BRISTOL BAY BOROUGH SCHOOL DISTRICT

(A Component Unit of the Bristol Bay Borough)

Basic Financial Statements, Required Supplementary Information, Supplementary Information, and Compliance Section

(With Independent Auditor's Report Thereon)

Year Ended June 30, 2026

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

BRISTOL BAY BOROUGH SCHOOL DISTRICT

(A Component Unit of the Bristol Bay Borough)

Basic Financial Statements, Required Supplementary Information,
Supplementary Information, and Compliance Section

(With Independent Auditor's Report Thereon)

Year Ended June 30, 2026

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Table of Contents

	Exhibit	Page
Independent Auditor's Report		1-4
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A-1	5
Statement of Activities	B-1	6
Fund Financial Statements:		
Balance Sheet – Governmental Funds	C-1	7
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	C-2	8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	D-1	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	D-2	10
Notes to Basic Financial Statements		11-36
Required Supplementary Information:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Original and Final – Budget and Actual:		
School Operating Fund	E-1	37
Early Learning Special Revenue Fund	E-2	38
Public Employees' Retirement System:		
Schedule of District's Proportionate Share of the Net Pension Liability	F-1	39
Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)	F-2	40
Schedule of District's Contributions (Pensions)	F-3	41
Schedule of District's Contributions (OPEB)	F-4	42
Teachers' Retirement System:		
Schedule of District's Proportionate Share of the Net Pension Liability	F-5	43
Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)	F-6	44
Schedule of District's Contributions (Pensions)	F-7	45
Schedule of District's Contributions (OPEB)	F-8	46
Note to Required Supplementary information		47-52

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Table of Contents, Continued

	Exhibit	Page
Supplementary Information:		
Major Governmental Funds:		
Schedule of Revenues, Expenditures and Changes		
in Fund Balance – Budget and Actual (where applicable):		
School Operating Fund	G-1	53-55
Early Learning Special Revenue Fund	G-2	56
Student Activities Special Revenue Fund	G-3	57
Teacher Housing Capital Project Fund	G-4	58
Other Governmental Funds:		
Combining Balance Sheet	H-1	59-62
Combining Statement of Revenues,		
Expenditures and Changes in Fund Balances	H-2	63-66
Schedule of Revenues, Expenditures and Changes		
in Fund Balance – Budget and Actual, (where applicable):		
Special Revenue Funds:		
Student Transportation	H-3	67
Camai Health Clinic	H-4	68
Positive Behavioral Intervention Strategies	H-5	69
New Visions FY22	H-6	70
New Visions FY23	H-7	71
New Visions FY24	H-8	72
New Visions FY26	H-9	73
Broadband Assistance Grant (BAG)	H-10	74
Pre-School Development	H-11	75
AK Literacy	H-12	76
Food Service	H-13	77
Fresh Fruits and Vegetables	H-14	78
Title I-A	H-15	79
Title I-C Migrant Education	H-16	80
Migrant Literacy	H-17	81
School Improvement Naknek Elementary	H-18	82
Title VI-B	H-19	83
Section 619 Pre-K	H-20	84
CLSD 2024 Cohort	H-21	85
Safety and Wellbeing	H-22	86
Carl Perkins	H-23	87
Small Rural School Achievement	H-24	88
Indian Education	H-25	89
Johnson O'Malley	H-26	90
Teaching, Culture, Honoring Heritage (TC2H)	H-27	91
Thread Travel	H-28	92
Arctic Tern	H-29	93
Thread COVID	H-30	94
Capital Project Fund	H-31	95

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Table of Contents, Continued

	Exhibit	Page
Supplementary Information, continued:		
Schedule of Compliance – AS 14.17.505	I-1	96
Schedule of State Financial Assistance	K-1	97
Notes to Schedule of State Financial Assistance		98
Compliance Section:		
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*		99-100
Report on Compliance For Each Major State Program and Report on Internal Control Over Compliance Required by the *State of Alaska Guide and Compliance Supplement for State Single Audits*		101-103
Schedule of Findings and Questioned Costs		104-105
Corrective Action Plan		106

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Members of the School Board
Bristol Bay Borough School District
Naknek, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bristol Bay Borough School District (the District), a component unit of the Bristol Bay Borough, as of and for the year ended June 30, 2026, 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 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 District, as of June 30, 2026, 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. 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 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.

3000 C Street N. Suite 201 Anchorage, Alaska 99503 Phone 907-274-2992 Fax 907-274-2993
Offices in Juneau and Soldotna A Professional Corporation

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 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 generally accepted auditing standards 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 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 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 Schedules, 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 Notes to Required Supplementary Information on pages 37-51 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 basis 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 the 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 (where applicable); Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances; Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (where applicable) – Special Revenue Funds and Capital Project Fund; Schedule of Compliance – AS 14.17.505; and Schedule of State Financial Assistance and accompanying notes, as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits,* is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. 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 November 13, 2026, on our consideration of the 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 the 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 the District's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
November 13, 2026

BASIC FINANCIAL STATEMENTS

Exhibit A-1

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Statement of Net Position

June 30, 2026

		Governmental Activities
Assets and Deferred Outflows of Resources		
Current assets:		
Cash and cash equivalents	$	170,109
Accounts receivable		697,697
Inventory		26,869
Prepaid items		36,484
Total current assets		931,159
Long-term assets:		
Capital assets		1,586,408
Accumulated depreciation		(594,384)
Net OPEB assets		1,100,726
Total long-term assets		2,092,750
Deferred outflows of resources -		
Pension and OPEB deferrals		104,751
Total assets and deferred outflows of resources		3,128,660
Liabilities and Deferred Inflows of Resources		
Current liabilities:		
Accounts payable		49,381
Accrued payroll liabilities		101,699
Unearned revenues		24,909
Compensated absences		121,336
Total current liabilities		297,325
Long-term liabilities:		
Compensated absences		33,318
Net pension liabilities		1,519,140
Total long-term liabilities		1,552,458
Deferred inflows of resources -		
Pension and OPEB deferrals		136,202
Total liabilities and deferred inflows of resources		1,985,985
Net Position		
Net investment in capital assets		992,024
Restricted:		
Arctic tern		2,281
Student activities		292,535
Unrestricted		(144,165)
Total net position		1,142,675
Total liabilities, deferred inflows of resources and net position	$	3,128,660

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

Exhibit B-1

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities:					
Instruction	$ 1,502,403	-	603,977	-	(898,426)
Special education instruction	115,201	-	(7,058)	-	(122,259)
Special education support services - students	63,952	-	37,837	-	(26,115)
Support services - students	95,150	-	91	-	(95,059)
Support services - instruction	1,529,881	-	369,379	-	(1,160,502)
School administration	189,416	-	(22,620)	-	(212,036)
School administration support services	40,712	-	9,208	-	(31,504)
District administration	330,924	-	(13,920)	-	(344,844)
District administration support services	461,859	-	45,060	-	(416,799)
Operations and maintenance of plant	839,976	-	263	758,556	(81,157)
Student activities	276,787	-	203,716	-	(73,071)
Student transportation - to and from school	367,789	-	268,852	-	(98,937)
Food services	271,088	76,179	87,615	-	(107,294)
Total governmental activities	$ 6,085,138	76,179	1,582,400	758,556	(3,668,003)
General revenues:					
Earnings on investments					16,294
E-rate					1,004,400
Borough appropriations and in-kind services					1,920,922
Grants and contributions not restricted to specific programs					1,339,548
Other					92,558
Total general revenues					4,373,722
Change in net position					705,719
Net position, beginning of year, as restated					436,956
Net position, end of year					$ 1,142,675

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

Exhibit C-1

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2026

	School Operating Fund	Special Revenue Funds		Teacher Housing Capital Project Fund	Other Governmental Funds	Total Governmental Funds
		Early Learning	Student Activities			
Assets						
Cash and cash equivalents	$ 170,109	-	-	-	-	170,109
Accounts receivable	14,219	131,196	358	183,438	368,486	697,697
Due from other funds	658,441	-	292,177	-	86,391	1,037,009
Inventory	21,291	-	-	-	5,578	26,869
Prepaid items	36,484	-	-	-	-	36,484
Total assets	$ 900,544	131,196	292,535	183,438	460,455	1,968,168
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	23,931	-	-	-	25,450	49,381
Accrued payroll liabilities	101,699	-	-	-	-	101,699
Due to other funds	378,568	131,196	-	163,606	363,639	1,037,009
Unearned revenues	-	-	-	-	24,909	24,909
Total liabilities	504,198	131,196	-	163,606	413,998	1,212,998
Fund Balances:						
Nonspendable:						
Inventory	21,291	-	-	-	5,578	26,869
Prepaid items	36,484	-	-	-	-	36,484
Restricted:						
Arctic tern	-	-	-	-	2,281	2,281
Student activities	-	-	292,535	-	-	292,535
Committed:						
Impact aid	258,978	-	-	-	-	258,978
Construction	-	-	-	19,832	44,176	64,008
Unassigned	79,593	-	-	-	(5,578)	74,015
Total fund balances	396,346	-	292,535	19,832	46,457	755,170
Total liabilities and fund balances	$ 900,544	131,196	292,535	183,438	460,455	1,968,168

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

Exhibit C-2

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position

June 30, 2026

Amounts reported as fund balances on the governmental funds balance sheet			$ 755,170
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and are not reported in the funds			992,024
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the fund financial statements.			
Compensated absences			(154,654)
Proportionate share of the collective net pension liabilities:			
PERS	$	(907,256)	
TRS		(611,884)	(1,519,140)
OPEB plans have been funded in excess of required contributions. These contributions are not financial resources and therefore are not reported in the funds.			
Proportionate share of the collective net OPEB assets:			
PERS		534,715	
TRS		566,011	1,100,726
Deferred inflows and outflows of resources are the acquisition or consumption of net position that will be amortized and recognized in the Statement of Activities in future periods.			
Pension and OPEB related deferred outflows of resources:			
PERS		74,623	
TRS		30,128	104,751
Pension and OPEB related deferred inflows of resources:			
PERS		(61,808)	
TRS		(74,394)	(136,202)
Net position of governmental activities			$ 1,142,675

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

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2026

	School Operating Fund	Special Revenue Funds: Early Learning	Special Revenue Funds: Student Activities	Teacher Housing Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	-	-	76,179	76,179
Earnings on investments	16,294	-	-	-	-	16,294
E-rate	1,004,400	-	-	-	-	1,004,400
Other	92,558	-	205,213	-	196,811	494,582
Intergovernmental:						
Bristol Bay Borough	1,920,922	-	-	340,500	-	2,261,422
State of Alaska	1,303,129	227,008	-	418,056	422,264	2,370,457
Federal sources	258,978	-	-	-	628,264	887,242
Total revenues	4,596,281	227,008	205,213	758,556	1,323,518	7,110,576
Expenditures:						
Current:						
Instruction	1,092,788	127,123	-	-	540,048	1,759,959
Special education instruction	132,330	-	-	-	104	132,434
Special education support services - students	26,219	-	-	-	37,733	63,952
Support services - students	97,623	-	-	-	-	97,623
Support services - instruction	1,212,549	88,112	1,500	-	263,187	1,565,348
School administration	220,019	-	-	-	2,324	222,343
School administration support services	26,447	-	-	-	17,058	43,505
District administration	393,363	-	-	-	-	393,363
District administration support services	446,426	11,773	-	-	29,383	487,582
Operations and maintenance of plant	794,396	-	-	-	-	794,396
Student activities	63,284	-	213,394	-	-	276,678
Student transportation - to and from school	-	-	-	-	345,217	345,217
Food services	5,895	-	-	-	276,379	282,274
Construction and facilities acquisition	-	-	-	738,724	24,926	763,650
Total expenditures	4,511,339	227,008	214,894	738,724	1,536,359	7,228,324
Excess (deficiency) of revenues over expenditures	84,942	-	(9,681)	19,832	(212,841)	(117,748)
Other financing sources (uses):						
Transfers in	-	-	55,000	-	150,885	205,885
Transfers out	(205,885)	-	-	-	-	(205,885)
Net other financing sources (uses)	(205,885)	-	55,000	-	150,885	-
Net changes in fund balances	(120,943)	-	45,319	19,832	(61,956)	(117,748)
Fund balances, beginning of year	517,289	-	247,216	-	108,413	872,918
Fund balances, end of year	$ 396,346	-	292,535	19,832	46,457	755,170

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

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities

Year Ended June 30, 2026

Net change in fund balances - total government funds		$ (117,748)
Amounts reported for governmental activities in the statement of activities are different because:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in the net pension and OPEB liabilities and assets:		
PERS	$ 131,915	
TRS	280,615	412,530
Changes in deferred inflows and outflows of resources related to pension and OPEB plans:		
PERS	(112,556)	
TRS	(137,303)	(249,859)
Long-term liabilities 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 long-term liabilities:		
Change in compensated absences		(45,925)
Governmental funds report capital outlays 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.		
Capital outlay	754,520	
Depreciation expense	(47,799)	706,721
Change in net position of governmental activities		$ 705,719

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Pursuant to Alaska Statutes, Title 29.43.030, the Bristol Bay Borough (the Borough) has the responsibility of establishing, maintaining and operating a public school system. The Borough's charter delegates the administrative responsibility for these functions to the Bristol Bay Borough School District (the District).

The accompanying financial statements include all the activities of the District. The District is a component unit and integral part of the reporting entity, which is the Bristol Bay Borough. The Borough Assembly has the oversight authority, approves the total annual budget of the District and may, during the year, increase or decrease the total Borough appropriation to the District at the request of the School Board. The School Board has the authority to establish its own budgets, hire all personnel, and manage its financial operation subject to the limitations established by State Law and Borough Charter.

There were no entities, which are a component unit of the District which have been included or excluded in the accompanying financial statements at June 30, 2026.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental 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 interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, would be reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not presently have any business-type activities.

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

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.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column named “Other Governmental Funds”.

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 when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Summarized below are the major sources of revenue, which are susceptible to accrual and the applicable recognition policies:

Intergovernmental Revenue:

State of Alaska foundation revenue, pupil transportation revenue, and federal aid for school lunch is recorded in the year to which it relates, and is susceptible to accrual.

Federal Impact Aid receipts are recorded as revenues in the year monies are received.

State of Alaska and federal government cost reimbursable grants and contracts revenues are recorded to the extent of allowable expenditures in the period incurred.

On-behalf payments are recognized in the year to which they relate.

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

Local Revenues:

Interest earnings on investments in the School Operating Fund are recognized as earned. Rentals and tuition are recognized in the year received. E-rate revenue is recognized in the year to which it relates.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, and then unrestricted resources as they are needed.

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

The District reports the following major governmental funds:

The *School Operating Fund* is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *Early Learning Special Revenue Fund* accounts for revenues and expenditures related to early learning activities across the District.

The *Student Activities Special Revenue Fund* accounts for revenues and expenditures related to student related services.

The *Teacher Housing Capital Project Fund* accounts for revenues and expenditures related to teacher housing projects

Additionally, the District reports the following fund types:

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted or committed to expenditures for specified purposes.

The *Capital Project Funds* are used to account for financial resources to be used for the acquisition or construction of major capital assets.

Use of Estimates

The preparation of the basic 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 liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

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 are recorded in the District Administration Support Services function.

D. Assets, Liabilities and Net Position or Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

Management has determined that all receivables are collectable; therefore, no allowance for doubtful accounts has been established.

3. Inventories and Prepaids

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

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaids. Prepaid items are accounted for based on the consumption method. The prepaid assets do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as nonspendable in the Fund Financial Statements.

4. Capital Assets

Capital assets, which include vehicles and equipment, are recorded in the government wide financial statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Assets greater than $5,000 with a useful life of greater than one year in the government wide financial statements are capitalized and depreciated on the straight-line method.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are considered operations and maintenance and are not capitalized in the government wide financial statements.

All school buildings and land are owned by the Bristol Bay Borough. Maintenance and operational costs are borne by the District. Grants and other monies received for capital outlay and construction are shown as expenditures in the fund financial statements. All assets that are constructed and will be transferred to the Bristol Bay Borough after completion are accounted for on the statements of net position of the government wide financial statements as assets to be contributed upon completion.

Vehicles and equipment owned by the District are depreciated under the straight-line method with estimated useful lives as follows:

	Life in Years
Vehicles	10
Equipment	5-10
Building Improvements	15-35

5. Unearned Revenues

Unearned revenues represent amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

6. 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.

7. Pensions and Other Post-Employment Benefits (OPEB)

For purposes of measuring the net pension and OPEB liabilities, assets, deferred outflows of resources, 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.

8. 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.

9. 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 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 component.

10. Fund Balance

In the fund financial statements fund balance components include five classifications as follows:

Nonspendable Fund Balance – amounts that are legally or contractually required to be maintained intact (such as the corpus of an endowment fund) or amounts that are not in a spendable form (such as inventory, prepaid items, supplies, and long-term receivables). Such constraint is binding until the legal or contractual requirement is repealed or the amounts become spendable.

Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions, or by enabling legislation. Such constraint is binding unless modified or rescinded by external body, laws, or regulation.

Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the School Board, the District's highest level of decision-making authority. Commitments may be changed or lifted by the School District taking the same formal action that imposed the constraint originally.

Assigned Fund Balance – amounts intended to be used by the District for specific purposes: intent can be expressed by the School Board or by the Business Manager, Finance Director or designee. Such constraint is binding unless modified or eliminated by the School Board or Business Manager. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed.

Unassigned Fund Balance – amounts not contained in the other classifications and available for any purpose. Positive unassigned amounts will be reported only in the School Operating Fund. If another governmental fund, other than the School Operating Fund, has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund.

The order of spending, regarding the restricted and unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available should first reduce restricted fund balance and then unrestricted fund balance. The order of spending regarding unrestricted fund balance is that committed amounts should be reduced first, followed by the assigned amounts, and then the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Compliance with the provisions of the Fund Balance Classification Policy are reviewed as part of the annual budget adoption process. The Business Manager reports to the School Board as close to the end of the year as possible the anticipated year-end fund balance or deficit. The School Board takes appropriate action to commit or assign, or otherwise allocate prior year fund balances as a part of the budget planning process.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental fund types except capital project funds, which adopt project-length budgets. A budget was not adopted for the Student Activities Special Revenue Fund as of June 30, 2026. All annual appropriations lapse at fiscal year-end. Unexpended balances of grants from the state and federal governments for the Special Revenue Funds lapse at June 30 with the exception of certain federal funding.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The District's bank accounts are insured by the Federal Depository Insurance Corporation (FDIC) to a maximum of $250,000. Any amount in excess of FDIC limits is collateralized with securities held by the District's agent in the District's name. The District held no investments at June 30, 2026.

All deposits are carried at fair market value plus accrued interest.

Custodial Credit Risk – Custodial Credit Risk is the risk that in the event of a bank failure, the District's, deposits will not be returned to the District. At June 30, 2026, the District had no uninsured or uncollateralized deposits.

B. Receivables

Receivables as of year-end for the District's individual major funds and other governmental funds at June 30, 2026 were as follows:

		School Operating Fund	Early Learning Special Revenue Fund	Student Activities Special Revenue Fund	Teacher Housing Capital Project Fund	Other Governmental Funds	Total
Receivables:							
Grants	$	-	131,196	-	183,438	368,486	683,120
Local sources		14,219	-	358	-	-	14,577
Total	$	14,219	131,196	358	183,438	368,486	697,697

Management has determined that all receivables are collectible; therefore, no allowance for doubtful accounts has been established.

C. Capital Assets

Capital asset activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Construction work-in-progress	$ -	719,094	-	719,094
Capital assets, being depreciated:				
Equipment	420,734	35,426	-	456,160
Vehicles	401,404	-	-	401,404
Building improvements	9,750	-	-	9,750
Total capital assets being depreciated	831,888	35,426	-	867,314
Less accumulated depreciation:				
Equipment	(360,346)	(14,533)	-	(374,879)
Vehicles	(181,840)	(32,987)	-	(214,827)
Building improvements	(4,399)	(279)	-	(4,678)
Total accumulated depreciation	(546,585)	(47,799)	-	(594,384)
Total capital assets being depreciated, net	285,303	(12,373)	-	272,930
Net governmental capital assets	$ 285,303	706,721	-	992,024

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

Instruction	$ 8,743
Support services - instruction	2,722
Operations and maintenance of plant	13,762
Student transportation – to and from school	22,572
Total	$ 47,799

D. Interfund Receivables and Payables

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, 2026 were as follows:

Receivable Fund	Payable Fund	Amount
School Operating Fund	Early Learning Special Revenue Fund	$ 131,196
School Operating Fund	Teacher Housing Capital Project Fund	163,606
School Operating Fund	Other Governmental Funds	363,639
Student Activities Special Revenue Fund	School Operating Fund	292,177
Other Governmental Funds	School Operating Fund	86,391
Total		$ 1,037,009

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.

E. Interfund Transfers

Transfers are used to move unrestricted School Operating Fund revenues to finance various programs that the District must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

Transfers Out	Transfers In		Amount
School Operating Fund	Student Activities Special Revenue Funds	$	55,000
School Operating Fund	Other Governmental Funds		150,885
		$	205,885

The School Operating Fund transferred $55,000 to the Student Activities Special Revenue Fund to supplement current year activities. The School Operating Fund transferred $111,550 to the Food Service Special Revenue Fund and $39,335 to the Student Transportation Special Revenue Fund to cover current year expenditures in excess of revenues.

F. Long-term Liabilities

The following schedule shows the changes in the District's long-term liabilities for the year ended June 30, 2026, which are typically liquidated by the School Operating Fund:

	Balance July 1, 2025	Additions	Reductions	Balance June 30, 2026	Due within one year
Compensated absences	$ 108,730	45,924	-	154,654	121,336

The change in compensated absences is presented as a net amount.

IV. OTHER INFORMATION

A. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damage, (e) workers compensation, and (f) medical/dental/vision costs for employees. The District mitigates significant risk of loss through the acquisition of commercial insurance policies. The District currently participates in the Alaska Public Risk Alliance (APRA), a member driven risk pool, which covers property and contents, torts, general and auto liability, school leaders' errors and omissions, workers' compensation, and earthquakes and floods. The District maintains other commercial insurance policies relating to faithful performance blanket bonds covering all employees and travel accidents. Coverage limits and the deductibles for the commercial policies have stayed relatively constant for several years. No losses in excess of insurance coverage have been realized over the past three years.

The District has elected the reimbursable method of payment for Employment Security Compensation (ESC). Under this arrangement, the actual costs of ESC claims are reimbursed to the State of Alaska.

B. Contingent Liabilities

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, may constitute a liability of the School Operating Fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

C. 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.

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	37,449	13,716
Inactive plan members entitled to but not yet receiving benefits	4,154	573
Inactive plan members not entitled to benefits	9,562	1,426
Active plan members	7,179	2,173
Total plan memberships	58,344	17,888

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, 2026, 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, 2026, the employer contribution rates were 0.24% for PERS and 0.08% for TRS.

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended, June 30, 2026, employer contributions were 0.86% for PERS and 0.74% 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, 2025 for PERS and TRS for the DB Pension Plan were 10.80% and 10.78%, the ARHCT Plan were 10.86% and 10.86%, the ODD Plan were 10.86% and 10.78%, and the RMP were 10.87% and 10.81%, respectively.

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

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

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS and TRS plans (rates shown below exclude an annual inflation component of 2.51%):

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	5.74%
Global Equity (ex-U.S.)	6.37%
Global Equity	5.88%
Aggregate Bonds	2.30%
Real Assets	4.54%
Private Equity	9.28%
Cash Equivalents	0.60%

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 5.20% as of June 30, 2025.

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.

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 2026 are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	22.00%	28.33%	6.33%
OPEB	0.00%	0.00%	0.00%
Total PERS contribution rates	22.00%	28.33%	6.33%
TRS:			
Pension	12.56%	31.33%	18.77%
OPEB	0.00%	0.00%	0.00%
Total TRS contribution rates	12.56%	31.33%	18.77%

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 2026, the past service rate for PERS and TRS is 19.29%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2025 (latest available) were determined by an actuarial valuation as of June 30, 2024 which was rolled forward to the measurement date June 30, 2025. 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: 6.2% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Rx/EGWP: 8.5% grading down to 4.5%. Initial trend rates are for FY2026. Ultimate trend rates reached in FY2050.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. For the ARHCT and RMP, the per capita claims costs were updated to reflect recent experience for the June 30, 2024 actuarial valuation. Employer Group Waiver Program (EGWP) subsidies were updated to reflect higher expected subsidies due to the Inflation Reduction Act. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher than initial trend rates in part due to the recent higher-than-expected inflationary environment.

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. Currently, there are 148 participating local government employers and public organizations, including the State of Alaska. This includes a total of 51 school districts participating in the 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/drb/pers.

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

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

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.

Employee Contribution Rate. PERS active members are required to contribute 6.75%, 7.50% for peace officers and firefighters, and 9.76% for certain school district employees, of their base salaries.

Employer contributions for the year ended June 30, 2026, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	62,480	5,389	67,869

Public Employees' Retirement Plans

For the year ended June 30, 2026 the State of Alaska contributed $29,602 (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, 2025 to a total of ($614) 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, 2026, 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	$ 907,256
State's proportionate share of the net pension liability	278,507
Total	$ 1,185,763

	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (495,805)
State's proportionate share of the ARHCT OPEB liability (asset)	(139,353)
Total	$ (635,158)
District's proportionate share of the ODD OPEB liability (asset)	$ (18,069)
District's proportionate share of the RMP OPEB liability (asset)	$ (20,841)
Total District's share of net pension and OPEB liabilities and assets	$ 372,541

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2024, rolled forward to the measurement date of June 30, 2025 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, 2024 valuation.

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

	June 30, 2025 Measurement	June 30, 2024 Measurement	Change
Pension	0.0183%	0.0161%	0.0022%
OPEB:			
ARHCT	0.0186%	0.0160%	0.0026%
ODD	0.0255%	0.0251%	0.0004%
RMP	0.0329%	0.0303%	0.0026%

Based on the measurement date of June 30, 2025, the District recognized pension and OPEB expense of $160,593 and ($112,632), respectively, for the year ended June 30, 2026. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(22,553)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	62,480	-
Total	$ 62,480	(22,553)

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(19,584)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	-	-
Total	$ -	(19,584)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(3,491)
Changes of assumptions	-	(21)
Net difference between projected and actual earnings on OPEB plan investments	-	(442)
Changes in proportion and differences between District contributions and proportionate share of contributions	744	(1,280)
District contributions subsequent to the measurement date	1,176	-
Total	$ 1,920	(5,234)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,621	(1,388)
Changes of assumptions	4,057	(10,078)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,905)
Changes in proportion and differences between District contributions and proportionate share of contributions	332	(1,066)
District contributions subsequent to the measurement date	4,213	-
Total	$ 10,223	(14,437)

$62,480 and $5,389 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, 2027, 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
2026	$ 35,261	29,156	(956)	(768)
2027	(22,155)	(18,856)	(1,085)	(3,156)
2028	(20,889)	(17,661)	(942)	(2,508)
2028	(14,770)	(12,223)	(676)	(1,856)
2030	-	-	(410)	(11)
Thereafter	-	-	(421)	(128)
Total	$ (22,553)	(19,584)	(4,490)	(8,427)

For the year ended June 30, 2026, the District recognized $105,377 and ($51,655) 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)	$ 1,240,320	907,256	625,027
Net OPEB ARHCT liability (asset)	$ (346,465)	(495,805)	(621,708)
Net OPEB ODD liability (asset)	$ (16,994)	(18,069)	(18,912)
Net OPEB RMP liability (asset)	$ (496)	(20,841)	(36,404)

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)	$	(636,035)	(495,805)	(329,672)
Net OPEB ODD liability (asset)	$	N/A	(18,069)	N/A
Net OPEB RMP liability (asset)	$	(38,424)	(20,841)	2,715

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): 0.86% 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.

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 $51,026 for the year ended June 30, 2026, which included forfeitures of $908 which have been applied as employer contributions.

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

Plan Description. The District participates in the Alaska Teachers' Retirement System (TRS), a cost sharing multiple-employer defined benefit plan. Currently, there are 56 participating local government employers and public organizations, including the State of Alaska. This includes a total of 52 school districts participating in the plan. 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.

Employee Contribution Rate. The District's active TRS members are required to contribute 8.65% of their base salaries.

Employer contributions for the year ended June 30, 2026, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	3,196	8,280	11,476

Teachers' Retirement Plans

For the year ended June 30, 2026 the State of Alaska contributed $191,429 (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, 2025 to a total of ($98,074) 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, 2026, 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	$ 611,884
State's proportionate share of the net pension liability	941,900
Total	$ 1,553,784

	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (502,281)
State's proportionate share of the ARHCT OPEB liability (asset)	(690,050)
Total	$ (1,192,331)
District's proportionate share of the ODD OPEB liability (asset)	$ (16,050)
District's proportionate share of the RMP OPEB liability (asset)	$ (47,680)
Total District's share of net pension and OPEB liabilities and assets	$ 45,873

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2024, rolled forward to the measurement date of June 30, 2025 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, 2024 valuation.

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

	June 30, 2025 Measurement	June 30, 2024 Measurement	Change
Pension	0.0394%	0.0463%	(0.0069%)
OPEB:			
ARHCT	0.0420%	0.0483%	(0.0063%)
ODD	0.1719%	0.1593%	0.0126%
RMP	0.1772%	0.1602%	0.0170%

Based on the measurement date of June 30, 2025, the District recognized pension and OPEB expense of ($176,582) and ($59,278) respectively, for the year ended June 30, 2026. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(21,993)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	3,196	-
Total	$ 3,196	(21,993)

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(18,380)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	-	-
Total	$ -	(18,380)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(2,394)
Changes of assumptions	-	(15)
Net difference between projected and actual earnings on OPEB plan investments	-	(254)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,557	(3,023)
District contributions subsequent to the measurement date	808	-
Total	$ 2,365	(5,686)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,005	(2,236)
Changes of assumptions	6,198	(15,205)
Net difference between projected and actual earnings on OPEB plan investments	-	(2,783)
Changes in proportion and differences between District contributions and proportionate share of contributions	2,892	(8,111)
District contributions subsequent to the measurement date	7,472	-
Total	$ 24,567	(28,335)

$3,196 and $8,280 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, 2027, 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
2026	$ 44,123	24,680	(507)	(536)
2027	(25,233)	(16,652)	(880)	(3,919)
2028	(23,981)	(15,600)	(761)	(3,653)
2029	(16,902)	(10,808)	(764)	(2,228)
2030	-	-	(455)	(442)
Thereafter	-	-	(762)	(462)
Total	$ (21,993)	(18,380)	(4,129)	(11,240)

For the year ended June 30, 2026, the District recognized ($138,296) and $70,338 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)	$	934,493	611,884	338,476
Net OPEB ARHCT liability (asset)	$	(372,587)	(502,281)	(610,992)
Net OPEB ODD liability (asset)	$	(16,105)	(16,050)	(16,014)
Net OPEB RMP liability (asset)	$	(14,592)	(47,680)	(72,725)

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)	$	(622,755)	(502,281)	(358,746)
Net OPEB ODD liability (asset)	$	N/A	(16,050)	N/A
Net OPEB RMP liability (asset)	$	(75,715)	(47,680)	(9,848)

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): 0.74% for the retiree medical plan, 0.08% for occupational death and disability, and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $106,942 for the year ended June 30, 2026, which included forfeitures of $0 which have been applied as employer contributions.

Related Party Transactions

During the fiscal year, the District expended $161,103 for bus transportation services provided by an entity owned by an individual who is on the Bristol Bay Borough Planning Commission, constituting a related party transaction.

D. Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed a new accounting standard with an upcoming implementation date covering the following topic:

- GASB 105 *Subsequent Events:* Effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

GASB Statement No. 105 defines subsequent events, including the subsequent events time frame, and establishes accounting and financial reporting requirements related to subsequent events.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit E-1

BRISTOL BAY BOROUGH SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2026

	School Operating Fund				
	Budgeted Amounts		Variance with Original and Final Budget - Positive	Actual	Variance with Final Budget and Actual - Positive
	Original	Final	(Negative)	Amounts	(Negative)
Revenues:					
Local sources:					
Earnings on investments	$ 37,000	37,000	-	16,294	(20,706)
E-rate	1,033,833	1,073,066	39,233	1,004,400	(68,666)
Other	18,000	38,000	20,000	92,558	54,558
Intergovernmental:					
Borough appropriation and in-kind services	1,984,191	1,920,922	(63,269)	1,920,922	-
State of Alaska	1,250,282	1,338,186	87,904	1,303,129	(35,057)
Federal sources	220,839	225,596	4,757	258,978	33,382
Total revenues	4,544,145	4,632,770	88,625	4,596,281	(36,489)
Expenditures:					
Current:					
Instruction	1,102,073	1,092,223	9,850	1,092,788	(565)
Special education instruction	147,158	152,857	(5,699)	132,330	20,527
Special education support services - students	62,150	40,000	22,150	26,219	13,781
Support services - students	92,675	96,465	(3,790)	97,623	(1,158)
Support services - instruction	1,278,293	1,240,872	37,421	1,212,549	28,323
School administration	156,468	184,415	(27,947)	220,019	(35,604)
School administration support services	64,856	30,620	34,236	26,447	4,173
District administration	336,341	356,847	(20,506)	393,363	(36,516)
District administration support services	303,752	317,471	(13,719)	446,426	(128,955)
Operations and maintenance of plant	842,013	886,457	(44,444)	794,396	92,061
Student activities	56,866	56,802	64	63,284	(6,482)
Food services	-	17,798	(17,798)	5,895	11,903
Total expenditures	4,442,645	4,472,827	(30,182)	4,511,339	(38,512)
Excess of revenues over expenditures	101,500	159,943	58,443	84,942	(75,001)
Other financing sources (uses) -					
Transfers out	(101,500)	(101,500)	-	(205,885)	(104,385)
Net change in fund balance	$ -	58,443	58,443	(120,943)	(179,386)
Fund balance, beginning of year				517,289	
Fund balance, end of year				$ 396,346	

See accompanying notes to required supplementary information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Early Learning Special Revenue Fund

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

Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original and Final Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget and Actual - Positive (Negative)
	Original	Final			
Revenues - Intergovernmental -					
State of Alaska	$ 227,008	227,008	-	227,008	-
Expenditures:					
Current:					
Instruction	127,197	127,197	-	127,123	74
Support services - instruction	88,038	88,038	-	88,112	(74)
District administration - support services	11,773	11,773	-	11,773	-
Total expenditures	227,008	227,008	-	227,008	-
Excess of revenues over expenditures	$ -	-	-	-	-
Fund balance, beginning of year				-	
Fund balance, end of year				$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2026

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.0194%	$ 1,084,098	$ 132,844	$ 1,216,942	$ 472,166	229.60%	59.55%
2018	0.0125%	$ 643,375	$ 242,819	$ 886,194	$ 489,995	131.30%	63.37%
2019	0.0160%	$ 792,352	$ 230,579	$ 1,022,931	$ 570,409	138.91%	65.19%
2020	0.0181%	$ 993,178	$ 397,038	$ 1,390,216	$ 606,150	163.85%	63.42%
2021	0.0154%	$ 906,918	$ 373,159	$ 1,280,077	$ 490,995	184.71%	61.61%
2022	0.0142%	$ 520,730	$ 71,544	$ 592,274	$ 561,541	92.73%	76.46%
2023	0.0187%	$ 954,803	$ 265,034	$ 1,219,837	$ 529,980	180.16%	67.97%
2024	0.0186%	$ 961,642	$ 320,914	$ 1,282,556	$ 585,455	164.26%	68.23%
2025	0.0161%	$ 885,192	$ 328,979	$ 1,214,171	$ 696,582	127.08%	67.81%
2026	0.0183%	$ 907,256	$ 278,507	$ 1,185,763	$ 760,673	119.27%	71.23%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2026

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 (Asset) 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	0.0125%	$ 105,603	$ 40,047	$ 145,650	$ 489,995	21.55%	89.68%
2019	0.0159%	$ 163,431	$ 47,750	$ 211,181	$ 570,409	28.65%	88.12%
2020	0.0181%	$ 26,902	$ 10,750	$ 37,652	$ 606,150	4.44%	98.13%
2021	0.0155%	$ (70,047)	$ (28,615)	$ (98,662)	$ 490,995	-14.27%	106.15%
2022	0.0143%	$ (366,578)	$ (50,643)	$ (417,221)	$ 561,541	-65.28%	135.54%
2023	0.0185%	$ (363,955)	$ (104,274)	$ (468,229)	$ 529,980	-68.67%	128.51%
2024	0.0184%	$ (424,255)	$ (145,140)	$ (569,395)	$ 585,455	-72.47%	133.96%
2025	0.0160%	$ (351,624)	$ (131,288)	$ (482,912)	$ 696,582	-50.48%	130.59%
2026	0.0186%	$ (495,805)	$ (139,353)	$ (635,158)	$ 760,673	-65.18%	136.81%
Occupational Death and Disability (ODD):							
2018	0.0189%	$ (2,677)	$ -	$ (2,677)	$ 489,995	-0.55%	212.97%
2019	0.0263%	$ (5,104)	$ -	$ (5,104)	$ 570,409	-0.89%	270.62%
2020	0.0230%	$ (5,583)	$ -	$ (5,583)	$ 606,150	-0.92%	297.43%
2021	0.0238%	$ (6,475)	$ -	$ (6,475)	$ 490,995	-1.32%	283.80%
2022	0.0280%	$ (12,337)	$ -	$ (12,337)	$ 561,541	-2.20%	374.22%
2023	0.0235%	$ (10,280)	$ -	$ (10,280)	$ 529,980	-1.94%	348.80%
2024	0.0227%	$ (11,662)	$ -	$ (11,662)	$ 585,455	-1.99%	349.24%
2025	0.0251%	$ (14,999)	$ -	$ (14,999)	$ 696,582	-2.15%	346.81%
2026	0.0255%	$ (18,069)	$ -	$ (18,069)	$ 760,673	-2.38%	353.09%
Retiree Medical Plan (RMP):							
2018	0.0189%	$ 984	$ -	$ 984	$ 616,628	0.16%	93.98%
2019	0.0263%	$ 3,344	$ -	$ 3,344	$ 603,292	0.55%	88.71%
2020	0.0290%	$ 6,930	$ -	$ 6,930	$ 452,109	1.53%	83.17%
2021	0.0296%	$ 2,103	$ -	$ 2,103	$ 213,741	0.98%	92.23%
2022	0.0330%	$ (8,846)	$ -	$ (8,846)	$ 226,255	-3.91%	115.10%
2023	0.0276%	$ (9,591)	$ -	$ (9,591)	$ 198,789	-4.82%	120.08%
2024	0.0272%	$ (12,928)	$ -	$ (12,928)	$ 214,543	-6.03%	124.29%
2025	0.0303%	$ (14,113)	$ -	$ (14,113)	$ 272,227	-5.18%	119.87%
2026	0.0329%	$ (20,841)	$ -	$ (20,841)	$ 297,627	-7.00%	123.73%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2026

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
2017	$ 43,928	$ (43,928)	$ -	$ 489,995	8.96%
2018	$ 68,108	$ (68,108)	$ -	$ 570,409	11.94%
2019	$ 65,150	$ (65,150)	$ -	$ 606,150	10.75%
2020	$ 39,302	$ (46,530)	$ (7,228)	$ 490,995	8.00%
2021	$ 60,531	$ (60,531)	$ -	$ 561,541	10.78%
2022	$ 60,782	$ (60,803)	$ (21)	$ 529,980	11.47%
2023	$ 72,667	$ (74,749)	$ (2,082)	$ 585,455	12.41%
2024	$ 86,735	$ (85,262)	$ 1,473	$ 696,582	12.45%
2025	$ 92,122	$ (94,440)	$ (2,318)	$ 760,673	12.11%
2026	$ 63,891	$ (62,480)	$ 1,411	$ 540,432	11.82%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2026

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	$ 21,653	$ (21,653)	$ -	$ 570,409	3.80%
2019	$ 27,320	$ (27,320)	$ -	$ 606,150	4.51%
2020	$ 15,665	$ (15,665)	$ -	$ 490,995	3.19%
2021	$ 5,622	$ (5,622)	$ -	$ 561,541	1.00%
2022	$ 6,054	$ (6,054)	$ -	$ 529,980	1.14%
2023	$ -	$ -	$ -	$ 585,455	0.00%
2024	$ -	$ -	$ -	$ 696,582	0.00%
2025	$ -	$ -	$ -	$ 760,673	0.00%
2026	$ -	$ -	$ -	$ 540,432	0.00%
Occupational Death and Disability (ODD):					
2018	$ 476	$ (476)	$ -	$ 570,409	0.08%
2019	$ 940	$ (940)	$ -	$ 606,150	0.16%
2020	$ 1,041	$ (1,041)	$ -	$ 490,995	0.21%
2021	$ 1,493	$ (1,493)	$ -	$ 561,541	0.27%
2022	$ 1,349	$ (1,349)	$ -	$ 529,980	0.25%
2023	$ 1,468	$ (1,468)	$ -	$ 585,455	0.25%
2024	$ 1,849	$ (1,849)	$ -	$ 696,582	0.27%
2025	$ 1,669	$ (1,669)	$ -	$ 760,673	0.22%
2026	$ 1,176	$ (1,176)	$ -	$ 540,432	0.22%
Retiree Medical Plan (RMP):					
2018	$ 3,064	$ (3,064)	$ -	$ 603,292	0.51%
2019	$ 3,400	$ (3,400)	$ -	$ 452,109	0.75%
2020	$ 5,288	$ (5,288)	$ -	$ 213,741	2.47%
2021	$ 6,117	$ (6,117)	$ -	$ 226,255	2.70%
2022	$ 4,656	$ (4,656)	$ -	$ 198,789	2.34%
2023	$ 5,384	$ (5,384)	$ -	$ 214,543	2.51%
2024	$ 6,247	$ (6,247)	$ -	$ 272,227	2.29%
2025	$ 5,761	$ (5,761)	$ -	$ 297,627	1.94%
2026	$ 4,213	$ (4,213)	$ -	$ 231,936	1.82%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2026

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.0445%	$ 1,015,618	$ 1,205,013	$ 2,220,631	$ 835,960	121.49%	68.40%
2018	0.0311%	$ 629,804	$ 1,100,500	$ 1,730,304	$ 677,405	92.97%	72.39%
2019	0.0342%	$ 654,632	$ 971,491	$ 1,626,123	$ 794,904	82.35%	74.09%
2020	0.0433%	$ 808,993	$ 1,198,225	$ 2,007,218	$ 909,212	88.98%	74.68%
2021	0.0307%	$ 625,076	$ 1,086,468	$ 1,711,544	$ 971,871	64.32%	72.81%
2022	0.0600%	$ 477,866	$ 404,008	$ 881,874	$ 946,521	50.49%	89.43%
2023	0.0566%	$ 942,880	$ 1,256,101	$ 2,198,981	$ 1,045,878	90.15%	78.33%
2024	0.0545%	$ 958,085	$ 1,514,824	$ 2,472,909	$ 1,073,840	89.22%	77.62%
2025	0.0463%	$ 856,790	$ 1,474,375	$ 2,331,165	$ 1,072,858	79.86%	77.07%
2026	0.0394%	$ 611,884	$ 941,900	$ 1,553,784	$ 1,475,454	41.47%	80.65%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2026

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 (Asset) 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	0.0310%	$ 59,938	$ 99,937	$ 159,875	$ 677,405	8.85%	93.75%
2019	0.0343%	$ 106,722	$ 157,642	$ 264,364	$ 794,904	13.43%	90.23%
2020	0.0431%	$ (65,851)	$ (97,696)	$ (163,547)	$ 909,212	-7.24%	105.50%
2021	0.0307%	$ (109,819)	$ (191,113)	$ (300,932)	$ 971,871	-11.30%	113.78%
2022	0.0618%	$ (718,647)	$ (564,099)	$ (1,282,746)	$ 946,521	-75.93%	145.41%
2023	0.0582%	$ (509,993)	$ (651,569)	$ (1,161,562)	$ 1,045,878	-48.76%	134.84%
2024	0.0561%	$ (566,965)	$ (855,005)	$ (1,421,970)	$ 1,073,840	-52.80%	140.49%
2025	0.0483%	$ (481,580)	$ (774,031)	$ (1,255,611)	$ 1,072,858	-44.89%	137.40%
2026	0.0420%	$ (502,281)	$ (690,050)	$ (1,192,331)	$ 1,475,454	-34.04%	144.35%
Occupational Death and Disability (ODD):							
2018	0.1110%	$ (3,628)	$ -	$ (3,628)	$ 677,405	-0.54%	1342.59%
2019	0.1685%	$ (5,908)	$ -	$ (5,908)	$ 794,904	-0.74%	1304.81%
2020	0.1588%	$ (6,384)	$ -	$ (6,384)	$ 909,212	-0.70%	1409.77%
2021	0.1280%	$ (5,510)	$ -	$ (5,510)	$ 971,871	-0.57%	931.08%
2022	0.1337%	$ (8,150)	$ -	$ (8,150)	$ 946,521	-0.86%	1254.36%
2023	0.1601%	$ (9,669)	$ -	$ (9,669)	$ 1,045,878	-0.92%	1268.28%
2024	0.1335%	$ (9,239)	$ -	$ (9,239)	$ 1,073,840	-0.86%	1410.42%
2025	0.1593%	$ (12,695)	$ -	$ (12,695)	$ 1,072,858	-1.18%	1600.56%
2026	0.1719%	$ (16,050)	$ -	$ (16,050)	$ 1,475,454	-1.09%	1826.06%
Retiree Medical Plan (RMP):							
2018	0.1110%	$ (5,263)	$ -	$ (5,263)	$ 413,989	-1.27%	118.16%
2019	0.1685%	$ (538)	$ -	$ (538)	$ 622,046	-0.09%	109.56%
2020	0.1586%	$ (6,085)	$ -	$ (6,085)	$ 548,376	-1.11%	110.03%
2021	0.1285%	$ (12,672)	$ -	$ (12,672)	$ 421,433	-3.01%	125.59%
2022	0.1334%	$ (26,793)	$ -	$ (26,793)	$ 515,510	-5.20%	142.54%
2023	0.1601%	$ (31,125)	$ -	$ (31,125)	$ 575,372	-5.41%	140.73%
2024	0.1335%	$ (29,571)	$ -	$ (29,571)	$ 654,631	-4.52%	140.71%
2025	0.1602%	$ (36,027)	$ -	$ (36,027)	$ 710,295	-5.07%	134.72%
2026	0.1772%	$ (47,680)	$ -	$ (47,680)	$ 924,228	-5.16%	136.41%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2026

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
2017	$ 20,632	$ (20,632)	$ -	$ 677,405	3.05%
2018	$ 28,770	$ (28,770)	$ -	$ 794,904	3.62%
2019	$ 26,426	$ (26,426)	$ -	$ 909,212	2.91%
2020	$ 40,017	$ (40,405)	$ (388)	$ 971,871	4.12%
2021	$ 26,582	$ (26,582)	$ -	$ 946,521	2.81%
2022	$ 33,589	$ (32,736)	$ 853	$ 1,045,878	3.21%
2023	$ 40,602	$ (44,461)	$ (3,859)	$ 1,073,840	3.78%
2024	$ 32,134	$ (36,911)	$ (4,777)	$ 1,072,858	3.00%
2025	$ 34,383	$ (59,914)	$ (25,531)	$ 1,475,454	2.33%
2026	$ 36,444	$ (3,196)	$ 33,248	$ 942,818	3.87%

See accompanying notes to Required Supplementary Information.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2026

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	$ 14,244	$ (14,244)	$ -	$ 794,904	1.79%
2019	$ 13,179	$ (13,179)	$ -	$ 909,212	1.45%
2020	$ 22,579	$ (22,579)	$ -	$ 971,871	2.32%
2021	$ 21,066	$ (21,066)	$ -	$ 946,521	2.23%
2022	$ 19,549	$ (19,549)	$ -	$ 1,045,878	1.87%
2023	$ 845	$ (845)	$ -	$ 1,073,840	0.08%
2024	$ -	$ -	$ -	$ 1,072,858	0.00%
2025	$ -	$ -	$ -	$ 1,475,454	0.00%
2026	$ -	$ -	$ -	$ 942,818	0.00%
Occupational Death and Disability (ODD):					
2018	$ -	$ -	$ -	$ 794,904	0.00%
2019	$ 496	$ (496)	$ -	$ 909,212	0.05%
2020	$ 420	$ (420)	$ -	$ 971,871	0.04%
2021	$ 514	$ (514)	$ -	$ 946,521	0.05%
2022	$ 599	$ (599)	$ -	$ 1,045,878	0.06%
2023	$ 619	$ (619)	$ -	$ 1,073,840	0.06%
2024	$ 767	$ (767)	$ -	$ 1,072,858	0.07%
2025	$ 957	$ (957)	$ -	$ 1,475,454	0.06%
2026	$ 808	$ (808)	$ -	$ 942,818	0.09%
Retiree Medical Plan (RMP):					
2018	$ 4,829	$ (4,829)	$ -	$ 622,046	0.78%
2019	$ 4,894	$ (4,894)	$ -	$ 548,376	0.89%
2020	$ 5,731	$ (5,731)	$ -	$ 421,433	1.36%
2021	$ 5,973	$ (5,973)	$ -	$ 515,510	1.16%
2022	$ 6,212	$ (6,212)	$ -	$ 575,372	1.08%
2023	$ 6,727	$ (6,727)	$ -	$ 654,631	1.03%
2024	$ 7,860	$ (7,860)	$ -	$ 710,295	1.11%
2025	$ 8,363	$ (8,363)	$ -	$ 924,228	0.90%
2026	$ 7,472	$ (7,472)	$ -	$ 851,449	0.88%

See accompanying notes to Required Supplementary Information.

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental fund types except capital project funds, which adopt project-length budgets. A budget was not adopted for the Student Activities Special Revenue Fund as of June 30, 2026. All annual appropriations lapse at fiscal year-end. Unexpended balances of grants from the state and federal governments for the Special Revenue Funds lapse at June 30 with the exception of certain federal funding.

School Operating Fund

The adopted School Operating Fund budget is submitted to the Bristol Bay Borough Assembly for review and approval. The approved budget is also submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The originally adopted budget and the final revised and approved budget are presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget and functional areas of expenditures are not to be overspent.

Special Revenue Funds

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. All special revenue funds, with the exception of the Food Service and Student Transportation Funds are expenditure driven. Management’s expenditure authority for Special Revenue Fund programs is limited to the actual combined revenues and transfers from other funds. There are no line item or category limitations on management’s authority to amend special revenue fund budgets subject to granting agency approval.

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2. Actual Budget Results

Differences – Original Budget to Final Budget		General Fund Positive (Negative)
Revenues:		
Final budgeted State of Alaska revenues exceeded the original budget due to higher than expected student counts.	$	87,904
Differences – Final Budget to Actual		
E-rate revenue was lower than anticipated. The reductions were partially offset by the additional Impact Aid funding of $33,382 received during the fiscal year.		(68,666)
Actual State of Alaska funding was lower than the final budget, primarily because District enrollment was two students below the level originally anticipated, resulting in approximately $36,585 less funding		(35,057)
Expenditures:		
Support Services - Instruction Actual instruction expenditures were less than final budget primarily due to the E-rate calculation being less than originally anticipated		28,323
District Administration Support Services The final budget for this function reflects additional expenditures of $21,846 for temporary assistance related to preparation for the FY25 audit and $7,820 for the initial payment associated with the District's transition to a new financial software system. The software implementation was subsequently deferred until January. Indirect expenditure was also lower than originally budgeted because not all available grant funds were expended during the fiscal year.		(128,955)
Operations and Maintenance of Plant Final budgeted Operations and Maintenance expenditures were lower than the final budget due primarily to lower than anticipated repair and maintenance costs. In addition, the District was unable to fill a second custodial position until later in the school year, resulting in lower-than budgeted salary and benefit expenditures		92,061

Expenditures, continued:	General Fund Positive (Negative)
Transfers	
Actual expenditures for Food Service and Pupil Transportation were higher than budgeted at $111,550 and $39,335 respectively. In prior years, the District received funding from the Borough to assist with Food Service costs; however, no Borough funding was received during FY26, resulting in the District having to absorb these costs which resulted the higher than budgeted transfer.	$ (104,385)

The final budget presented reflects the last approved budget revision made during FY26. A year-end budget revision was not processed; therefore, the final budget amounts do not reflect adjustments that could have been made based on actual year-end activity. The variances between the final budget and actual results are explained above.

3. 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.

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, 2023 to June 30, 2024

The actuarially determined contribution rates were updated to include a half-year interest adjustment that was adopted by the Board effective beginning with the June 30, 2024 valuation to account for the monthly timing of employer contributions.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

The healthcare per capita claims cost assumption is updated annually as described in Section 5.2. As a result of changes to the Standard Medicare Part D plan under the Inflation Reduction Act, EGWP subsidies are expected to be higher than originally anticipated for 2025 and beyond. EGWP subsidies were updated based on estimates provided by Segal Consulting. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher than initial trend rates in part due to the recent higher-than expected inflationary environment.

The future increase in the IRS 401(a)(17) maximum compensation limit was updated to align with the inflation assumption. This caused a $21,000 decrease in the pension Normal Cost and a $2,126,000 decrease in the pension Actuarial Accrued Liability.

The amounts included in the Normal Cost for administrative expenses were changed from $8,440,000 to $8,201,000 for pension, and from $3,866,000 to $4,759,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets).

There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2023 to June 30, 2024

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, 2023 to June 30, 2024

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

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

The healthcare per capita claims cost assumption is updated annually as described in Section 4.2. As a result of changes to the Standard Medicare Part D plan under the Inflation Reduction Act, EGWP subsidies are expected to be higher than originally anticipated for 2025 and beyond. EGWP subsidies were updated based on estimates provided by Segal Consulting. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher than initial trend rates in part due to the recent higher-than expected inflationary environment. There were no other changes in actuarial assumptions since the prior valuation.

The future increase in the IRS 401(a)(17) maximum compensation limit was updated to align with the inflation assumption. This caused a $2,000 decrease in the Occupational Death & Disability Normal Cost and a $25,000 decrease in the Occupational Death & Disability Actuarial Accrued Liability.

The amounts included in the Normal Cost for administrative expenses were changed from $34,000 to $33,000 for occupational death & disability, and from $51,000 to $41,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets).

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2023 to June 30, 2024

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, 2024 which was rolled forward to June 30, 2025. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

4. 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, 2023 to June 30, 2024

The actuarially determined contribution rates were updated to include a half-year interest adjustment that was adopted by the Board effective beginning with the June 30, 2024 valuation to account for the monthly timing of employer contributions. There were no changes in the asset or valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

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, 2023 to June 30, 2024

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, 2023 to June 30, 2024

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

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

Healthcare claim costs are updated annually. As a result of changes to the Standard Medicare Part D plan under the Inflation Reduction Act, EGWP subsidies are expected to be higher than originally anticipated for 2025 and beyond. EGWP subsidies were updated based on estimates provided by Segal Consulting. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher initial trend rates in part due to the recent higher-than-expected inflationary environment. The effects of these assumption changes are reflected in the actuarial valuation.

The amounts included in the Normal Cost for 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, 2023 to June 30, 2024

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, 2024 which was rolled forward to June 30, 2025. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

SUPPLEMENTARY INFORMATION

BRISTOL BAY BOROUGH SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Earnings on investments	$ 37,000	16,294	(20,706)
E-rate	1,073,066	1,004,400	(68,666)
Other	38,000	92,558	54,558
Total local sources	1,148,066	1,113,252	(34,814)
Intergovernmental:			
Bristol Bay Borough:			
Appropriations	1,661,604	1,661,604	-
In-kind services	259,318	259,318	-
Total Bristol Bay Borough	1,920,922	1,920,922	-
State of Alaska:			
Foundation	1,082,186	1,075,328	(6,858)
TRS on-behalf payment	217,000	191,429	(25,571)
PERS on-behalf payment	39,000	31,130	(7,870)
Quality Schools	-	4,662	4,662
Other state revenue	-	580	580
Total State of Alaska	1,338,186	1,303,129	(35,057)
Federal sources -			
Impact Aid	225,596	258,978	33,382
Total revenues	4,632,770	4,596,281	(36,489)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	623,599	650,844	(27,245)
Non-certificated salaries	6,400	17,274	(10,874)
Employee benefits	396,178	349,860	46,318
Professional and technical services	20,000	29,886	(9,886)
Staff travel	5,500	6,590	(1,090)
Utility services	1,000	-	1,000
Supplies, materials and media	37,051	36,726	325
Other	2,495	1,608	887
Total instruction	1,092,223	1,092,788	(565)
Special education instruction:			
Certificated salaries	73,739	81,540	(7,801)
Non-certificated salaries	31,091	16,946	14,145
Employee benefits	46,327	33,844	12,483
Staff travel	1,000	-	1,000
Supplies, materials and media	700	-	700
Total special education instruction	152,857	132,330	20,527

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Expenditures, continued:			
Current:			
Special education support services - students -			
Professional and technical services	$ 40,000	26,219	13,781
Support services - students:			
Non-certificated salaries	49,857	52,890	(3,033)
Employee benefits	44,508	44,489	19
Professional and technical services	600	-	600
Supplies, materials and media	1,500	244	1,256
Total support services - students	96,465	97,623	(1,158)
Support services - instruction:			
Non-certificated salaries	5,727	5,727	-
Employee benefits	428	3,155	(2,727)
Professional and technical services	100,451	136,103	(35,652)
Staff travel	2,500	1,580	920
Utility services	1,073,066	1,027,257	45,809
Supplies, materials and media	37,500	38,174	(674)
Tuition - students and stipends	500	432	68
Other	20,700	121	20,579
Total support services - instruction	1,240,872	1,212,549	28,323
School administration:			
Certificated salaries	102,995	102,995	-
Employee benefits	47,720	41,004	6,716
Housing allowance/subsidy	25,000	69,595	(44,595)
Professional and technical services	4,800	3,878	922
Staff travel	2,250	1,586	664
Utility services	250	10	240
Supplies, materials and media	1,000	856	144
Other	400	95	305
Total school administration	184,415	220,019	(35,604)
School administration support services:			
Non-certificated salaries	22,879	19,666	3,213
Employee benefits	7,541	6,634	907
Supplies, materials and media	200	147	53
Total school administration support services	30,620	26,447	4,173
District administration:			
Certificated salaries	145,000	160,954	(15,954)
Non-certificated salaries	25,686	31,504	(5,818)
Employee benefits	67,876	63,499	4,377
Professional and technical services	50,000	54,904	(4,904)
Staff travel	35,000	45,017	(10,017)
Student travel	-	4,628	(4,628)
Utility services	2,285	2,809	(524)
Supplies, materials and media	8,500	4,202	4,298
Other	22,500	25,846	(3,346)
Total district administration	356,847	393,363	(36,516)

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Expenditures, continued:			
Current:			
District administration support services:			
Certificated salaries	$ 47,733	43,929	3,804
Non-certificated salaries	91,065	93,228	(2,163)
Employee benefits	61,599	54,724	6,875
Professional and technical services	126,283	193,606	(67,323)
Staff travel	7,750	20,186	(12,436)
Utility services	1,000	804	196
Insurance and bond premiums	28,010	27,810	200
Supplies, materials and media	7,031	19,518	(12,487)
Other	27,000	36,915	(9,915)
Indirect cost recovery	(80,000)	(44,294)	(35,706)
Total district administration support services	317,471	446,426	(128,955)
Operations and maintenance of plant:			
Non-certificated salaries	145,966	137,538	8,428
Employee benefits	125,510	118,424	7,086
Professional and technical services	37,500	7,764	29,736
Staff travel	500	20	480
Utility services	9,800	7,525	2,275
Energy	271,000	223,107	47,893
Other purchased services	28,468	38,848	(10,380)
Insurance and bond premiums	206,713	206,713	-
Supplies, materials and media	57,500	54,183	3,317
Other	3,500	274	3,226
Total operations and maintenance of plant	886,457	794,396	92,061
Student activities:			
Certificated salaries	8,000	6,860	1,140
Non-certificated salaries	18,294	24,104	(5,810)
Employee benefits	1,208	2,374	(1,166)
Staff travel	6,300	10,771	(4,471)
Student travel	17,700	15,999	1,701
Supplies, materials and media	1,500	280	1,220
Other	3,800	2,896	904
Total student activities	56,802	63,284	(6,482)
Food services -			
Employee benefits	17,798	5,895	11,903
Total expenditures	4,472,827	4,511,339	(38,512)
Excess of revenues over expenditures	159,943	84,942	(75,001)
Other financing sources (uses) -			
Transfers out:			
Student Activities Special Revenue Fund	(27,115)	(55,000)	(27,885)
Pupil Transportation Special Revenue Fund	(19,392)	(39,335)	(19,943)
Food Service Special Revenue Fund	(54,993)	(111,550)	(56,557)
Net other financing sources (uses)	(101,500)	(205,885)	(104,385)
Net change in fund balance	$ 58,443	(120,943)	(179,386)
Fund balance, beginning of year		517,289	
Fund balance, end of year		$ 396,346	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Early Learning Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
State of Alaska	$ 227,008	227,008	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	41,512	41,512	-
Non-certificated salaries	38,886	38,886	-
Employee benefits	23,029	23,029	-
Staff travel	9,235	9,235	-
Supplies, materials and media	14,535	14,461	74
Total instruction	127,197	127,123	74
Support services - instruction:			
Non-certificated salaries	46,260	46,260	-
Employee benefits	10,263	10,263	-
Professional and technical services	28,777	28,777	-
Staff travel	46	46	-
Supplies, materials and media	2,692	2,766	(74)
Total support services - instruction	88,038	88,112	(74)
District administration - support services -			
Indirect costs	11,773	11,773	-
Total expenditures	227,008	227,008	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Student Activities Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2026

Revenues - Local sources - Other	$	205,213
Expenditures:		
Current:		
Support services - instruction -		
Supplies, materials and media		1,500
Student activities:		
Non-certificated salaries		11,181
Employee benefits		1,413
Staff travel		21,016
Student travel		121,773
Supplies, materials and media		57,916
Other		95
Total student activities		213,394
Total expenditures		214,894
Excess (deficiency) of revenues over expenditures		(9,681)
Other financing sources - transfers in - School Operating Fund		55,000
Net change in fund balance		45,319
Fund balance, beginning of year		247,216
Fund balance, end of year	$	292,535

Exhibit G-4

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Teacher Housing Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2026

Revenues:		
Intergovernmental:		
Bristol Bay Borough	$	340,500
State of Alaska		418,056
Total revenues		758,556
Expenditures:		
Construction and facility acquisition:		
Energy		19,630
Supplies, materials and media		719,094
Total expenditures		738,724
Excess of revenues over expenditures		19,832
Fund balance, beginning of year		-
Fund balance, end of year	$	19,832

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2026

	Special Revenue Funds					
Assets	Camai Health Clinic	Positive Behavioral Intervention Strategies	Broadband Assistance	Preschool Development	AK Reads	AK Literacy
Accounts receivable	$ 54,402	7,303	-	-	-	-
Due from School Operating Fund	-	-	7,633	6,000	5,702	330
Inventory	-	-	-	-	-	-
Total assets	$ 54,402	7,303	7,633	6,000	5,702	330
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	-	-	7,633	-	5,702	330
Unearned revenue	-	-	-	6,000	-	-
Due to School Operating Fund	54,402	7,303	-	-	-	-
Total liabilities	54,402	7,303	7,633	6,000	5,702	330
Fund balances:						
Nonspendable -						
Inventory	-	-	-	-	-	-
Restricted -						
Arctic tern	-	-	-	-	-	-
Committed -						
Construction	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-
Total liabilities and fund balances	$ 54,402	7,303	7,633	6,000	5,702	330

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

	Special Revenue Funds						
Assets	Food Service	Fresh Fruits and Vegetables	Title I-A	Title I-C Migrant Education	Migrant Literacy	School Improvement Naknek Elementary	Title VI-B
Accounts receivable	$ 32,001	840	30,829	11,950	990	10,146	6,288
Due from School Operating Fund	-	-	-	-	-	-	-
Inventory	5,578	-	-	-	-	-	-
Total assets	$ 37,579	840	30,829	11,950	990	10,146	6,288
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	5,700	-	4,725	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Due to School Operating Fund	31,879	840	26,104	11,950	990	10,146	6,288
Total liabilities	37,579	840	30,829	11,950	990	10,146	6,288
Fund balances:							
Nonspendable -							
Inventory	5,578	-	-	-	-	-	-
Restricted -							
Arctic tern	-	-	-	-	-	-	-
Committed -							
Construction	-	-	-	-	-	-	-
Unassigned	(5,578)	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-
Total liabilities and fund balances	$ 37,579	840	30,829	11,950	990	10,146	6,288

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Special Revenue Funds						
	Section 619 Pre-K	CLSD 2024 Cohort	Carl Perkins	Small Rural School Achievement	Indian Education	Johnson O'Malley	CHILD
Accounts receivable	$ 109	106,188	27,000	4,609	5,159	-	-
Due from School Operating Fund	-	-	-	-	-	6,750	1,360
Inventory	-	-	-	-	-	-	-
Total assets	$ 109	106,188	27,000	4,609	5,159	6,750	1,360
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	-	-	-	-	-	-	1,360
Unearned revenues	-	-	-	-	-	6,750	-
Due to School Operating Fund	109	106,188	27,000	4,609	5,159	-	-
Total liabilities	109	106,188	27,000	4,609	5,159	6,750	1,360
Fund balances:							
Nonspendable -							
Inventory	-	-	-	-	-	-	-
Restricted -							
Arctic tern	-	-	-	-	-	-	-
Committed -							
Construction	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-
Total liabilities and fund balances	$ 109	106,188	27,000	4,609	5,159	6,750	1,360

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets		Special Revenue Funds: TC2H	Thread Travel	Arctic Tern	Thread COVID	Total Special Revenue Funds	Capital Project Fund	Total Other Governmental Funds
Accounts receivable	$	66,954	3,718	-	-	368,486	-	368,486
Due from School Operating Fund		-	-	4,498	9,942	42,215	44,176	86,391
Inventory		-	-	-	-	5,578	-	5,578
Total assets	$	66,954	3,718	4,498	9,942	416,279	44,176	460,455
Liabilities and Fund Balances								
Liabilities:								
Accounts payable		-	-	-	-	25,450	-	25,450
Unearned revenues		-	-	2,217	9,942	24,909	-	24,909
Due to School Operating Fund		66,954	3,718	-	-	363,639	-	363,639
Total liabilities		66,954	3,718	2,217	9,942	413,998	-	413,998
Fund balances:								
Nonspendable -								
Inventory		-	-	-	-	5,578	-	5,578
Restricted :								
Arctic tern		-	-	2,281	-	2,281	-	2,281
Committed -								
Construction		-	-	-	-	-	44,176	44,176
Unassigned		-	-	-	-	(5,578)	-	(5,578)
Total fund balances		-	-	2,281	-	2,281	44,176	46,457
Total liabilities and fund balances	$	66,954	3,718	4,498	9,942	416,279	44,176	460,455

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2026

	Special Revenue Funds						
	Student Transportation	Camai Health Clinic	Positive Behavioral Intervention Strategies	New Visions FY22	New Visions FY23	New Visions FY24	New Visions FY26
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	54,402	-	-	-	-	500
Intergovernmental:							
State of Alaska	268,852	-	-	125	5,250	1,500	2,000
Federal sources	-	-	8,227	4,927	5,250	1,500	2,000
Total revenues	268,852	54,402	8,227	5,052	10,500	3,000	4,500
Expenditures:							
Current:							
Instruction	-	54,402	7,800	5,035	10,500	693	4,500
Special education instruction	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-
School administration	-	-	-	17	-	2,307	-
School administration support services	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-
District administration support services	-	-	427	-	-	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	345,217	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Construction and facility acquisition	-	-	-	-	-	-	-
Total expenditures	345,217	54,402	8,227	5,052	10,500	3,000	4,500
Excess (deficiency) of revenues over expenditures	(76,365)	-	-	-	-	-	-
Other financing sources (uses) - Transfers in	39,335	-	-	-	-	-	-
Net change in fund balances	(37,030)	-	-	-	-	-	-
Fund balances, beginning of year	37,030	-	-	-	-	-	-
Fund balances, end of year	$ -	-	-	-	-	-	-

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds							
	Broadband Assistance	Preschool Development	AK Literacy	Food Service	Fresh Fruits and Vegetables	Title I-A	Title I-C Migrant Education	Migrant Literacy
Revenues:								
Local sources:								
Charges for services	$ -	-	-	76,179	-	-	-	-
Other	-	-	-	96	-	-	-	-
Intergovernmental:								
State of Alaska	91,600	26,400	26,537	-	-	-	-	-
Federal sources	-	-	-	86,077	2,477	72,988	35,409	990
Total revenues	91,600	26,400	26,537	162,352	2,477	72,988	35,409	990
Expenditures:								
Current:								
Instruction	-	25,160	21,928	-	-	69,203	33,499	939
Special education instruction	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	91,600	-	3,233	-	-	-	74	-
School administration	-	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-
District administration support services	-	1,240	1,376	-	-	3,785	1,836	51
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-
Food services	-	-	-	273,902	2,477	-	-	-
Construction and facility acquisition	-	-	-	-	-	-	-	-
Total expenditures	91,600	26,400	26,537	273,902	2,477	72,988	35,409	990
Excess (deficiency) of revenues over expenditures	-	-	-	(111,550)	-	-	-	-
Other financing sources (uses) - Transfers in	-	-	-	111,550	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-
Fund balances, end of year	$ -	-	-	-	-	-	-	-

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds							
	School Improvement Naknek Elementary	Title VI-B	Section 619 Pre-K	CLSD 2024 Cohort	Safety and Wellbeing	Carl Perkins	Small Rural School Achievement	Indian Education
Revenues:								
Local sources:								
Charges for services	$ -	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
State of Alaska	-	-	-	-	-	-	-	-
Federal sources	19,554	39,798	109	275,115	4,620	27,000	14,366	26,948
Total revenues	19,554	39,798	109	275,115	4,620	27,000	14,366	26,948
Expenditures:								
Current:								
Instruction	7,927	-	-	156,029	-	25,716	4,388	25,668
Special education instruction	-	-	104	-	-	-	-	-
Special education support services - students	-	37,733	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	10,613	-	-	105,051	4,380	-	-	-
School administration	-	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	9,233	-
District administration	-	-	-	-	-	-	-	-
District administration support services	1,014	2,065	5	14,035	240	1,284	745	1,280
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Construction and facility acquisition	-	-	-	-	-	-	-	-
Total expenditures	19,554	39,798	109	275,115	4,620	27,000	14,366	26,948
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources (uses) - Transfers in	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-
Fund balances, end of year	$ -	-	-	-	-	-	-	-

(continued)

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds							
	Johnson O'Malley	TC2H	Thread Travel	Arctic Tern	Thread COVID	Total Special Revenue Funds	Capital Project Fund	Total Other Governmental Funds
Revenues:								
Local sources:								
Charges for services	$ -	-	-	-	-	76,179	-	76,179
Other	-	128,952	8,821	1,137	2,903	196,811	-	196,811
Intergovernmental:								
State of Alaska	-	-	-	-	-	422,264	-	422,264
Federal sources	909	-	-	-	-	628,264	-	628,264
Total revenues	909	128,952	8,821	1,137	2,903	1,323,518	-	1,323,518
Expenditures:								
Current:								
Instruction	909	78,733	4,116	-	2,903	540,048	-	540,048
Special education instruction	-	-	-	-	-	104	-	104
Special education support services - students	-	-	-	-	-	37,733	-	37,733
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	-	43,531	4,705	-	-	263,187	-	263,187
School administration	-	-	-	-	-	2,324	-	2,324
District administration support services	-	6,688	-	1,137	-	17,058	-	17,058
District administration	-	-	-	-	-	-	-	-
District administration support services	-	-	-	-	-	29,383	-	29,383
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	345,217	-	345,217
Food services	-	-	-	-	-	276,379	-	276,379
Construction and facility acquisition	-	-	-	-	-	-	24,926	24,926
Total expenditures	909	128,952	8,821	1,137	2,903	1,511,433	24,926	1,536,359
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	(187,915)	(24,926)	(212,841)
Other financing sources (uses) - Transfers in	-	-	-	-	-	150,885	-	150,885
Net change in fund balances	-	-	-	-	-	(37,030)	(24,926)	(61,956)
Fund balances, beginning of year	-	-	-	2,281	-	39,311	69,102	108,413
Fund balances, end of year	$ -	-	-	2,281	-	2,281	44,176	46,457

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental - State of Alaska	$ 268,852	268,852	-
Expenditures:			
Current:			
Student transportation - to and from school:			
Non-certificated salaries	12,060	12,060	-
Employee benefits	1,270	1,270	-
Other purchased services	327,359	327,359	-
Supplies, materials and media	4,528	4,528	-
Total expenditures	345,217	345,217	-
Excess (deficiency) of revenues over expenditures	(76,365)	(76,365)	-
Other financing sources -			
Transfers in	-	39,335	39,335
Net change in fund balances	$ (76,365)	(37,030)	39,335
Fund balance, beginning of year		37,030	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Camai Health Clinic Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Local sources - Other	$ 54,402	54,402	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	33,889	33,889	-
Employee benefits	20,513	20,513	-
Total expenditures	54,402	54,402	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Positive Behavioral Intervention Strategies Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 9,000	8,227	(773)
Expenditures:			
Current:			
Instruction:			
Professional and technical services	2,048	1,365	683
Staff travel	5,391	5,299	92
Supplies, materials and media	1,094	1,136	(42)
Total instruction	8,533	7,800	733
District administration support services -			
Indirect costs	467	427	40
Total expenditures	9,000	8,227	773
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

New Visions FY22 Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	$ 125	125	-
Federal sources passed through the State of Alaska	4,927	4,927	-
Total revenues	5,052	5,052	-
Expenditures:			
Current:			
Instruction:			
Staff travel	3,421	3,403	18
Supplies, materials and media	298	299	(1)
Equipment	1,333	1,333	-
Total instruction	5,052	5,035	17
School administration -			
Staff travel	-	17	(17)
Total expenditures	5,052	5,052	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

New Visions FY23 Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	$ 5,250	5,250	-
Federal sources passed through the State of Alaska	5,250	5,250	-
Total revenues	10,500	10,500	-
Expenditures:			
Current:			
Instruction -			
Equipment	10,500	10,500	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

New Visions FY24 Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	$ 1,500	1,500	-
Federal sources passed through the State of Alaska	1,500	1,500	-
Total revenues	3,000	3,000	-
Expenditures:			
Current:			
Instruction -			
Equipment	693	693	-
School administration -			
Staff travel	2,307	2,307	-
Total expenditures	3,000	3,000	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

New Visions FY26 Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Local sources - other	$ 500	500	-
Intergovernmental:			
State of Alaska	2,000	2,000	-
Federal sources passed through the State of Alaska	2,000	2,000	-
Total revenues	4,500	4,500	-
Expenditures:			
Current:			
Instruction:			
Staff travel	1,827	4,500	(2,673)
Supplies and materials	2,673	-	2,673
Total expenditures	4,500	4,500	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit H-10

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Broadband Assistance Grant (BAG) Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
State of Alaska	$ 91,600	91,600	-
Expenditures:			
Current:			
Support services - instruction -			
Utility services	91,600	91,600	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Preschool Development Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
State of Alaska	$ 32,400	26,400	(6,000)
Expenditures:			
Current:			
Instruction:			
Non-certificated salaries	10,938	11,001	(63)
Employee benefits	4,375	2,664	1,711
Professional and technical services	8,500	9,500	(1,000)
Staff travel	-	1,726	(1,726)
Supplies, materials and media	7,280	24	7,256
Other	-	245	(245)
Total instruction	31,093	25,160	5,933
District administration support services -			
Indirect costs	1,307	1,240	67
Total expenditures	32,400	26,400	6,000
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

AK Literacy Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 26,537	26,537	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	5,942	5,942	-
Non-certificated salaries	844	844	-
Employee benefits	1,176	1,176	-
Professional and technical services	13,259	13,259	-
Supplies, materials and media	707	707	-
Total instruction	21,928	21,928	-
Support services - instruction:			
Non-certificated salaries	2,000	2,000	-
Employee benefits	923	923	-
Staff travel	200	200	-
Supplies, materials and media	110	110	-
Total support services - instruction	3,233	3,233	-
District administration support services -			
Indirect costs	1,376	1,376	-
Total expenditures	26,537	26,537	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Food Service Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Local sources:			
Charges for services	$ 76,179	76,179	-
Other	96	96	-
Intergovernmental -			
Federal sources passed through the State of Alaska	86,077	86,077	-
Total revenues	162,352	162,352	-
Expenditures:			
Current:			
Food services:			
Non-certificated salaries	81,092	81,092	-
Employee benefits	26,441	26,441	-
Supplies, materials and media	166,359	166,359	-
Other	10	10	-
Total expenditures	273,902	273,902	-
Excess (deficiency) of revenues over expenditures	(111,550)	(111,550)	-
Other financing sources - transfer in - School Operating Fund	111,550	111,550	-
Net change in fund balance	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Fresh Fruits and Vegetables Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through the State of Alaska	$ 4,134	2,477	(1,657)
Expenditures:			
Current:			
Food services -			
Supplies, materials and media	4,134	2,477	1,657
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Title I-A Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 73,875	72,988	(887)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	52,757	52,359	398
Employee benefits	16,937	16,593	344
Staff travel	250	251	(1)
Supplies, materials and media	100	-	100
Total instruction	70,044	69,203	841
District administration support services -			
Indirect costs	3,831	3,785	46
Total expenditures	73,875	72,988	887
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Title I-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 63,062	35,409	(27,653)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	22,375	20,049	2,326
Employee benefits	11,632	5,889	5,743
Professional and technical services	7,085	5,825	1,260
Supplies, materials and media	18,700	1,736	16,964
Total instruction	59,792	33,499	26,293
Support services - instruction -			
Supplies, materials and media	-	74	(74)
District administration support services -			
Indirect costs	3,270	1,836	1,434
Total expenditures	63,062	35,409	27,653
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Migrant Literacy Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 1,275	990	(285)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	250	-	250
Employee benefits	20	-	20
Supplies, materials and media	939	939	-
Total instruction	1,209	939	270
District administration support services -			
Indirect costs	66	51	15
Total expenditures	1,275	990	285
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

School Improvement Naknek Elementary Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 28,798	19,554	(9,244)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	5,500	4,750	750
Employee benefits	536	536	-
Staff travel	-	1,010	(1,010)
Supplies, materials and media	6,239	1,631	4,608
Total instruction	12,275	7,927	4,348
Support services - instruction:			
Professional and technical services	4,998	4,998	-
Staff travel	10,031	4,530	5,501
Supplies, materials and media	-	1,085	(1,085)
Total support services - instruction	15,029	10,613	4,416
District administration support services -			
Indirect costs	1,494	1,014	480
Total expenditures	28,798	19,554	9,244
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Title VI-B Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through the State of Alaska	$ 39,798	39,798	-
Expenditures:			
Current:			
Special education support services - students -			
Professional and technical services	37,733	37,733	-
District administration support services -			
Indirect costs	2,065	2,065	-
Total expenditures	39,798	39,798	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Section 619 Pre-K Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through the State of Alaska	$ 110	109	(1)
Expenditures:			
Current:			
Special education instruction -			
Supplies, materials and media	104	104	-
District administration support services -			
Indirect costs	6	5	1
Total expenditures	110	109	1
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

CLSD 2024 Cohort Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed			
through the State of Alaska	$ 350,000	275,115	(74,885)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	65,350	44,767	20,583
Non-certificated salaries	22,137	21,072	1,065
Employee benefits	30,081	17,443	12,638
Professional and technical services	68,514	49,000	19,514
Staff travel	8,433	8,433	-
Supplies, materials and media	35,483	15,314	20,169
Total instruction	229,998	156,029	73,969
Support services - instruction:			
Certificated salaries	2,000	2,000	-
Non-certificated salaries	24,573	24,573	-
Employee benefits	5,586	5,586	-
Professional and technical services	47,756	47,756	-
Staff travel	18,639	21,840	(3,201)
Supplies, materials and media	3,296	3,296	-
Total support services - instruction	101,850	105,051	(3,201)
District administration support services -			
Indirect costs	18,152	14,035	4,117
Total expenditures	350,000	275,115	74,885
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Safety and Wellbeing Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through the State of Alaska	$ 5,500	4,620	(880)
Expenditures:			
Current:			
Support services instruction -			
Staff travel	5,215	4,380	835
District administration support services -			
Indirect costs	285	240	45
Total expenditures	5,500	4,620	880
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Carl Perkins Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through the State of Alaska	$ 27,000	27,000	-
Expenditures:			
Current:			
Instruction -			
Professional and technical services	25,714	25,716	(2)
District administration support services -			
Indirect costs	1,286	1,284	2
Total expenditures	27,000	27,000	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Small Rural School Achievement Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Direct federal sources	$ 14,366	14,366	-
Expenditures:			
Current:			
Instruction:			
Non-certificated salaries	732	732	-
Employee benefits	180	180	-
Supplies, materials and media	3,476	3,476	-
Total instruction	4,388	4,388	-
School administration support services:			
Non-certificated salaries	7,179	7,179	-
Employee benefits	2,054	2,054	-
Total school administration support services:	9,233	9,233	-
District administration support services -			
Indirect costs	745	745	
Total expenditures	14,366	14,366	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Indian Education Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Direct federal sources	$ 26,948	26,948	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	6,600	6,600	
Non-certificated salaries	12,502	12,502	-
Employee benefits	6,566	6,566	-
Total instruction	25,668	25,668	-
District administration support services -			
Indirect costs	1,280	1,280	-
Total expenditures	26,948	26,948	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Johnson O'Malley Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through other organizations	$ 909	909	-
Expenditures:			
Current:			
Instruction -			
Supplies, materials and media	909	909	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Teaching, Culture, Honoring Heritage (TC2H) Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Local sources - Other	$ 206,998	128,952	(78,046)
Expenditures:			
Current:			
Instruction:			
Non-certificated salaries	30,750	20,990	9,760
Employee benefits	8,080	3,931	4,149
Professional and technical services	15,245	12,250	2,995
Staff travel	-	2,661	(2,661)
Student travel	-	15,020	(15,020)
Supplies, materials and media	39,664	23,881	15,783
Total instruction	93,739	78,733	15,006
Support services - instruction:			
Non-certificated salaries	21,410	24,481	(3,071)
Employee benefits	9,000	5,801	3,199
Professional and technical services	63,000	12,750	50,250
Staff travel	5,015	499	4,516
Other purchased services	4,098	-	4,098
Total support services - instruction	102,523	43,531	58,992
District administration support services -			
Indirect costs	10,736	6,688	4,048
Total expenditures	206,998	128,952	78,046
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Thread Travel Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Local sources - Other	$ 8,821	8,821	-
Expenditures:			
Current:			
Instruction:			
Staff travel	4,085	4,085	-
Supplies, materials and media	31	31	-
Total instruction	4,116	4,116	-
Support services - instruction -			
Staff travel	4,705	4,705	-
Total expenditures	8,821	8,821	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit H-29

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Arctic Tern Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2026

Revenues - Local sources - Other	$	1,137
Expenditures:		
Current:		
District administration support services:		
Non-certificated salaries		1,100
Employee benefits		37
Total expenditures		1,137
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,281
Fund balance, end of year	$	2,281

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Thread COVID Special Revenue Fund

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

Year Ended June 30, 2026

	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Local sources - Other	$ 2,903	2,903	-
Expenditures:			
Current:			
Instruction:			
Staff travel	316	316	-
Supplies, material, and media	2,587	2,587	-
Total expenditures	2,903	2,903	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit H-31

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2026

Revenues	$	-
Expenditures:		
Construction and facility acquisition -		
Supplies, materials and media		24,926
Excess (deficiency) of revenues over expenditures		(24,926)
Fund balance, beginning of year		69,102
Fund balance, end of year	$	44,176

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2026

Total fund balance - School Operating Fund	$ 396,346		
less exemptions per 4 AAC 09.160(a)			
Inventory	21,291		
Prepaid items	36,484		
Federal impact aid received	258,978		
Fund Balance Subject to 10% Limitation	$ 79,593		
Nonexempt fund balance as a percentage of current year expenditures:			
Fund balance subject to limitation	79,593	=	1.76%
Current year expenditures	4,511,339		

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2026

Grant Title	Grant Award Number	Total Grant Award	State Expenditures
Department of Education and Early Development:			
* Public School Funding Program:			
Foundation	None	$ 1,074,984	1,074,984
Disparity Test	None	344	344
Quality Schools	None	4,662	4,662
Total Public School Funding Program		1,079,990	1,079,990
Dividend Raffle Fund	None	580	580
Pupil Transportation	None	268,852	268,852
* Pre-Elementary	PE 26.BBSD.01	227,008	227,008
Broadband Assistance Grant (BAG)	BA 26.BBSD.01	91,600	91,600
New Visions FY22	FY22-NVOO1	5,250	125
New Visions FY23	FY23-NVOO1	5,250	5,250
New Visions FY24	FY24-NVOO1	1,500	1,500
New Visions FY26	FY26-NVOO1	2,000	2,000
Alaska Literacy	AL 26.BBSD.01	26,537	26,537
Total Department of Education and Early Development		1,708,567	1,703,442
Alaska Housing Finance Corporation - BBBSD Teacher Housing Construction	RPH-25-BSD-1	684,250	418,056
Department of Health - Preschool Development	None	32,400	26,400
Total State financial assistance		$ 2,425,217	2,147,898

See accompanying notes to the Schedule.

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2026

Note 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Bristol Bay Borough School District under programs of the State of Alaska for the year ended June 30, 2026. 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 Bristol Bay Borough School District, it is not intended to and does not present the basic financial statements of Bristol Bay 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 Bristol Bay 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	$	2,147,898
PERS On-Behalf		31,130
TRS On-Behalf		191,429
Total State Financial Assistance	$	2,370,457

COMPLIANCE SECTION

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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
Bristol Bay Borough School District
Naknek, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bristol Bay Borough School District (the District), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 13, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Districts 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 were not identified.

3000 C Street N. Suite 201 Anchorage, Alaska 99503 Phone 907-274-2992 Fax 907-274-2993
Offices in Juneau and Soldotna A Professional Corporation

Members of the School Board
Bristol Bay Borough School District

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

Altman, Rogers & Co.

Anchorage, Alaska
November 13, 2026

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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
Bristol Bay Borough School District
Naknek, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Bristol Bay Borough School District's (the District) 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 the District's major state programs for the year ended June 30, 2026. The District's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, the 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, 2026.

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 the 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 the District's compliance with the compliance requirements referred to above.

3000 C Street N. Suite 201 Anchorage, Alaska 99503 Phone 907-274-2992 Fax 907-274-2993
Offices in Juneau and Soldotna A Professional Corporation

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 the 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 the 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 the 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 the 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 the 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 the 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the State of Alaska Audit Guide and which is described in the accompanying schedule of findings and questioned costs as Finding 2026-001. Our opinion on each major state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Bristol Bay Borough School District's response to the noncompliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. Bristol Bay Borough School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2026-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Bristol Bay Borough School District's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Bristol Bay Borough School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Altman, Rogers & Co.

Anchorage, Alaska
November 13, 2026

BRISTOL BAY BOROUGH SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

Year Ended June 30, 2026

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP:	*Unmodified*			
Internal control over financial reporting:				
Material weakness(es) identified?	___	Yes	X	No
Significant deficiency(ies) identified?	___	Yes	X	None reported
Noncompliance material to financial statements noted?	___	Yes	X	No

State Awards

Internal control over major programs:				
Material weakness(es) identified?	___	Yes	X	No
Significant deficiency(ies) identified?	X	Yes	___	No
Type of auditor's report issued on compliance for major programs:	*Unmodified*			
Dollar threshold used to distinguish between:				
Type A and Type B Programs:	$ 750,000			
Auditee qualified as low-risk auditee?	X	Yes	___	No

Section II – Financial Statement Findings

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

Section III – State Award Findings and Questioned Costs

Finding 2026-001:	**Lack of Internal Control and Noncompliance with Reporting Requirements**
State Agency:	Department of Education and Early Development
Grant Name:	Pre-Elementary
Grant Number:	PE 26.BBSD.01
Type of Finding:	Significant deficiency in internal control over compliance and noncompliance.
Criteria:	Per the requirements of the Pre-Elementary grant award, the District is required to submit quarterly reports to the granting agency within 30 days of the end of the quarter and a final expenditure report (FER) is due by August 15th of each year. Effective internal control over compliance should provide reasonable assurance that required reports are prepared accurately and submitted timely in accordance with grant requirements.
Condition:	During testing of the quarterly reports, we noted that three of the four reports were submitted after the due dates. The final expenditure report was also submitted late. Days late ranged from seven to sixty-one days.
Questioned Costs:	No.
Cause:	The District's internal controls over grant compliance did not operate effectively to ensure quarterly reports and FED were prepared, reviewed, and submitted by the required deadlines. Specifically, monitoring procedures were not sufficient to identify and address reporting deadlines.
Effect:	The District was not in compliance with the reporting requirements of the program. Continued untimely reporting could increase the risk of grantor's sanctions, delayed reimbursement of grant funds, increased monitoring by the granting agency, or jeopardize future funding opportunities.
Repeat Finding:	No.
Recommendation:	We recommend that management strengthen internal controls over compliance by implementing procedures to monitor grant reporting deadlines, including maintaining a compliance calendar, assigning responsibility for report preparation and review, and performing periodic supervisory reviews to ensure all quarterly reports are submitted in accordance with grant requirements.
Management's Response:	Management concurs with the finding. See Corrective Action Plan.



THE BRISTOL BAY BOROUGH SCHOOL DISTRICT
#2 School Road North
P.O. Box 169
Naknek, Alaska 99633
Phone: (907) 246-4225/Fax: (907) 246-6875

Corrective Action Plan

Year Ended June 30, 2026

State Award Findings

Finding 2026-001:	**Lack of Internal Control and Noncompliance with Reporting Requirements**
Name of Contact:	Yvonne Phelps
Corrective Action Plan:	To ensure that all grant reimbursements have been filed in a timely manner and double checked.
Proposed Completion Date:	This has already been completed the business manager will file the report and a second person will double check that the sequence of events has been completed.