	3,334,747	3,961,040	3,984,284	(23,244)
School administration support services	1,459,653	1,475,205	1,246,459	228,746
District administration	1,868,130	1,907,136	1,712,956	194,180
District administration support services	3,015,138	3,228,836	3,003,661	225,175
Operations and maintenance of plant	17,158,567	18,250,498	17,568,872	681,626
Student activities	1,578,797	1,939,066	1,882,503	56,563
Adult and continuing education instruction	-	82,100	27,140	54,960
Food services	-	185,000	175,713	9,287
Construction and facilities acquisition	-	-	33,000	(33,000)
Total expenditures	<u>66,535,597</u>	<u>82,005,864</u>	<u>76,934,616</u>	<u>5,071,248</u>
Excess of revenues over expenditures	(2,656,337)	(3,943,977)	1,112,854	5,056,831
Other financing sources (uses):				
Transfers in	-	-	324,136	324,136
Transfers out	(2,316,160)	-	(2,188,364)	(2,188,364)
Net other financing sources (uses)	<u>(2,316,160)</u>	<u>-</u>	<u>(1,864,228)</u>	<u>(1,864,228)</u>
Net change in fund balance	<u>\$ (4,972,497)</u>	<u>(3,943,977)</u>	<u>(751,374)</u>	<u>2,868,467</u>
Fund balance, beginning of year, as originally stated			10,927,573	
Change in accounting principle			<u>458,359</u>	
Fund balance, beginning of year, as restated			<u>11,385,932</u>	
Fund balance, end of year			<u>\$ 10,634,558</u>	

See accompanying notes to Required Supplementary Information.

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

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

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's	District's	State of Alaska	Total	District's	District's	District's	Plan Fiduciary
	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	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Net Position as a Percentage of the Total Pension Liability
2016	0.2783%	\$ 13,498,455	\$ 3,615,841	\$ 17,114,296	\$ 8,378,374	\$ 8,378,374	161.11%	63.96%
2017	0.3136%	\$ 17,530,603	\$ 2,210,896	\$ 19,741,499	\$ 8,097,929	\$ 8,097,929	216.48%	59.55%
2018	0.2451%	\$ 12,667,701	\$ 4,719,677	\$ 17,387,378	\$ 8,116,354	\$ 8,116,354	156.08%	63.37%
2019	0.2973%	\$ 14,770,655	\$ 4,274,089	\$ 19,044,744	\$ 8,097,929	\$ 8,097,929	182.40%	65.19%
2020	0.2671%	\$ 14,619,390	\$ 5,807,703	\$ 20,427,093	\$ 8,378,374	\$ 8,378,374	174.49%	63.42%
2021	0.2525%	\$ 14,899,194	\$ 6,166,568	\$ 21,065,762	\$ 8,433,931	\$ 8,433,931	176.66%	61.61%
2022	0.3051%	\$ 11,190,711	\$ 1,513,286	\$ 12,703,997	\$ 8,353,223	\$ 8,353,223	133.97%	76.46%
2023	0.2500%	\$ 12,739,771	\$ 3,525,863	\$ 16,265,634	\$ 8,339,086	\$ 8,339,086	152.77%	67.97%
2024	0.2597%	\$ 13,467,387	\$ 4,489,495	\$ 17,956,882	\$ 8,929,932	\$ 8,929,932	150.81%	68.23%
2025	0.2391%	\$ 13,111,689	\$ 4,905,296	\$ 18,016,985	\$ 8,485,101	\$ 8,485,101	154.53%	67.81%

See accompanying notes to Required Supplementary Information.

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

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's	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)	Proportionate Share of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Net OPEB Liability (Asset)	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	25.51%	89.68%	
2019	0.2900%	\$ 3,050,588	\$ 885,837	\$ 3,936,425	\$ 8,097,929	37.67%	88.12%	
2020	0.2671%	\$ 396,297	\$ 157,525	\$ 553,822	\$ 8,378,374	4.73%	98.13%	
2021	0.2524%	\$ (1,143,040)	\$ (473,999)	\$ (1,617,039)	\$ 8,433,931	-13.55%	106.15%	
2022	0.3063%	\$ (7,856,855)	\$ (1,028,105)	\$ (8,884,960)	\$ 8,353,223	-94.06%	135.54%	
2023	0.2482%	\$ (4,882,814)	\$ (1,395,663)	\$ (6,278,477)	\$ 8,339,086	-58.55%	128.51%	
2024	0.2591%	\$ (5,961,902)	\$ (2,008,390)	\$ (7,970,292)	\$ 8,929,932	-66.76%	133.96%	
2025	0.2396%	\$ (5,275,500)	\$ (1,960,189)	\$ (7,235,689)	\$ 8,485,101	-62.17%	130.59%	
Occupational Death and Disability (ODD):								
2018	0.4800%	\$ (68,127)	\$ -	\$ (68,127)	\$ 8,116,354	-0.84%	212.97%	
2019	0.4300%	\$ (84,024)	\$ -	\$ (84,024)	\$ 8,097,929	-1.04%	270.62%	
2020	0.3265%	\$ (79,156)	\$ -	\$ (79,156)	\$ 8,378,374	-0.94%	297.43%	
2021	0.3178%	\$ (86,622)	\$ -	\$ (86,622)	\$ 8,433,931	-1.03%	283.80%	
2022	0.3202%	\$ (141,121)	\$ -	\$ (141,121)	\$ 8,353,223	-1.69%	374.22%	
2023	0.3113%	\$ (136,456)	\$ -	\$ (136,456)	\$ 8,339,086	-1.64%	348.80%	
2024	0.3128%	\$ (160,494)	\$ -	\$ (160,494)	\$ 8,929,932	-1.80%	349.24%	
2025	0.2676%	\$ (159,759)	\$ -	\$ (159,759)	\$ 8,485,101	-1.88%	346.81%	
Retiree Medical Plan (RMP):								
2018	0.4800%	\$ 25,039	\$ -	\$ 25,039	\$ 616,628	4.06%	93.86%	
2019	0.4330%	\$ 55,051	\$ -	\$ 55,051	\$ 1,974,709	2.79%	88.71%	
2020	0.4108%	\$ 98,279	\$ -	\$ 98,279	\$ 1,970,226	4.99%	83.17%	
2021	0.3966%	\$ 28,131	\$ -	\$ 28,131	\$ 2,038,417	1.38%	92.23%	
2022	0.3774%	\$ (101,305)	\$ -	\$ (101,305)	\$ 2,143,741	-4.73%	115.10%	
2023	0.3864%	\$ (127,258)	\$ -	\$ (127,258)	\$ 2,275,014	-5.59%	120.08%	
2024	0.3747%	\$ (177,919)	\$ -	\$ (177,919)	\$ 2,448,718	-7.27%	124.29%	
2025	0.3213%	\$ (149,749)	\$ -	\$ (149,749)	\$ 2,448,718	-6.12%	119.87%	

See accompanying notes to Required Supplementary Information.

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

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2025

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			
2016	\$ 707,834	\$ (707,834)	\$ -	\$ 8,097,929	8.74%		
2017	\$ 864,088	\$ (864,088)	\$ -	\$ 8,116,354	10.65%		
2018	\$ 999,536	\$ (99,536)	\$ 900,000	\$ 8,097,929	12.34%		
2019	\$ 1,002,277	\$ (1,002,277)	\$ -	\$ 8,378,374	11.96%		
2020	\$ 945,362	\$ (1,069,083)	\$ (123,721)	\$ 8,433,931	11.21%		
2021	\$ 1,065,136	\$ (944,735)	\$ 120,401	\$ 8,353,223	12.75%		
2022	\$ 1,089,851	\$ (1,069,083)	\$ 20,768	\$ 8,339,086	13.07%		
2023	\$ 1,324,405	\$ (1,336,438)	\$ (12,033)	\$ 8,929,932	14.83%		
2024	\$ 1,288,772	\$ (1,263,905)	\$ 24,867	\$ 8,485,101	15.19%		
2025	\$ 1,527,363	\$ (1,530,642)	\$ (3,279)	\$ 10,322,377	14.80%		

See accompanying notes to Required Supplementary Information.

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

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the		Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
		Contractually Required Contribution	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%
2024	\$ -	\$ -	\$ -	\$ -	8,485,101	0.00%
2025	\$ -	\$ -	\$ -	\$ -	10,322,377	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%
2024	\$ 18,625	\$ (18,625)	\$ -	\$ -	8,485,101	0.22%
2025	\$ 18,767	\$ (18,767)	\$ -	\$ -	10,322,377	0.18%
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%
2024	\$ 62,707	\$ (62,707)	\$ -	\$ -	2,448,718	2.56%
2025	\$ 64,903	\$ (64,903)	\$ -	\$ -	2,984,600	2.17%

See accompanying notes to Required Supplementary Information.

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Schedule of District's Proportionate Share of the Net Pension Liability
Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska		Total Net Pension Liability	District's		District's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
			Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability		Covered Payroll	Covered Payroll	Share of the Net Pension Liability as a Percentage of Covered Payroll	Share of the Net Pension Liability as a Percentage of Covered Payroll	
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%	
2024	0.5730%	\$ 10,075,843	\$ 15,928,291	\$ 26,004,134	\$ 15,674,379	64.28%			77.62%	
2025	0.5763%	\$ 10,660,947	\$ 18,327,477	\$ 28,988,424	\$ 15,663,707	68.06%			77.07%	

See accompanying notes to Required Supplementary Information.

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

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate 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 Covered Payroll	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	7.85%	93.75%
2019	0.0075%	\$ 2,337,774	\$ 3,488,700	\$ 5,826,474	\$ 16,910,003	13.82%	90.23%
2020	0.8370%	\$ (1,279,084)	\$ (1,903,589)	\$ (3,182,673)	\$ 18,195,563	-7.03%	105.50%
2021	0.7587%	\$ (2,714,089)	\$ (4,729,332)	\$ (7,443,421)	\$ 18,284,994	-14.84%	113.78%
2022	1.0392%	\$ (12,083,061)	\$ (9,409,384)	\$ (21,492,445)	\$ 16,411,266	-73.63%	145.41%
2023	0.7487%	\$ (6,562,341)	\$ (8,441,432)	\$ (15,003,773)	\$ 15,434,562	-42.52%	134.84%
2024	0.5893%	\$ (5,955,868)	\$ (8,989,404)	\$ (14,945,272)	\$ 15,674,379	-38.00%	140.49%
2025	0.5979%	\$ (5,964,589)	\$ (9,668,379)	\$ (15,632,968)	\$ 15,663,707	-38.08%	137.40%
Occupational Death and Disability (ODD):							
2018	0.0312%	\$ (101,913)	-	\$ (101,913)	\$ 15,774,517	-0.65%	1342.59%
2019	0.3210%	\$ (11,435)	-	\$ (11,435)	\$ 16,910,003	-0.07%	1304.81%
2020	3.4407%	\$ (138,351)	-	\$ (138,351)	\$ 18,195,563	-0.76%	1409.77%
2021	3.1667%	\$ (136,327)	-	\$ (136,327)	\$ 18,284,994	-0.75%	931.08%
2022	2.7895%	\$ (170,020)	-	\$ (170,020)	\$ 16,411,266	-1.04%	1254.36%
2023	2.5762%	\$ (155,602)	-	\$ (155,602)	\$ 15,434,562	-1.01%	1268.28%
2024	2.5571%	\$ (176,925)	-	\$ (176,925)	\$ 15,674,379	-1.13%	1410.42%
2025	2.0829%	\$ (165,968)	-	\$ (165,968)	\$ 15,663,707	-1.06%	1600.56%
Retiree Medical Plan (RMP):							
2018	0.0312%	\$ (147,817)	-	\$ (147,817)	\$ 9,588,581	-1.54%	118.16%
2019	0.0332%	\$ (106,206)	-	\$ (106,206)	\$ 9,548,581	-1.11%	109.56%
2020	3.4266%	\$ (131,445)	-	\$ (131,445)	\$ 9,628,765	-1.37%	110.03%
2021	3.1772%	\$ (313,432)	-	\$ (313,432)	\$ 9,885,765	-3.17%	125.59%
2022	2.7766%	\$ (557,541)	-	\$ (557,541)	\$ 9,342,293	-5.97%	142.54%
2023	2.5715%	\$ (497,988)	-	\$ (497,988)	\$ 9,301,282	-5.35%	140.73%
2024	2.5591%	\$ (566,869)	-	\$ (566,869)	\$ 9,664,785	-5.87%	140.71%
2025	2.0819%	\$ (468,132)	-	\$ (468,132)	\$ 10,010,192	-4.68%	134.72%

See accompanying notes to Required Supplementary Information.

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

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2025

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	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution			
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%
2024	\$ 605,476	\$ 605,476	\$ (586,860)	\$ 18,616	\$ 18,616	15,663,707	3.87%
2025	\$ 618,176	\$ 618,176	\$ (610,883)	\$ 7,293	\$ 7,293	16,268,145	3.80%

See accompanying notes to Required Supplementary Information.

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

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2025

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%
2024	\$ -	\$ -	\$ -	\$ 15,663,707	0.00%
2025	\$ -	\$ -	\$ -	\$ 16,268,145	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%
2024	\$ 10,952	\$ (10,511)	\$ 441	\$ 15,663,707	0.07%
2025	\$ 11,441	\$ (11,441)	\$ -	\$ 16,268,145	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%
2024	\$ 112,269	\$ (112,269)	\$ -	\$ 10,010,192	1.12%
2025	\$ 97,178	\$ (97,178)	\$ -	\$ 10,539,634	0.92%

See accompanying notes to Required Supplementary Information.

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

Notes to Required Supplementary Information

June 30, 2025

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 School Operating 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, 2025, expenditures exceeded appropriations in the School Operating Fund for the school administration function by \$23,244, and construction and facilities acquisition by \$33,000.

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, 2022 to June 30, 2023

There were no changes in asset and valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2022 to June 30, 2023

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last 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, 2022 to June 30, 2023

There have been no changes in benefit provisions valued 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, 2022 to June 30, 2023

There were no changes in asset and valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2022 to June 30, 2023

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last 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, 2022 to June 30, 2023

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, 2023 which was rolled forward to June 30, 2024. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

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, 2022 to June 30, 2023

There were no changes in asset and valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2022 to June 30, 2023

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last 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, 2022 to June 30, 2023

There have been no changes in benefit provisions valued 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, 2022 to June 30, 2023

There were no changes in asset and valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2022 to June 30, 2023

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last 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, 2022 to June 30, 2023

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, 2023 which was rolled forward to June 30, 2024. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

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 - Final Budget and Actual

Year Ended June 30, 2025

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Earnings on investment	\$ 770,000	754,278	(15,722)
E-rate revenue	19,452,945	19,526,602	73,657
Other local revenues	2,200,000	1,397,867	(802,133)
Total local sources	<u>22,422,945</u>	<u>21,678,747</u>	<u>(744,198)</u>
Intergovernmental:			
Borough appropriations	8,068,263	8,068,263	-
State of Alaska:			
Foundation	36,379,653	36,638,662	259,009
On-behalf TRS	2,505,160	2,351,999	(153,161)
On-behalf PERS	447,788	441,422	(6,366)
Other State revenues	4,796,196	4,746,676	(49,520)
Total State of Alaska	<u>44,128,797</u>	<u>44,178,759</u>	<u>49,962</u>
Federal sources - Impact Aid	3,441,882	4,121,701	679,819
Total revenues	<u>78,061,887</u>	<u>78,047,470</u>	<u>(14,417)</u>
Expenditures:			
Instruction:			
Certificated salaries	9,248,033	9,157,050	90,983
Non-certificated salaries	1,462,180	1,332,098	130,082
Employee benefits	6,817,633	6,034,893	782,740
Professional and technical services	200,000	451	199,549
Staff travel	12,000	8,848	3,152
Student travel	2,000	204	1,796
Other purchased services	152,985	113,579	39,406
Supplies, materials and media	231,608	127,010	104,598
Student transportation - in lieu - of agreements	6,000	1,000	5,000
Equipment	10,000	-	10,000
Total instruction	<u>18,142,439</u>	<u>16,775,133</u>	<u>1,367,306</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 - Final Budget and Actual, Continued

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Special education instruction:			
Certificated salaries	\$ 2,013,725	2,067,494	(53,769)
Non-certificated salaries	1,992,702	2,000,103	(7,401)
Employee benefits	3,511,930	2,765,651	746,279
Staff travel	32,000	8,636	23,364
Supplies, materials and media	-	11,518	(11,518)
Total special education instruction	<u>7,550,357</u>	<u>6,853,402</u>	<u>696,955</u>
Special education support services - students:			
Certificated salaries	415,853	365,344	50,509
Non-certificated salaries	126,929	115,944	10,985
Employee benefits	251,319	274,382	(23,063)
Professional and technical services	483,500	318,622	164,878
Staff travel	6,000	3,558	2,442
Student travel	11,000	4,603	6,397
Other purchased services	28,000	24,000	4,000
Supplies, materials and media	36,000	25,423	10,577
Total special education support services - students	<u>1,358,601</u>	<u>1,131,876</u>	<u>226,725</u>
Support services - students:			
Certificated salaries	204,197	-	204,197
Non-certificated salaries	5,241	5,241	-
Employee benefits	94,410	83,836	10,574
Total support services - students	<u>303,848</u>	<u>89,077</u>	<u>214,771</u>
Support services - instruction:			
Certificated salaries	444,044	420,361	23,683
Non-certificated salaries	575,813	583,783	(7,970)
Employee benefits	534,384	552,119	(17,735)
Professional and technical services	121,500	120,260	1,240
Staff travel	61,500	29,947	31,553
Utility services	21,025,172	20,032,351	992,821
Other purchased services	1,500	1,000	500
Insurance and bond premiums	22,184	22,184	-
Supplies, materials and media	790,641	659,796	130,845
Tuition-students and stipends	40,000	28,739	11,261
Other	5,000	-	5,000
Total support services - instruction	<u>23,621,738</u>	<u>22,450,540</u>	<u>1,171,198</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 - Final Budget and Actual, Continued

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Expenditures, continued:			
School administration:			
Certificated salaries	\$ 2,543,259	2,550,755	(7,496)
Non-certificated salaries	46,600	92,655	(46,055)
Employee benefits	1,227,981	1,243,307	(15,326)
Professional and technical services	3,400	4,100	(700)
Staff travel	78,000	51,442	26,558
Other purchased services	6,700	1,195	5,505
Supplies, materials and media	45,000	39,734	5,266
Other	10,100	1,096	9,004
Total school administration	<u>3,961,040</u>	<u>3,984,284</u>	<u>(23,244)</u>
School administration support services:			
Non-certificated salaries	832,872	732,603	100,269
Employee benefits	641,033	513,644	127,389
Supplies, materials and media	1,300	212	1,088
Total school administration support services	<u>1,475,205</u>	<u>1,246,459</u>	<u>228,746</u>
District administration:			
Certificated salaries	398,895	395,895	3,000
Non-certificated salaries	196,554	178,458	18,096
Employee benefits	568,005	512,875	55,130
Professional and technical services	341,000	276,316	64,684
Staff travel	163,852	121,119	42,733
Student travel	25,000	-	25,000
Other purchased services	60,150	23,762	36,388
Supplies, materials and media	107,000	87,341	19,659
Other	46,680	117,190	(70,510)
Total district administration	<u>1,907,136</u>	<u>1,712,956</u>	<u>194,180</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 - Final Budget and Actual, Continued

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
District administration support services:			
Certificated salaries	\$ 294,058	271,724	22,334
Non-certificated salaries	1,255,284	1,122,996	132,288
Employee benefits	866,641	895,056	(28,415)
Professional and technical services	501,420	451,105	50,315
Staff travel	44,500	30,992	13,508
Other purchased services	5,500	10,146	(4,646)
Insurance and bond premiums	385,133	385,133	-
Supplies, materials and media	125,300	125,643	(343)
Other	1,000	31,536	(30,536)
Indirect recovery	(250,000)	(320,670)	70,670
Total district administration support services	<u>3,228,836</u>	<u>3,003,661</u>	<u>225,175</u>
Operations and maintenance of plant:			
Certificated salaries	4,670	4,660	10
Non-certificated salaries	2,431,567	1,843,567	588,000
Employee benefits	1,134,638	917,802	216,836
Professional and technical services	3,004,727	2,511,709	493,018
Staff travel	120,000	80,657	39,343
Utility services	671,212	617,758	53,454
Energy	5,141,043	5,577,307	(436,264)
Other purchased services	4,288,906	4,265,993	22,913
Insurance and bond premiums	990,135	990,134	1
Supplies, materials and media	418,600	717,226	(298,626)
Other	-	2,160	(2,160)
Equipment	45,000	39,899	5,101
Total operations and maintenance of plant	<u>18,250,498</u>	<u>17,568,872</u>	<u>681,626</u>
Student activities:			
Certificated salaries	109,218	93,918	15,300
Non-certificated salaries	248,058	189,933	58,125
Employee benefits	98,015	42,813	55,202
Professional and technical services	260,000	276,583	(16,583)
Staff travel	12,000	13,791	(1,791)
Student travel	1,157,775	1,226,065	(68,290)
Supplies, materials and media	34,000	22,600	11,400
Other	20,000	16,800	3,200
Total student activities	<u>1,939,066</u>	<u>1,882,503</u>	<u>56,563</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 - Final Budget and Actual, Continued

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Expenditures, continued:			
Adult and continuing education instruction:			
Professional and technical services	\$ 75,000	26,521	48,479
Supplies, materials and media	7,100	619	6,481
Total adult and continuing education instruction	<u>82,100</u>	<u>27,140</u>	<u>54,960</u>
Food services:			
Non-certificated salaries	85,000	100,791	(15,791)
Employee benefits	7,500	8,058	(558)
Supplies, materials and media	89,500	66,791	22,709
Other	3,000	73	2,927
Total food services	<u>185,000</u>	<u>175,713</u>	<u>9,287</u>
Construction and facilities acquisition			
Other	-	33,000	(33,000)
Total expenditures	<u>82,005,864</u>	<u>76,934,616</u>	<u>5,071,248</u>
Excess of revenues over expenditures	<u>(3,943,977)</u>	<u>1,112,854</u>	<u>5,056,831</u>
Other financing sources (uses):			
Transfers out:			
Special Revenue Funds:			
Student Transportation	-	(10,761)	(10,761)
Teacher Housing	-	(840,506)	(840,506)
Food Service	-	(1,049,868)	(1,049,868)
Capital Project Funds:			
AHFC Kivalina Teacher Housing Project	-	(5,000)	(5,000)
Deering K-12 Major Maintenance	-	(34,447)	(34,447)
Deering K-12 School Improvement	-	(166,624)	(166,624)
Construction Management	-	(48,368)	(48,368)
DW HVAC	-	(13,325)	(13,325)
THP DPX-1	-	(7,071)	(7,071)
THP DPX-2	-	(12,394)	(12,394)
Transfers in:			
Selawik Renovations	-	324,136	324,136
Net other financing sources (uses)	<u>-</u>	<u>(1,864,228)</u>	<u>(1,864,228)</u>
Net change in fund balance	<u>\$ (3,943,977)</u>	<u>(751,374)</u>	<u>3,192,603</u>
Fund balance, beginning of year, as originally stated		10,927,573	
Change in accounting principle		<u>458,359</u>	
Fund balance, beginning of year, as restated		<u>11,385,932</u>	
Fund balance, end of year		<u>\$ 10,634,558</u>	

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

Other Governmental Funds

Combining Balance Sheet

June 30, 2025

Special Revenue Funds

	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	Hunter Education	Food Service
Assets:									
Accounts receivable	\$ 277,412	6,000	-	-	1,600	-	-	-	11,305
Due from other funds	-	-	104,277	39,548	35,104	110	15,029	49,681	-
Prepaid items	-	-	-	-	-	-	-	-	-
Inventory	-	-	67,201	-	1,239	-	-	-	-
Total assets	277,412	6,000	171,478	39,548	37,943	110	15,029	49,681	11,305
Liabilities and Fund Balances (Deficits)									
Liabilities:									
Accounts payable	3,352	-	-	-	37,943	110	15,029	-	-
Due to other funds	274,060	6,000	-	-	-	-	-	-	10,104
Unearned revenue	-	-	104,277	-	-	-	-	49,681	1,201
Total liabilities	277,412	6,000	104,277	-	37,943	110	15,029	49,681	11,305
Fund balances (deficits):									
Nonspendable	-	-	67,201	-	1,239	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	39,548	-	-	-	-	-
Unassigned	-	-	-	(1,239)	(1,239)	-	-	-	-
Total fund balances (deficits)	-	-	67,201	39,548	-	-	-	-	-
Total liabilities and fund balances (deficits)	\$ 277,412	6,000	171,478	39,548	37,943	110	15,029	49,681	11,305

(continued)

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 Homeless	Title I-A Basic	Title I-C Migrant Education	Title I-A Parent Engagement	Title I-A Professional Development	Migrant Education - Books	Youth Risk Behavior	Career Technical Education	Title I-A School Improvement 1003(a)
Assets											
Accounts receivable	-	159,777	1,246	473,786	357,546	3,978	30,511	10,572	-	79,492	174,161
Due from other funds	8,208	-	-	-	-	-	-	-	5,847	-	-
Prepaid items	-	-	-	-	-	-	5,580	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	5,152
Total assets	8,208	159,777	1,246	473,786	357,546	3,978	36,091	10,572	5,847	79,492	179,313
Liabilities and Fund Balances (Deficits)											
Liabilities:											
Accounts payable	-	66	-	-	-	-	-	1,544	-	25,416	1,350
Due to other funds	-	159,709	1,246	473,786	357,546	3,978	36,091	9,028	-	54,076	177,963
Unearned revenue	8,208	-	-	-	-	-	-	-	-	-	-
Total liabilities	8,208	159,777	1,246	473,786	357,546	3,978	36,091	10,572	5,847	79,492	179,313
Fund balances (deficits):											
Nonspendable	-	-	-	-	-	-	5,580	-	-	-	5,152
Restricted	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(5,580)	-	-	-	(5,152)
Total fund balances (deficits)	-	-	-	-	-	-	-	-	-	-	-
Total liabilities and fund balances (deficits)	8,208	159,777	1,246	473,786	357,546	3,978	36,091	10,572	5,847	79,492	179,313

(continued)

REVISED 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

	Early Learning Coordination	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	Adult Basic Education Unit 7556	AK Literacy	Educators Rising Alaska
Assets										
Accounts receivable	\$ 207,448	20,297	3,612	-	247,601	6,345	-	31,607	70,247	-
Due from other funds	-	-	-	177,439	-	-	895	-	-	1,810
Prepaid items	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total assets	207,448	20,297	3,612	177,439	247,601	6,345	895	31,607	70,247	1,810
Liabilities and Fund Balances (Deficits)										
Liabilities:										
Accounts payable	-	-	-	-	-	-	-	-	-	-
Due to other funds	207,448	20,297	3,612	-	247,601	6,345	-	31,607	70,247	-
Unearned revenue	-	-	-	-	-	-	895	-	-	1,810
Total liabilities	207,448	20,297	3,612	-	247,601	6,345	895	31,607	70,247	1,810
Fund balances (deficits):										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	177,439	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	-	-	-	177,439	-	-	-	-	-	-
Total liabilities and fund balances (deficits)	\$ 207,448	20,297	3,612	177,439	247,601	6,345	895	31,607	70,247	1,810

(continued)

REVISED 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

	Youth Leaders Program	ACSA Cars Safetyway Innovation	Literacy Connections	Native Youth in Action	Indian Education	Johnson O'Malley	Johnson O'Malley Contract	Rural Education Achievement Program	Alaska C-3 ANE	Our Youth	Manilaq ABE/GED Contract
Assets											
Accounts receivable	-	-	692,860	42,681	103,383	-	-	11,969	114,567	92,970	8,671
Due from other funds	703,776	120	-	-	-	44,920	142,292	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-
Total assets	703,776	120	692,860	42,681	103,383	44,920	142,292	11,969	114,567	92,970	8,671
Liabilities and Fund Balances (Deficits)											
Liabilities:											
Accounts payable	-	-	2,589	10,647	27	-	429	-	9,025	-	-
Due to other funds	-	-	690,271	32,034	103,356	-	-	11,969	105,542	92,970	8,418
Unearned revenue	696,997	120	-	-	-	44,920	141,863	-	-	-	253
Total liabilities	696,997	120	692,860	42,681	103,383	44,920	142,292	11,969	114,567	92,970	8,671
Fund balances (deficits):											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-	-
Assigned	6,779	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	6,779	-	-	-	-	-	-	-	-	-	-
Total liabilities and fund balances (deficits)	\$ 703,776	120	692,860	42,681	103,383	44,920	142,292	11,969	114,567	92,970	8,671

(continued)

REVISED 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	Securing Mental Health Instructional Leadership Experience	Local Donation Professional and Technical Services	Noorvik After School	Manilaq Health Activities	Manilaq Counselor Program	Student Activities	Total Special Revenue Funds
Assets									
Accounts receivable	\$ -	17,440	-	-	-	-	-	-	3,308,721
Due from other funds	820,774	-	26,166	45,688	1,608	48,223	38,570	960,862	3,270,947
Prepaid items	-	-	-	-	-	-	-	-	10,732
Inventory	-	-	-	-	-	-	-	-	68,440
Total assets	820,774	17,440	26,166	45,688	1,608	48,223	38,570	960,862	6,658,840
Liabilities and Fund Balances (Deficits)									
Liabilities:									
Accounts payable	-	-	-	-	-	-	-	-	107,529
Due to other funds	-	17,440	-	-	-	-	-	-	3,262,381
Unearned revenue	820,774	-	26,166	45,688	1,608	48,223	27,149	-	2,025,680
Total liabilities	820,774	17,440	26,166	45,688	1,608	48,223	27,149	-	5,395,590
Fund balances (deficits):									
Nonspendable	-	-	-	-	-	-	-	-	79,172
Restricted	-	-	-	-	-	-	-	960,862	1,138,301
Assigned	-	-	-	-	-	-	11,421	-	57,748
Unassigned	-	-	-	-	-	-	-	-	(11,971)
Total fund balances (deficits)	-	-	-	-	-	-	11,421	960,862	1,263,250
Total liabilities and fund balances (deficits)	\$ 820,774	17,440	26,166	45,688	1,608	48,223	38,570	960,862	6,658,840

(continued)

REVISED 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 Buckland School Duplex THP-23-NAB-1	AHFC Buckland School Duplex THP-23-NAB-2	AHFC Selawik	AHFC Kivalina Teacher Housing	AHFC Kivalina THP 21-NAB-1	
Assets										
Accounts receivable	-	-	-	-	21,993	15,320	46,577	35,599	43,363	
Due from other funds	1,099,367	53,386	306,002	4,080,144	10,519	19,702	-	-	-	
Prepaid items	-	-	-	-	-	-	-	-	-	
Inventory	-	-	-	-	-	-	-	-	-	
Total assets	<u>1,099,367</u>	<u>53,386</u>	<u>306,002</u>	<u>4,080,144</u>	<u>32,512</u>	<u>35,022</u>	<u>46,577</u>	<u>35,599</u>	<u>43,363</u>	
Liabilities and Fund Balances (Deficits)										
Liabilities:										
Accounts payable	-	-	-	-	8,519	8,519	-	-	-	
Due to other funds	-	-	-	-	-	-	46,577	35,599	43,363	
Unearned revenue	-	-	-	-	-	11,207	-	-	-	
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,519</u>	<u>19,726</u>	<u>46,577</u>	<u>35,599</u>	<u>43,363</u>	
Fund balances (deficits):										
Nonspendable	-	-	-	-	-	-	-	-	-	
Restricted	-	53,386	-	-	-	-	-	-	-	
Assigned	1,099,367	-	306,002	4,080,144	23,993	15,296	-	-	-	
Unassigned	-	-	-	-	-	-	-	-	-	
Total fund balances (deficits)	<u>1,099,367</u>	<u>53,386</u>	<u>306,002</u>	<u>4,080,144</u>	<u>23,993</u>	<u>15,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total liabilities and fund balances (deficits)	<u>\$ 1,099,367</u>	<u>\$ 53,386</u>	<u>\$ 306,002</u>	<u>\$ 4,080,144</u>	<u>\$ 32,512</u>	<u>\$ 35,022</u>	<u>\$ 46,577</u>	<u>\$ 35,599</u>	<u>\$ 43,363</u>	

(continued)

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

Other Governmental Funds

Combining Balance Sheet, Continued

		Capital Project Funds							
		Deering K-12 School Improvement	Shugnak K-12 School Improvement	Kivalina K-12 Replacement School and Teachers Housing	Buckland HVAC	Alaska Technical Center Family Housing	Magnet School (ATC) Expansion Project	Construction Management	Selawik Renovations
<u>Assets</u>									
	\$	-	-	177,880	-	-	-	-	-
Accounts receivable		455	234,033	1,436,226	101,976	17,452	673,518	975	898,598
Due from other funds		-	-	-	-	-	-	-	-
Prepaid items		-	-	-	-	-	-	-	-
Inventory		-	-	-	-	-	-	-	-
Total assets		455	234,033	1,614,106	101,976	17,452	673,518	975	898,598
<u>Liabilities and Fund Balances (Deficits)</u>									
		455	-	-	-	-	-	975	2,242
Liabilities:		-	-	-	-	-	-	-	-
Accounts payable		-	-	-	-	-	-	-	-
Due to other funds		-	-	-	-	-	-	-	-
Unearned revenue		-	234,033	1,380,333	198,521	-	-	-	896,356
Total liabilities		455	234,033	1,380,333	198,521	-	-	975	898,598
Fund balances (deficits):		-	-	-	-	-	-	-	-
Nonspendable		-	-	-	-	-	-	-	-
Restricted		-	-	-	-	-	-	-	-
Assigned		-	-	233,773	-	17,452	673,518	-	-
Unassigned		-	-	-	(96,545)	-	-	-	-
Total fund balances (deficits)		-	-	233,773	(96,545)	17,452	673,518	-	-
Total liabilities and fund balances (deficits)	\$	455	234,033	1,614,106	101,976	17,452	673,518	975	898,598

(continued)

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

Other Governmental Funds
Combining Balance Sheet, Continued

Capital Project Funds

	DW HVAC	DW Fire Alarm	THP DPX-1	THP DPX-2	Total Capital Project Funds	Total Other Governmental Funds
Assets						
Accounts receivable	-	-	31,487	26,866	399,085	3,707,806
Due from other funds	737,393	1,482	-	-	9,671,228	12,942,175
Prepaid items	-	-	-	-	-	10,732
Inventory	-	-	-	-	-	68,440
Total assets	737,393	1,482	31,487	26,866	10,070,313	16,729,153
Liabilities and Fund Balances (Deficits)						
Liabilities:						
Accounts payable	3,640	4,070	6,730	6,730	41,880	149,409
Due to other funds	-	-	24,757	20,136	170,432	3,432,813
Unearned revenue	733,753	-	-	-	3,454,203	5,479,883
Total liabilities	737,393	4,070	31,487	26,866	3,666,515	9,062,105
Fund balances (deficits):						
Nonspendable	-	-	-	-	-	79,172
Restricted	-	-	-	-	53,386	1,191,687
Assigned	-	-	-	-	6,449,545	6,507,293
Unassigned	-	(2,588)	-	-	(99,133)	(111,104)
Total fund balances (deficits)	-	(2,588)	-	-	6,403,798	7,667,048
Total liabilities and fund balances (deficits)	\$ 737,393	1,482	31,487	26,866	10,070,313	16,729,153

REVISED 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

Year Ended June 30, 2025

	Special Revenue Funds									
	Student Transportation	T.V.E.P. Basic	Alaska Construction Academy Program	STAR of the Northwest Magnet School	Facilities Housing	Teacher Housing	School Band Assistance	Hunter Education	ARPA ESSER	
Revenues:										
Local sources:										
Charges for services	-	-	-	-	-	735,610	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
State of Alaska	54,025	1,760,804	83,018	688,883	-	-	1,649,524	319	-	-
Borough appropriations	-	-	-	-	-	-	-	-	-	-
Federal sources:										
Passed through the State of Alaska	-	-	-	-	-	-	-	-	1,264,426	-
Passed through other local entity	-	-	-	-	-	-	-	-	-	-
Direct	-	-	-	-	-	-	-	-	-	-
Total revenues	54,025	1,760,804	83,018	688,883	-	735,610	1,649,524	319	-	1,264,426
Expenditures:										
Instruction	-	-	-	-	-	341,872	-	319	-	621,340
Special education support services - students	-	-	-	-	-	-	-	-	-	-
Support services - students	-	144,071	-	313,583	-	-	-	-	-	-
Support services - instruction	-	-	-	186,529	-	-	1,649,524	-	-	393,166
School administration	-	-	-	1,238	-	-	-	-	-	-
School administration support services	-	165,315	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-	-	-
District administration support services	-	-	-	-	-	-	-	-	-	-
Operations and maintenance of plant	-	128,043	-	141,033	-	1,235,483	-	-	-	249,920
Student activities	-	-	-	-	-	-	-	-	-	-
Student transportation- to and from school	64,786	-	-	-	-	-	-	-	-	-
Adult and continuing education instruction	-	1,264,273	-	-	-	-	-	-	-	-
Food services	-	59,102	-	46,500	-	-	-	-	-	-
Construction and facilities acquisition	-	-	-	-	-	-	-	-	-	-
Total expenditures	64,786	1,760,804	83,018	688,883	-	1,577,355	1,649,524	319	-	1,264,426
Excess (deficiency) of revenues over expenditures	(10,761)	-	-	-	-	(841,745)	-	-	-	-
Other financing sources (uses):										
Transfers in	10,761	-	-	-	-	840,506	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Net other financing sources (uses)	10,761	-	-	-	-	840,506	-	-	-	-
Net change in fund balances	-	-	-	-	-	(1,239)	-	-	-	-
Fund balances (deficits), beginning of year	-	-	-	67,201	39,548	1,239	-	-	-	-
Fund balances (deficits), end of year	-	-	-	67,201	39,548	-	-	-	-	-

(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

	ARP Homeless	Food Service	Consolidated Administration	Title I-A Homeless	Title I-A Basic	Title I-C Migrant Education	Title I-A Parent Engagement	Title I-A Professional Development
Revenues:								
Local sources:								
Charges for services	-	26,371	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
State of Alaska	-	-	-	-	-	-	-	-
Borough appropriations	-	-	-	-	-	-	-	-
Federal sources:								
Passed through the State of Alaska	1,190	1,838,605	628,487	3,092	1,201,052	965,213	41,190	329,456
Passed through other local entity	-	-	-	-	-	-	-	-
Direct	-	-	-	-	-	-	-	-
Total revenues	1,190	1,864,976	628,487	3,092	1,201,052	965,213	41,190	329,456
Expenditures:								
Instruction	106	-	-	3,000	909,470	923,820	39,963	-
Special education support services - students	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	204,055	-	-	-
Support services - instruction	1,049	-	-	-	-	12,644	-	319,643
School administration	-	-	-	-	51,753	-	-	-
School administration support services	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-
District administration support services	35	-	628,487	92	35,774	28,749	1,227	9,813
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-
Adult and continuing education instruction	-	-	-	-	-	-	-	-
Food services	-	2,967,938	-	-	-	-	-	-
Construction and facilities acquisition	-	-	-	-	-	-	-	-
Total expenditures	1,190	2,967,938	628,487	3,092	1,201,052	965,213	41,190	329,456
Excess (deficiency) of revenues over expenditures	-	(1,102,962)	-	-	-	-	-	-
Other financing sources (uses):								
Transfers in	-	1,049,868	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	1,049,868	-	-	-	-	-	-
Net change in fund balances	-	(53,094)	-	-	-	-	-	-
Fund balances (deficits), beginning of year	-	53,094	-	-	-	-	-	-
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

	Migrant Education - Books	Career Technical Education	Safety and Well Being	Title I-A School Improvement 1003(a)	Title I School Improvement	Early Intervention Infant Learning Program	Early Intervention Infant Learning Program Part C	Medical Assistance	Special Education Title VI-B	Special Education Section 619
Revenues:										
Local sources:										
Charges for services	\$ -	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	180,853	-	-
Intergovernmental:										
State of Alaska	-	-	-	-	547,846	200,009	-	-	-	-
Borough appropriations	-	-	-	-	-	-	-	-	-	-
Federal sources:										
Passed through the State of Alaska	24,482	79,492	6,760	232,797	-	-	49,939	-	661,271	6,345
Passed through other local entity	-	-	-	-	-	-	-	-	-	-
Direct	-	-	-	-	-	-	-	-	-	-
Total revenues	24,482	79,492	6,760	232,797	547,846	200,009	49,939	180,853	661,271	6,345
Expenditures:										
Instruction	23,753	77,124	-	35,973	531,528	194,052	48,452	3,414	641,575	6,156
Special education support services - students	-	-	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-	-	-
Support services - instruction	-	-	6,559	189,890	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-	-	-
District administration support services	729	2,368	201	6,934	16,318	5,957	1,487	-	19,696	189
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	24,482	79,492	6,760	232,797	547,846	200,009	49,939	3,414	661,271	6,345
Transfers (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	177,439	-	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	177,439	-	-
Fund balances (deficits), beginning of year	-	-	-	-	-	-	-	-	-	-
Fund balances (deficits), end of year	-	-	-	-	-	-	-	177,439	-	-

(continued)

REVISOR 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									
	Adult Basic Education Unit 7556	AK Literacy	Youth Leaders Program	Literacy Connections	Native Youth in Action	Indian Education	Johnson O'Malley	Johnson O'Malley Contract	Rural Education Achievement Program	Alaska C-3 ANE
Revenues:										
Local sources:										
Charges for services	-	-	-	-	-	-	-	-	-	-
Other	-	-	281,331	-	-	-	-	-	-	-
Intergovernmental:										
State of Alaska	94,386	-	-	-	-	-	-	-	-	-
Borough appropriations	-	-	-	-	-	-	-	-	-	-
Federal sources:										
Passed through the State of Alaska	57,851	313,157	-	-	-	-	-	-	-	-
Passed through other local entity	-	-	-	-	-	-	-	-	-	-
Direct	-	-	-	-	-	-	-	-	-	-
Total revenues	152,237	313,157	281,331	1,297,810	265,386	674,403	8,393	174,282	86,184	387,786
Expenditures:										
Instruction	-	303,829	-	852,628	241,298	305,137	-	-	-	45,515
Special education support services - students	-	-	-	-	-	-	-	-	-	-
Support services - students	-	-	281,331	-	-	-	-	-	-	-
Support services - instruction	6,800	-	-	398,435	14,433	349,179	8,393	152,684	83,318	330,721
School administration	-	-	-	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-	-	-
District administration support services	-	9,328	-	46,747	9,655	20,087	-	21,598	2,866	11,550
Operations and maintenance of plant	-	-	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-	-	-
Adult and continuing education instruction	145,437	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-
Construction and facilities acquisition	-	-	-	-	-	-	-	-	-	-
Total expenditures	152,237	313,157	281,331	1,297,810	265,386	674,403	8,393	174,282	86,184	387,786
Surplus (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-	-	-
Fund balances (deficits), beginning of year	-	-	6,779	-	-	-	-	-	-	-
Fund balances (deficits), end of year	-	-	6,779	-	-	-	-	-	-	-

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

(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

	Our Youth	Manilaq ABE/GED Contract	Local Donation Payroll	Village Improvement Funds	Securing Mental Health Instructional Leadership Experience	Local Donation Professional and Technical Services	Noorvik After School	Manilaq Health Activities	Manilaq Counselor Program	Student Activities	Total Special Revenue Funds
Revenues:											
Local sources:											
Charges for services											
Other		38,031	247,417	-	64,867	49,582	17,413	3,997	-	636,848	761,981
Intergovernmental:											1,520,339
State of Alaska											
Borough appropriations				69,740							5,078,814
Federal sources:											69,740
Passed through the State of Alaska											
Passed through other local entity											
Direct	864,291										7,894,097
Total revenues	864,291	38,031	247,417	69,740	64,867	49,582	17,413	3,997		636,848	3,758,535
Expenditures:											19,083,506
Instruction											
Special education support services - students			247,417	49,856			17,413			21,366	5,674,520
Support services - students	831,935				64,867			3,997			893,649
Support services - instruction				19,884							1,881,358
School administration		334									4,180,393
School administration support services											60,125
District administration											165,315
District administration support services	32,356										21,598
Operations and maintenance of plant											1,146,203
Student activities											1,504,559
Student transportation - to and from school						49,582				621,457	671,039
Adult and continuing education instruction		37,697									64,786
Food services											1,530,425
Construction and facilities acquisition											3,073,540
Total expenditures	864,291	38,031	247,417	69,740	64,867	49,582	17,413	3,997		642,823	20,867,510
Excess (deficiency) of revenues over expenditures										(5,975)	(1,784,004)
financing sources (uses):											
Transfers in											1,901,135
Transfers out											1,901,135
Total other financing sources (uses)											
Net change in fund balances										(5,975)	117,131
Fund balances (deficits), beginning of year									11,421	966,837	1,146,119
Fund balances (deficits), end of year									11,421	960,862	1,263,250

(continued)

REVISED 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	Local Funded Maintenance	CJP Reserved Local Share	AHFC Buckland School Duplex THP-23-NAB-1	AHFC Buckland School Duplex THP-23-NAB-2	AHFC Kivalina Teacher Housing	Deering K-12 Major Maintenance	Deering K-12 School Improvement	Kivalina K-12 Replacement School and Teachers Housing
Revenues:										
Local sources:										
Charges for services	\$ -	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
State of Alaska	-	-	-	-	306,662	274,924	-	-	-	-
Borough appropriations	-	-	-	-	-	62,839	-	-	-	256,157
Federal sources:										
Passed through the State of Alaska	-	-	-	-	-	-	-	-	-	-
Passed through other local entity	-	-	-	-	-	-	-	-	-	-
Direct	-	-	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	306,662	337,763	-	-	-	256,157
Expenditures:										
Instruction										
Special education instruction	-	-	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-	-	-
District administration support services	-	-	-	-	-	-	-	-	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-	-	-
Plant activities	-	-	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-	-	-
Adult and continuing education instruction	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-
Construction and facilities acquisition	35,114	-	-	-	460,175	412,550	5,000	34,447	99,119	256,157
Total expenditures	35,114	-	-	-	460,175	412,550	5,000	34,447	99,119	256,157
Excess (deficiency) of revenues over expenditures	(35,114)	-	-	-	(153,513)	(74,787)	(5,000)	(34,447)	(99,119)	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	5,000	34,447	166,624	-
Transfers out	-	-	-	-	-	-	(5,000)	(34,447)	(166,624)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	(35,114)	-	-	-	(153,513)	(74,787)	-	-	67,505	-
Fund balances (deficits), beginning of year	1,134,481	53,386	306,002	4,080,144	177,506	90,083	-	-	(67,505)	233,773
Fund balances (deficits), end of year	1,099,367	53,386	306,002	4,080,144	23,993	15,296	-	-	-	233,773

(continued)

REVISED 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	Alaska Technical Center Family Housing	Magnet School (ATC) Expansion Project	Construction Management	Selawik Renovations	DW HVAC	DW Fire Alarm	THP DPX-1	THP DPX-2	Total Capital Project Funds	
Revenues:											
Local sources:											
Charges for services	-	-	-	-	-	-	-	-	-	-	761,981
Other	-	-	-	-	97,173	-	-	-	-	97,173	1,617,512
Intergovernmental:											
State of Alaska	-	-	-	-	611,512	53,299	31,487	26,866	-	1,304,750	6,383,564
Borough appropriations	-	-	-	-	379,842	-	-	-	-	1,022,096	1,091,836
Federal sources:											
Passed through the State of Alaska	-	-	-	-	-	-	-	-	-	-	7,894,097
Passed through other local entity	-	-	-	-	-	-	-	-	-	-	-
Direct	514,274	-	-	-	-	-	-	-	-	514,274	4,272,809
Total revenues	514,274	-	-	-	1,088,527	53,299	31,487	26,866	-	2,938,293	22,021,799
Expenditures:											
Instruction	-	-	-	-	-	-	-	-	-	-	5,674,520
Special education support services - students	-	-	-	-	-	-	-	-	-	-	893,649
Support services - students	-	-	-	-	-	-	-	-	-	-	1,881,358
Support services - instruction	-	-	-	-	-	-	-	-	-	-	4,180,393
School administration	-	-	-	-	-	-	-	-	-	-	60,125
School administration support services	-	-	-	-	-	-	-	-	-	-	165,315
District administration	-	-	-	-	-	-	-	-	-	-	21,598
District administration support services	-	-	-	-	-	-	-	-	-	-	1,146,203
Operations and maintenance of plant	-	-	-	-	-	-	-	-	-	-	1,504,559
Student activities	-	-	-	-	-	-	-	-	-	-	671,038
Student transportation - to and from school	-	-	-	-	-	-	-	-	-	-	64,786
Adult and continuing education instruction	-	-	-	-	-	-	-	-	-	-	1,530,425
Food services	-	-	-	-	-	-	-	-	-	-	3,073,540
Construction and facilities acquisition	514,274	-	-	48,368	691,538	66,624	38,558	39,260	-	3,027,030	3,027,030
Total expenditures	514,274	-	-	48,368	691,538	66,624	38,558	39,260	-	3,027,030	23,894,540
Excess (deficiency) of revenues over expenditures	-	-	-	(48,368)	396,989	(13,325)	(7,071)	(12,394)	(12,394)	(88,737)	(1,872,741)
Other financing sources (uses):											
Transfers in	-	-	-	48,368	-	13,325	7,071	12,394	12,394	287,229	2,186,364
Transfers out	-	-	-	(48,368)	(324,136)	(13,325)	(7,071)	-	-	(324,136)	(324,136)
Total other financing sources (uses)	-	-	-	-	(324,136)	(13,325)	7,071	12,394	12,394	(36,907)	1,864,228
Net change in fund balances	-	-	-	-	72,853	-	-	-	-	(125,644)	(8,513)
Fund balances (deficits), beginning of year	(96,545)	17,452	673,518	-	(72,853)	-	-	-	-	6,529,442	7,675,561
Fund balances (deficits), end of year	(96,545)	17,452	673,518	-	-	-	-	-	-	6,403,798	7,667,048

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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 54,025	54,025	-
Expenditures:			
Student transportation - to and from school:			
Non-certificated salaries		30,638	
Employee benefits		16,430	
Supplies, materials and media		17,718	
Total expenditures	<u>54,025</u>	<u>64,786</u>	<u>(10,761)</u>
Excess (deficiency) of revenues over expenditures	-	(10,761)	(10,761)
Other financing source:			
Transfer in - School Operating Fund	<u>-</u>	<u>10,761</u>	<u>10,761</u>
Net Change infund balance	<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)

T.V.E.P Basic Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 2,161,656	1,760,804	(400,852)
Expenditures:			
Support services - students:			
Certificated salaries	27,000	26,268	732
Non-certificated salaries	69,834	64,634	5,200
Employee benefits	39,515	31,445	8,070
Supplies, materials and media	22,600	21,724	876
Total support services - students	158,949	144,071	14,878
School administration support services:			
Non-certificated salaries	111,145	109,944	1,201
Employee benefits	74,567	55,371	19,196
Total school administration support services	185,712	165,315	20,397
Operations and maintenance of plant:			
Professional and technical services	140,616	94,759	45,857
Energy	33,300	33,284	16
Total operations and maintenance of plant	173,916	128,043	45,873
Adult and continuing education instruction:			
Certificated salaries	109,933	109,868	65
Non-certificated salaries	175,209	168,250	6,959
Employee benefits	114,330	56,310	58,020
Professional and technical services	709,830	595,123	114,707
Staff travel	127,041	64,933	62,108
Other purchased services	11,000	10,494	506
Supplies, materials and media	209,258	159,709	49,549
Tuition-students and stipends	99,586	99,586	-
Equipment	8,000	-	8,000
Total adult and continuing education instruction	1,564,187	1,264,273	299,914
Food services:			
Supplies, materials and media	58,892	43,401	15,491
Equipment	20,000	15,701	4,299
Total food services	78,892	59,102	19,790
Total expenditures	2,161,656	1,760,804	400,852
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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 154,661	83,018	(71,643)
Expenditures:			
Adult and continuing education instruction:			
Non-certificated salaries	78,018	59,898	18,120
Employee benefits	38,376	17,120	21,256
Student travel	5,000	-	5,000
Supplies, material and media	27,267	-	27,267
Tuition-students and stipends	6,000	6,000	-
Total expenditures	<u>154,661</u>	<u>83,018</u>	<u>71,643</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)

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, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 793,160	688,883	(104,277)
Expenditures:			
Support services - students:			
Certificated salaries	5,000	6,326	(1,326)
Non-certificated salaries	180,917	233,187	(52,270)
Employee benefits	100,698	66,030	34,668
Supplies, materials and media	24,784	8,040	16,744
Other	360	-	360
Total support services - students	<u>311,759</u>	<u>313,583</u>	<u>(1,824)</u>
Support services - instruction:			
Non-certificated salaries	106,639	98,838	7,801
Employee benefits	52,262	51,703	559
Student travel	42,000	35,988	6,012
Total support services - instruction	<u>200,901</u>	<u>186,529</u>	<u>14,372</u>
School administration:			
Staff travel	<u>2,000</u>	<u>1,238</u>	<u>762</u>
Operations and maintenance of plant:			
Professional and technical services	85,000	54,628	30,372
Utility services	16,500	8,964	7,536
Energy	105,000	77,441	27,559
Total operations and maintenance of plant	<u>206,500</u>	<u>141,033</u>	<u>65,467</u>
Food services:			
Supplies, materials and media	<u>72,000</u>	<u>46,500</u>	<u>25,500</u>
Total expenditures	<u>793,160</u>	<u>688,883</u>	<u>104,277</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>67,201</u>	
Fund balance, end of year		\$ <u>67,201</u>	

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, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - local sources:			
Charges for services - rental income	\$ 775,000	735,610	(39,390)
Expenditures:			
Instruction:			
Employee benefits	8,048	6,900	1,148
Housing allowance/subsidy	302,788	334,972	(32,184)
Total instruction	310,836	341,872	(31,036)
Operations and maintenance of plant:			
Non-certificated salaries	204,379	267,034	(62,655)
Employee benefits	100,147	102,141	(1,994)
Staff travel	25,000	53,389	(28,389)
Utility services	98,588	96,336	2,252
Energy	296,050	377,232	(81,182)
Other purchased services	75,000	49,920	25,080
Supplies, materials and media	115,000	289,431	(174,431)
Total operations and maintenance of plant	914,164	1,235,483	(321,319)
Total expenditures	1,225,000	1,577,355	(352,355)
Excess (deficiency) of revenues over expenditures	(450,000)	(841,745)	(391,745)
Other financing source:			
Transfer in -School Operating Fund	450,000	840,506	390,506
Net change in fund balance	\$ -	(1,239)	(1,239)
Fund balance, beginning of year		1,239	
Fund balance, end of year		\$ -	

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, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - State of Alaska	\$ 1,660,832	1,649,524	(11,308)
Expenditures:			
Support services - instruction:			
Utility services	<u>1,660,832</u>	<u>1,649,524</u>	<u>11,308</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)

Hunter Education Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - State of Alaska	\$ 50,132	319	(49,813)
Expenditures:			
Instruction:			
Certificated salaries	11,500	-	11,500
Employee benefits	1,901	-	1,901
Student travel	34,140	-	34,140
Supplies, materials and media	1,098	319	779
Total instruction	<u>48,639</u>	<u>319</u>	<u>48,320</u>
District administration support services:			
Indirect costs	<u>1,493</u>	-	<u>1,493</u>
Total expenditures	<u>50,132</u>	<u>319</u>	<u>49,813</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)

ARPA ESSER Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 1,264,585	1,264,426	(159)
Expenditures:			
Instruction:			
Supplies, materials and media	621,340	621,340	-
Support services - instruction:			
Certificated salaries	22,000	22,000	-
Non-certificated salaries	11,950	11,919	31
Employee benefits	1,518	1,518	-
Professional and technical services	152,889	152,889	-
Staff travel	118,456	118,456	-
Supplies, materials and media	86,387	86,384	3
Total support services - instruction	393,200	393,166	34
District administration support services:			
Professional and technical services	94,165	94,165	-
Supplies, materials and media	16,670	16,550	120
Indirect costs	34,549	34,544	5
Equipment	104,661	104,661	-
Total district administration support services	250,045	249,920	125
Total expenditures	1,264,585	1,264,426	159
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, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 3,195	1,190	(2,005)
Expenditures:			
Instruction:			
Supplies, materials and media	159	106	53
Support services - instruction:			
Staff travel	2,941	1,049	1,892
District administration support services:			
Indirect costs	95	35	60
Total expenditures	<u>3,195</u>	<u>1,190</u>	<u>2,005</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)

Food Service Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 13,500	-	(13,500)
Federal sources passed through the State of Alaska	1,814,483	1,838,605	24,122
Local sources:			
Charges for services	57,000	26,371	(30,629)
Total revenues	1,884,983	1,864,976	(20,007)
Expenditures:			
Food services:			
Non-certificated salaries	141,468	59,683	81,785
Employee benefits	84,680	43,266	41,414
Professional and technical services	2,429,712	2,696,742	(267,030)
Staff travel	10,000	-	10,000
Supplies, materials and media	166,983	168,247	(1,264)
Other	300	-	300
Total expenditures	2,833,143	2,967,938	(134,795)
Excess (deficiency) of revenues over expenditures	(948,160)	(1,102,962)	(154,802)
Other financing sources:			
Transfer in - School Operating Fund	948,160	1,049,868	101,708
Net change in fund balance	\$ -	(53,094)	(53,094)
Fund balance, beginning of year		53,094	
Fund balance, end of year	\$	-	

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, 2024

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 635,000	628,487	(6,513)
Expenditures:			
District administration support services:			
Certificated salaries	302,873	302,864	9
Non-certificated salaries	99,250	97,843	1,407
Employee benefits	156,000	154,879	1,121
Professional and technical services	4,367	3,817	550
Staff travel	30,051	28,474	1,577
Supplies, materials and media	9,075	8,910	165
Other	174	174	-
Indirect costs	18,475	18,327	148
Equipment	14,735	13,199	1,536
Total expenditures	<u>635,000</u>	<u>628,487</u>	<u>6,513</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)

Title I-A Homeless Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 3,092	3,092	-
Expenditures:			
Instruction:			
Supplies, materials and media	3,000	3,000	-
District administration support services:			
Indirect costs	92	92	-
Total expenditures	<u>3,092</u>	<u>3,092</u>	<u>-</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 I-A Basic Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 1,387,388	1,201,052	(186,336)
Expenditures:			
Instruction:			
Certificated salaries	335,793	325,292	10,501
Non-certificated salaries	239,227	207,507	31,720
Employee benefits	352,087	268,316	83,771
Supplies, materials and media	147,495	108,355	39,140
Total instruction	1,074,602	909,470	165,132
Support services - students:			
Certificated salaries	152,633	152,633	-
Employee benefits	52,605	51,422	1,183
Total support services - students	205,238	204,055	1,183
School administration:			
Certificated salaries	45,584	45,096	488
Employee benefits	20,640	6,657	13,983
Total school administration	66,224	51,753	14,471
District administration support services:			
Indirect costs	41,324	35,774	5,550
Total expenditures	1,387,388	1,201,052	186,336
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-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 965,213	965,213	-
Expenditures:			
Instruction:			
Certificated salaries	111,450	111,450	-
Non-certificated salaries	382,284	382,284	-
Employee benefits	282,565	282,565	-
Utility service	312	312	-
Supplies, materials and media	147,209	147,209	-
Total instruction	<u>923,820</u>	<u>923,820</u>	-
Support services - instruction:			
Non-certificated salaries	11,790	11,790	-
Employee benefits	704	704	-
Staff travel	150	150	-
Total support services - instruction	<u>12,644</u>	<u>12,644</u>	-
District administration support services:			
Indirect costs	<u>28,749</u>	<u>28,749</u>	-
Total expenditures	<u>965,213</u>	<u>965,213</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 IV-A Special Revenue Funds

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 211,097	189,292	(21,805)
Expenditures:			
Instruction:			
Professional and technical services	33,000	32,200	800
Student travel	49,067	40,637	8,430
Supplies, materials and media	9,795	8,956	839
Total instruction	91,862	81,793	10,069
Support services - students:			
Supplies, materials and media	38,045	37,519	526
Support services - instruction:			
Certificated salaries	35,167	27,081	8,086
Non-certificated salaries	23,770	23,770	-
Employee benefits	3,665	1,094	2,571
Other	12,300	12,397	(97)
Total support services - instruction	74,902	64,342	10,560
District administration support services:			
Indirect costs	6,288	5,638	650
Total expenditures	211,097	189,292	21,805
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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ <u>64,966</u>	<u>41,190</u>	<u>(23,776)</u>
Expenditures:			
Instruction:			
Supplies, materials and media	<u>63,031</u>	<u>39,963</u>	<u>23,068</u>
District administration support services:			
Indirect costs	<u>1,935</u>	<u>1,227</u>	<u>708</u>
Total expenditures	<u>64,966</u>	<u>41,190</u>	<u>23,776</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>-</u></u>	

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, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 372,033	329,456	(42,577)
Expenditures:			
Support services - instruction:			
Transportation allowance	1,000	231	769
Professional and technical services	230,146	204,927	25,219
Staff travel	128,906	113,585	15,321
Other purchased services	900	900	-
Total support services - instruction	<u>360,952</u>	<u>319,643</u>	<u>41,309</u>
District administration support services:			
Indirect costs	<u>11,081</u>	<u>9,813</u>	<u>1,268</u>
Total expenditures	<u>372,033</u>	<u>329,456</u>	<u>42,577</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 Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 32,000	24,482	(7,518)
Expenditures:			
Instruction:			
Professional and technical services	495	495	-
Staff travel	11,148	4,859	6,289
Supplies, materials and media	19,404	18,399	1,005
Total instruction	<u>31,047</u>	<u>23,753</u>	<u>7,294</u>
District administration support services:			
Indirect costs	<u>953</u>	<u>729</u>	<u>224</u>
Total expenditures	<u>32,000</u>	<u>24,482</u>	<u>7,518</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)

Career Technical Education Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ <u>121,873</u>	<u>79,492</u>	<u>(42,381)</u>
Expenditures:			
Instruction:			
Certificated salaries	16,000	7,500	8,500
Employee benefits	450	173	277
Supplies, materials and media	<u>101,793</u>	<u>69,451</u>	<u>32,342</u>
Total instruction	<u>118,243</u>	<u>77,124</u>	<u>41,119</u>
District administration support services:			
Indirect costs	<u>3,630</u>	<u>2,368</u>	<u>1,262</u>
Total expenditures	<u>121,873</u>	<u>79,492</u>	<u>42,381</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)

Safety and Well Being Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 10,000	6,760	(3,240)
Expenditures:			
Support services - instruction:			
Staff travel	9,702	6,559	3,143
District administration support services:			
Indirect costs	298	201	97
Total expenditures	<u>10,000</u>	<u>6,760</u>	<u>3,240</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 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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 410,000	232,797	(177,203)
Expenditures:			
Instruction:			
Supplies, materials and media	142,403	35,973	106,430
Support services - instruction:			
Certificated salaries	84,600	69,400	15,200
Non-certificated salaries	45,250	31,612	13,638
Employee benefits	14,014	6,293	7,721
Professional and technical services	31,520	14,502	17,018
Staff travel	70,795	63,724	7,071
Supplies, materials and media	9,206	4,359	4,847
Total support services - instruction	<u>255,385</u>	<u>189,890</u>	<u>65,495</u>
District administration support services:			
Indirect costs	12,212	6,934	5,278
Total expenditures	<u>410,000</u>	<u>232,797</u>	<u>177,203</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 I School Improvement Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 547,887	547,846	(41)
Expenditures:			
Instruction:			
Certificated salaries	277,783	277,483	300
Non-certificated salaries	35,575	43,574	(7,999)
Employee benefits	157,506	145,885	11,621
Professional and technical services	4,700	4,700	-
Staff travel	37,719	37,719	-
Supplies, materials and media	18,285	22,167	(3,882)
Total instruction	<u>531,568</u>	<u>531,528</u>	<u>40</u>
District administration support services:			
Indirect costs	<u>16,319</u>	<u>16,318</u>	<u>1</u>
Total expenditures	<u>547,887</u>	<u>547,846</u>	<u>41</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)

Early Intervention Infant Learning Program Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 200,198	200,009	(189)
Expenditures:			
Special education support services - students:			
Certificated salaries	3,632	3,632	-
Non-certificated salaries	99,188	99,188	-
Employee benefits	72,726	72,726	-
Professional and technical services	4,705	4,705	-
Staff travel	10,080	10,080	-
Supplies, materials and media	3,721	3,721	-
Total special education support services - students	<u>194,052</u>	<u>194,052</u>	<u>-</u>
District administration support services:			
Indirect costs	<u>6,146</u>	<u>5,957</u>	<u>189</u>
Total expenditures	<u>200,198</u>	<u>200,009</u>	<u>189</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)

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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 49,987	49,939	(48)
Expenditures:			
Special education support services - students:			
Non-certificated salaries	28,918	28,918	-
Employee benefits	18,105	18,106	(1)
Supplies, materials and media	1,428	1,428	-
Total special education support services - students	<u>48,451</u>	<u>48,452</u>	<u>(1)</u>
District administration support services:			
Indirect costs	1,536	1,487	49
Total expenditures	<u>49,987</u>	<u>49,939</u>	<u>48</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, 2024

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ <u>112,976</u>	<u>180,853</u>	<u>67,877</u>
Expenditures:			
Special education support services - students:			
Certificated salaries	43,135	1,500	41,635
Non-certificated salaries	16,037	144	15,893
Employee benefits	9,705	47	9,658
Professional and technical services	22,084	385	21,699
Staff travel	11,615	989	10,626
Supplies, materials and media	-	49	(49)
Other	10,400	300	10,100
Total expenditures	<u>112,976</u>	<u>3,414</u>	<u>109,562</u>
Excess of revenues over expenditures	\$ <u>-</u>	<u>177,439</u>	<u>177,439</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>177,439</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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 1,009,661	661,271	(348,390)
Expenditures:			
Special education support services - students:			
Certificated salaries	190,000	119,282	70,718
Non-certificated salaries	30,000	-	30,000
Employee benefits	51,500	46,453	5,047
Professional and technical services	485,000	312,808	172,192
Staff travel	65,000	62,895	2,105
Student travel	22,000	269	21,731
Supplies, materials and media	136,088	99,868	36,220
Total special education support services - students	<u>979,588</u>	<u>641,575</u>	<u>338,013</u>
District administration support services:			
Indirect costs	<u>30,073</u>	<u>19,696</u>	<u>10,377</u>
Total expenditures	<u>1,009,661</u>	<u>661,271</u>	<u>348,390</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)

Special Education Section 619 Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 34,630	6,345	(28,285)
Expenditures:			
Special education support services - students:			
Certificated salaries	5,000	-	5,000
Non-certificated salaries	5,000	-	5,000
Employee benefits	1,000	-	1,000
Professional and technical services	9,000	-	9,000
Supplies, materials and media	13,599	6,156	7,443
Total special education support services - students	<u>33,599</u>	<u>6,156</u>	<u>27,443</u>
District administration support services:			
Indirect costs	1,031	189	842
Total expenditures	<u>34,630</u>	<u>6,345</u>	<u>28,285</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)

Adult Basic Education - Unit 7556 Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
State of Alaska	\$ 100,925	94,386	(6,539)
Federal sources passed through the State of Alaska	61,851	57,851	(4,000)
Total revenues	<u>162,776</u>	<u>152,237</u>	<u>(10,539)</u>
Expenditures:			
School administration:			
Non-certificated salaries	4,926	4,338	588
Employee benefits	2,636	2,462	174
Total school administration	<u>7,562</u>	<u>6,800</u>	<u>762</u>
Adult and continuing education instruction:			
Non-certificated salaries	93,599	92,581	1,018
Employee benefits	50,085	49,819	266
Professional and technical services	2,720	-	2,720
Supplies, materials and media	8,810	3,037	5,773
Total adult and continuing education instruction	<u>155,214</u>	<u>145,437</u>	<u>9,777</u>
Total expenditures	<u>162,776</u>	<u>152,237</u>	<u>10,539</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)

AK Literacy Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 343,551	313,157	(30,394)
Expenditures:			
Instruction:			
Staff travel	8,850	6,369	2,481
Supplies, materials and media	324,468	297,460	27,008
Total instruction	333,318	303,829	29,489
District administration support services:			
Indirect costs	10,233	9,328	905
Total expenditures	343,551	313,157	30,394
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)

Youth Leaders Program Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 978,327	281,331	(696,996)
Expenditures:			
Support services - students:			
Certificated salaries	66,900	41,065	25,835
Non-certificated salaries	306,300	48,125	258,175
Employee benefits	145,127	4,736	140,391
Professional and technical services	30,000	8,125	21,875
Staff travel	30,000	19,057	10,943
Student travel	300,000	137,397	162,603
Supplies, materials and media	100,000	22,826	77,174
Total expenditures	<u>978,327</u>	<u>281,331</u>	<u>696,996</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>6,779</u>	
Fund balance, end of year		<u>\$ 6,779</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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 1,601,112	1,297,810	(303,302)
Expenditures:			
Instruction:			
Supplies, materials and media	958,986	852,628	106,358
Support services - instruction:			
Certificated salaries	221,814	146,176	75,638
Non-certificated salaries	129,250	118,325	10,925
Employee benefits	142,461	94,924	47,537
Professional and technical services	48,055	17,858	30,197
Staff travel	33,174	21,152	12,022
Total support services - instruction	<u>574,754</u>	<u>398,435</u>	<u>176,319</u>
District administration support services:			
Indirect costs	67,372	46,747	20,625
Total expenditures	<u>1,601,112</u>	<u>1,297,810</u>	<u>303,302</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)

Native Youth in Action Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 713,741	265,386	(448,355)
Expenditures:			
Instruction:			
Certificated salaries	61,600	56,700	4,900
Employee benefits	8,984	1,192	7,792
Professional and technical services	505,662	117,201	388,461
Student travel	66,264	66,205	59
Total instruction	642,510	241,298	401,212
Support services - instruction:			
Professional and technical services	25,479	9,058	16,421
Staff travel	8,000	5,375	2,625
Total support services - instruction	33,479	14,433	19,046
District administration support services:			
Indirect costs	37,752	9,655	28,097
Total expenditures	713,741	265,386	448,355
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, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 687,941	674,403	(13,538)
Expenditures:			
Instruction:			
Non-certificated salaries	132,316	132,316	-
Employee benefits	96,689	96,689	-
Supplies, materials and media	78,871	76,132	2,739
Total instruction	<u>307,876</u>	<u>305,137</u>	<u>2,739</u>
Support services - instruction:			
Certificated salaries	132,988	130,356	2,632
Non-certificated salaries	114,285	114,285	-
Employee benefits	104,538	104,538	-
Total support services - instruction	<u>351,811</u>	<u>349,179</u>	<u>2,632</u>
District administration support services:			
Indirect cost	<u>28,254</u>	<u>20,087</u>	<u>8,167</u>
Total expenditures	<u>687,941</u>	<u>674,403</u>	<u>13,538</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)

Johnson O'Malley Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 53,313	8,393	(44,920)
Expenditures:			
Support services - instruction:			
Supplies, materials and media	51,676	8,393	43,283
District administration support services:			
Indirect cost	1,637	-	1,637
Total expenditures	<u>53,313</u>	<u>8,393</u>	<u>44,920</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)

Johnson O'Malley Contract Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 357,232	174,282	(182,950)
Expenditures:			
Support services - instruction:			
Certificated salaries	35,000	13,700	21,300
Non-certificated salaries	38,300	28,780	9,520
Employee benefits	7,340	4,667	2,673
Student travel	21,560	2,856	18,704
Supplies, materials and media	213,528	102,681	110,847
Total support services - instruction	315,728	152,684	163,044
District administration:			
Professional and technical services	6,000	3,175	2,825
Staff travel	22,500	18,423	4,077
Total district administration	28,500	21,598	6,902
District administration support services:			
Indirect cost	13,004	-	13,004
Total expenditures	357,232	174,282	182,950
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 Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 104,914	86,184	(18,730)
Expenditures:			
Support services - instruction:			
Professional and technical services	45,000	36,984	8,016
Staff travel	54,172	46,334	7,838
Supplies, materials and media	2,617	-	2,617
Total support services - instruction	101,789	83,318	18,471
District administration support services:			
Indirect cost	3,125	2,866	259
Total expenditures	104,914	86,184	18,730
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 C-3 ANE Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - Direct:	\$ 1,186,243	387,786	(798,457)
Expenditures:			
Instruction:			
Staff travel	95,157	1,426	93,731
Student travel	-	44,089	(44,089)
Supplies, materials and media	60,490	-	60,490
Total instruction	<u>155,647</u>	<u>45,515</u>	<u>110,132</u>
Support services - instruction:			
Certificated salaries	191,600	84,753	106,847
Non-certificated salaries	88,000	-	88,000
Employee benefits	54,431	25,290	29,141
Transportation allowance	50,400	18,279	32,121
Professional and technical services	602,335	202,399	399,936
Total support services - instruction	<u>986,766</u>	<u>330,721</u>	<u>656,045</u>
District administration support services:			
Indirect costs	43,830	11,550	32,280
Total expenditures	<u>1,186,243</u>	<u>387,786</u>	<u>798,457</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)

Our Youth Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources - direct	\$ 972,211	864,291	(107,920)
Expenditures:			
Support services - students:			
Certificated salaries	538,000	501,680	36,320
Employee benefits	249,535	261,360	(11,825)
Transportation allowance	36,000	-	36,000
Professional and technical services	34,100	28,816	5,284
Staff travel	60,000	39,530	20,470
Supplies, materials and media	26,176	549	25,627
Total support services - students	943,811	831,935	111,876
District administration support services:			
Indirect cost	28,400	32,356	(3,956)
Total expenditures	972,211	864,291	107,920
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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 104,711	38,031	(66,680)
Expenditures:			
School administration:			
Staff travel	7,000	334	6,666
Adult and continuing education instruction:			
Staff travel	43,500	21,324	22,176
Utility services	4,600	3,085	1,515
Other purchased services	8,000	572	7,428
Supplies, materials and media	15,400	3,669	11,731
Student transportation - in-lieu-of agreements	25,000	9,047	15,953
Other	1,211	-	1,211
Total adult and continuing education instruction	<u>97,711</u>	<u>37,697</u>	<u>60,014</u>
Total expenditures	<u>104,711</u>	<u>38,031</u>	<u>66,680</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)

Local Donation Payroll Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 247,417	247,417	-
Expenditures:			
Instruction:			
Certificated salaries	178,450	178,450	-
Employee benefits	68,967	68,967	-
Total expenditures	<u>247,417</u>	<u>247,417</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>-</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, 2024

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Borough appropriation	\$ 52,300	69,740	17,440
Expenditures:			
Instruction:			
Professional and technical services	10,000	9,193	807
Staff travel	41,882	40,245	1,637
Supplies, materials and media	418	418	-
Total instruction	<u>52,300</u>	<u>49,856</u>	<u>2,444</u>
Support services - instruction:			
Non-certificated salaries	-	16,000	(16,000)
Employee benefits	-	3,884	(3,884)
Total support services - instruction	<u>-</u>	<u>19,884</u>	<u>(19,884)</u>
Total expenditures	<u>52,300</u>	<u>69,740</u>	<u>(17,440)</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)

Securing Mental Health Instructional Leadership Experience Special Revenue Fund

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

Year Ended June 30, 2025

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 91,033	64,867	(26,166)
Expenditures:			
Support services - students:			
Certificated salaries	21,000	21,000	-
Employee benefits	2,640	1,361	1,279
Professional and technical services	10,762	10,762	-
Staff travel	12,644	12,644	-
Supplies, materials and media	41,276	19,100	22,176
Total support services students	88,322	64,867	23,455
District administration support services:			
Indirect cost	2,711	-	2,711
Total expenditure	91,033	64,867	26,166
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)

Local Donation Professional and Technical Services Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - local sources - other	\$ 98,839	49,582	(49,257)
Expenditures:			
Student activities:			
Certificated salaries	35,000	-	35,000
Employee benefits	850	-	850
Student travel	62,989	49,582	13,407
Total expenditures	<u>98,839</u>	<u>49,582</u>	<u>49,257</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)

Noorvik After School Special Revenue Fund

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

Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 18,400	17,413	(987)
Expenditures:			
Instruction:			
Non- certificated salaries	4,380	4,380	-
Employee benefits	280	280	-
Supplies, materials and media	13,740	12,753	987
Total expenditures	<u>18,400</u>	<u>17,413</u>	<u>987</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, 2025

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 52,220	3,997	(48,223)
Expenditures:			
Support services - students:			
Certificated salaries	16,000	-	16,000
Non-certificated salaries	14,000	3,600	10,400
Employee benefits	4,000	83	3,917
Supplies, materials and media	18,220	314	17,906
Total expenditures	<u>52,220</u>	<u>3,997</u>	<u>48,223</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)

Student Activities Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues - local sources - other	\$ <u>636,848</u>
Expenditures:	
Instruction	
Certificated salaries	2,250
Employee benefits	52
Staff travel	<u>19,064</u>
Total instruction	<u>21,366</u>
Student activities:	
Certificated salaries	5,750
Employee benefits	490
Professional and technical services	8,394
Staff travel	249,982
Supplies, materials and media	354,438
Other	<u>2,403</u>
Total student activities	<u>621,457</u>
Total expenditures	<u>642,823</u>
Excess (deficiency) of revenues over expenditures	(5,975)
Fund balance, beginning of year	<u>966,837</u>
Fund balance, end of year	\$ <u><u>960,862</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, 2025

	Capital Project Funds									
	District Technology	Impact Aid Capital	Local Funded Maintenance	CIP Reserved Local Share	AHFC Buckland School Duplex THP-23-NAB-1	AHFC Buckland School Duplex THP-23-NAB-2	AHFC Kivalina Teacher Housing	Deering K-12 Major Maintenance	Deering K-12 School Improvement	Kivalina K-12 Replacement School and Teachers Housing
Revenues:										
Local sources:										
Other	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
State of Alaska	-	-	-	-	306,662	274,924	-	-	-	-
Borough appropriations	-	-	-	-	-	62,839	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	256,157
Total revenues	-	-	-	-	306,662	337,763	-	-	-	256,157
Expenditures:										
Construction and facilities acquisition	35,114	-	-	-	460,175	412,550	5,000	34,447	99,119	256,157
Total expenditures	35,114	-	-	-	460,175	412,550	5,000	34,447	99,119	256,157
Excess (deficiency) of revenues over expenditures	(35,114)	-	-	-	(163,513)	(74,787)	(5,000)	(34,447)	(99,119)	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	5,000	34,447	166,624	-
Transfers out	-	-	-	-	-	-	(5,000)	(34,447)	(166,624)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	(35,114)	-	-	-	(163,513)	(74,787)	-	-	67,505	-
Fund balances (deficits), beginning of year	1,134,481	53,386	306,002	4,080,144	177,506	90,083	-	-	(67,505)	233,773
Fund balances (deficits), end of year	1,099,367	53,386	306,002	4,080,144	23,993	15,296	-	-	-	233,773

(continued)

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

	Buckland HVAC	Alaska Technical Center Family Housing	Magnet School (ATC) Expansion Project	Construction Management	Selawik Renovations	DW HVAC	DW fire Alarm	THP DPX-1	THP DPX-2	Total Capital Project Funds
Revenues:										
Local sources:										
Other	-	-	-	-	97,173	-	-	-	-	97,173
Intergovernmental:										
State of Alaska	-	-	-	-	611,512	53,299	-	31,487	26,866	1,304,750
Borough appropriations	-	-	-	-	379,842	-	-	-	-	1,022,096
Federal sources	514,274	-	-	-	-	-	323,258	-	-	514,274
Total revenues	514,274	-	-	-	1,088,527	53,299	323,258	31,487	26,866	2,938,293
Expenditures:										
Construction and facilities acquisition	514,274	-	-	48,368	691,538	66,624	325,846	38,558	39,260	3,027,030
Total expenditures	514,274	-	-	48,368	691,538	66,624	325,846	38,558	39,260	3,027,030
Excess (deficiency) of revenues over expenditures	-	-	-	(48,368)	396,989	(13,325)	(2,588)	(7,071)	(12,394)	(88,737)
Other financing sources (uses):										
Transfers in	-	-	-	48,368	-	13,325	-	7,071	12,394	287,229
Transfers out	-	-	-	(48,368)	(324,136)	-	-	-	-	(324,136)
Total other financing sources (uses)	-	-	-	(48,368)	(324,136)	13,325	-	7,071	12,394	(36,907)
Net change in fund balances	-	-	-	-	72,853	-	(2,588)	-	-	(125,644)
Fund balances (deficits), beginning of year	(96,545)	17,452	673,518	-	(72,853)	-	-	-	-	6,529,442
Fund balances (deficits), end of year	(96,545)	17,452	673,518	-	-	-	(2,588)	-	-	6,403,798

REVISED 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, 2025

Total fund balance - School Operating Fund	\$ <u>10,634,558</u>
Less exemptions per 4 AAC 09.160(a):	
Inventory	1,872,383
Prepaid items	89,600
Federal impact aid received	<u>4,121,701</u>
	<u>6,083,684</u>
Fund balance subject to 10% limitation	\$ <u><u>4,550,874</u></u>

Unreserved fund balance as a percentage of
 current year expenditures:

<u>Fund balance subject to limitation</u>	=	\$ <u>4,550,874</u>		<u>5.92%</u>
<u>Current year expenditures</u>		\$ <u>76,934,616</u>		

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

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

<u>Awarding Agency</u>	<u>Award/Pass Through Number</u>	<u>Assistance Listing Number</u>	<u>Total Award</u>	<u>Federal Share of Expenditures</u>
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	\$ 427,062	427,062
National School Lunch Program	03701	10.555	1,327,060	1,327,060
Fresh Fruit and Vegetable Program	FF 25.NABD.01	10.582	84,483	84,483
Total Child Nutrition Cluster			<u>1,838,605</u>	<u>1,838,605</u>
Total U.S. Department of Agriculture			<u>1,838,605</u>	<u>1,838,605</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 25.NABD.01	84.010A	230,000	230,000
Title I-A Homeless	IP 25.NABD.01	84.010A	3,092	3,092
Title I-A Basic	IP 25.NABD.01	84.010A	1,387,388	1,201,052
Title I-A Parent Engagement	IP 25.NABD.01	84.010A	64,966	41,190
Title I-A Professional Development	IP 25.NABD.01	84.010A	372,033	329,456
School Improvement 1003(a)	SI 25.NABD.01	84.010A	400,000	232,797
Total ALN 84.010			<u>2,457,479</u>	<u>2,037,587</u>
Migrant Education State Grant Program:				
Title I-C - Consolidated Administration	IP 25.NABD.01	84.011A	380,000	373,487
Title I-C Migrant Education	IP 25.NABD.01	84.011A	1,025,540	965,213
Migrant Education Books	MB 25.NABD.01	84.011A	32,000	24,482
Total ALN 84.011			<u>1,437,540</u>	<u>1,363,182</u>
Supporting Effective Instruction State Grants:				
Title II-A - Consolidated Administration	IP 25.NABD.01	84.367A	23,000	23,000
AK Literacy	AL 25.NABD.01	84.371C	343,551	313,157
Title IV-A - Consolidated Administration	IP 25.NABD.01	84.424A	2,000	2,000
Title IV-A	IP 25.NABD.01	84.424A	211,097	189,292
Safety and Well Being	SW 25.NABD.01	84.424A	10,000	6,760
Total ALN 84.424			<u>223,097</u>	<u>198,052</u>
Education Stabilization Fund:				
COVID-19 - ARPA ESSER III	ER 25.NABD.01	84.425U	1,264,585	1,264,426
COVID-19 - ARP Homeless	AH 25.NABD.01	84.425W	1,195	1,190
Total ALN 84.425			<u>1,265,780</u>	<u>1,265,616</u>
Special Education Cluster (IDEA):				
Title VI-B Special Education Grants to States	SE 25.NABD.01	84.027A	1,009,661	661,271
Section 619 Special Education Preschool Grants	SE 25.NABD.01	84.173A	34,630	6,345
Total Special Education Cluster (IDEA)			<u>1,044,291</u>	<u>667,616</u>
Carl Perkins Secondary - Career and Technical Education	EK 25.NABD.01	84.048A	104,878	79,492

(continued)

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

Schedule of Expenditures of Federal Awards, Continued

Awarding Agency	Award/Pass Through Number	Assistance Listing Number	Total Award	Federal Share of Expenditures
U.S Department of Education:				
Passed through the State of Alaska, Department of Education and Early Development, Continued:				
Early Intervention Infant Learning Program: Special Education - Grants for Infants and Families Part C	167-319-25010	84.181A	\$ 49,987	49,939
Passed through the State of Alaska, Department of Labor and Workforce Development:				
Adult Education - Basic Grants to States	FY2025	84.002	61,851	57,851
Direct programs:				
Impact Aid	112801	84.041	4,121,701	4,121,701
Innovative Approaches to Literacy: Literacy Connections				
	S215G210084-23	84.215G	1,601,112	1,297,810
Indian Education Grant to Local Educational Agencies				
	S060A230098	84.060A	687,941	674,403
Special Programs for Indian Children: Native Youth in Action				
	S299A220063-23	84.299A	458,584	265,386
REAP - RLIS Special Qualified Agencies				
	S358C230015/S358C240014	84.358C	104,914	86,184
Our Youth-Positive Vision for the Future				
	S184H220225-24	84.184H	972,211	864,291
Alaska C-3 ANE				
	S356A240031	84.356A	1,186,243	387,786
Total U.S. Department of Education			16,144,160	13,753,053
U.S. Department of the Interior:				
Indian Education Assistance to Schools - direct programs:				
Johnson O'Malley	A22AV004200	15.130	455,295	174,282
Johnson O'Malley	A16AV00691	15.130	287,639	8,393
Total ALN 15.130			742,934	182,675
Denali Commission:				
Passed through the State of Alaska				
Department of Commerce, Community, and Economic Development:				
Buckland HVAC Project	20-RR-003; 1819-00	90.100	1,041,860	514,274
Total Expenditures of Federal Awards			\$ 19,767,559	16,288,607

See accompanying notes to Schedule.

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, 2025

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, 2025. 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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. 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, 2025

<u>Awarding Agency</u>	<u>Grant Number</u>	<u>Total Grant Award</u>	<u>Eligible Expenditures</u>
State of Alaska:			
Department of Education and Early Development:			
* Foundation	FY25	\$ 36,638,662	36,638,662
* HB-268 - Foundation	FY25	4,501,192	4,501,192
Quality Schools	FY24	105,910	105,910
Disparity test	FY25	127,458	127,458
Dividend Raffle Funds	FY25	12,116	12,116
Pupil Transportation	FY25	48,830	48,830
HB-268 - Pupil Transportation	FY25	5,195	5,195
STAR of the Northwest Magnet School	FY25	793,160	688,883
* Broadband Assistance Grant	BA25.NABD.01	1,660,832	1,649,524
Hunter Education	HE25NABD01	50,000	319
Early Learning Coordination	PE 25.NABD.01	547,887	547,846
Selawik Renovation	GR-25-005	7,539,338	611,512
Districtwide HVAC	GR-23-023	7,870,522	53,299
Total Department of Education and Early Development		59,901,102	44,990,746
Department of Labor and Workforce Development:			
Alaska Technical Center:			
Technical Vocational Education Program FY2025	TVEP FY25	2,161,656	1,760,804
Alaska Construction Academy Program FY2024	ACA FY25	154,661	83,018
Adult Basic Education - Unit 7556	FY2025	100,925	94,386
Total Department of Labor and Workforce Development		2,417,242	1,938,208
Alaska Housing Finance Corporation:			
* AHFC Buckland Duplex	THP-23-NAB-1	500,000	306,662
* AHFC Buckland Duplex	THP-23-NAB-2	500,000	274,924
Noatak AHFC Teacher Housing Project (THP-DPX-2)	RHP-25-NAB-1	700,000	26,866
Noatak AHFC Teacher Housing Project (THP-DPX-1)	RHP-25-NAB-2	595,750	31,487
Total Alaska Housing Finance Corporation		2,295,750	639,939
Department of Health:			
Early Intervention Infant Learning Program	167-319-25010	200,198	200,009
Total State Financial Assistance		\$ 64,814,292	47,768,902

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, 2025

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, 2025. 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	\$47,768,902
PERS On-Behalf	441,422
TRS On-Behalf	<u>2,351,999</u>
Total State Financial Assistance	<u>\$50,562,323</u>

COMPLIANCE REPORTS

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

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, 2025, 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, 2025.

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, 2025

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, 2025. 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, 2025.

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, 2025

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

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

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/Cluster</u>
84.010	Title I-A
84.011	Migrant Education State Program
84.173/84.027	Special Education Cluster (IDEA)
84.041	Impact Aid
90.100	Denali Commission

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

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, 2025. 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, 2025.

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 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, 2025

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

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 No

Significant deficiency identified?

Yes None reported

Noncompliance material to the financial statements noted?

Yes No

State Financial Assistance

Internal control over major programs:

Material weakness identified?

Yes No

Significant deficiency identified?

Yes 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:

\$1,433,067

Auditee qualified as low-risk auditee?

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.