

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

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

Year Ended June 30, 2023

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

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Information, Supplementary Information
and Compliance Reports**

Year Ended June 30, 2023

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NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

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

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

Statement of Net Position

June 30, 2023

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

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

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

Statement of Activities

Year Ended June 30, 2023

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

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

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

Balance Sheet - Governmental Funds

June 30, 2023

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

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

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

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2023

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

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

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

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2023

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

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

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

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

Year Ended June 30, 2023

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

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

Governmental funds report capital outlay as expenditures.

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

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

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

Change in the unfunded net pension and OPEB liabilities:

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

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

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

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

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

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

Notes to Basic Financial Statements

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

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

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

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

Estimates

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

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

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

Intergovernmental Revenue

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

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

Local Revenue

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

Indirect Costs

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

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

1. Cash and Investments

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

2. Receivables and Payables

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

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

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

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3. Inventory and Prepaid Items

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

4. Capital Assets

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

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

5. Deferred Contributions

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

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

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

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

6. Deferred Inflows and Deferred Outflows of Resources

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

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

7. Unearned Revenue

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

8. Compensated Absences

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

9. Long-Term Obligations

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

10. Pensions and Other Post Employment Benefits (OPEB)

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

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

11. Fund Balance

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

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

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

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Notes to Basic Financial Statements, Continued

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

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

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

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

12. Net Position

Government wide net position is divided into three components:

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

13. Fair Value of Financial Instruments

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

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Notes to Basic Financial Statements, Continued

II. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

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

Youth Leaders Program	\$ <u>12,834</u>
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Excess of expenditures over appropriations were funded through available revenues and fund balance.

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

III. Cash and Investments

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

Custodial Credit Risk – Deposits

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

Reconciliation of Deposit and Investment Balances

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

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

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Notes to Basic Financial Statements, Continued

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

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

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

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

IV. Receivables

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

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

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

V. Capital Assets

Capital assets accounted for by the District include the following:

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

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

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

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Notes to Basic Financial Statements, Continued

VI. Fund Balance

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

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

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Notes to Basic Financial Statements, Continued

VII. Interfund Receivables and Payables and Transfers

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

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

Transfers

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

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

VIII. Employee Retirement Systems and Plans

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

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

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

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

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Notes to Basic Financial Statements, Continued

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

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

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

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

Occupational Death and Disability Plan (ODD)

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

Retiree Medical Plan (RMP)

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

Healthcare Reimbursement Arrangement Plan

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

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Notes to Basic Financial Statements, Continued

Investments

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

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

Rate of Return

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

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

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

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

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

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

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

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

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

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

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

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Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

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

Public Employees’ Retirement Plans

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

Plan members are 100% vested with their contributions.

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

Notes to Basic Financial Statements, Continued

Members become vested in employers' contributions as follows:

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

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

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

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

Teachers' Retirement Plans

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

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

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

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

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

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

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

Notes to Basic Financial Statements, Continued

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

IX. Risk Management

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

X. Self-Insurance Payable

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

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

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

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

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

XI. Contingencies

A. General

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

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

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

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

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

B. Grants

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

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

XII. Alternative Retirement Plan

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

XIII. Short-Term Leases

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

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

Notes to Basic Financial Statements, Continued

XIV. Subsequent Accounting Pronouncements

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

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

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

School Operating Fund

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

Year Ended June 30, 2023

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

See accompanying notes to Required Supplementary Information.

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

Emergency Connectivity Special Revenue Fund

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

Year Ended June 30, 2023

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

See accompanying notes to Required Supplementary Information.

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

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2023

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

See accompanying notes to Required Supplementary Information.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information

June 30, 2023

1. Budgetary Information

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

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

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

Excess of Expenditures over Appropriations

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

2. Public Employees' Retirement System

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

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

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

3. Teachers' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$3,003,000 to \$3,217,000 for pension, and from \$1,362,000 to \$1,604,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

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

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

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

Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$0 to \$5,000 for occupational death and disability, and from \$8,000 to \$22,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

SUPPLEMENTARY INFORMATION

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

School Operating Fund

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

Year Ended June 30, 2023

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

(continued)

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

School Operating Fund

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

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

(continued)

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

School Operating Fund

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

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

(continued)

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

School Operating Fund

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

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

(continued)

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

School Operating Fund

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

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

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

Emergency Connectivity Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Other Governmental Funds

Combining Balance Sheet

June 30, 2023

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds
Combining Balance Sheet, Continued

Special Revenue Funds

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds
Combining Balance Sheet, Continued

Special Revenue Funds

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds
Combining Balance Sheet, Continued

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds
Combining Balance Sheet, Continued

Special Revenue Funds

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds

Combining Balance Sheet, Continued

Capital Project Funds

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

(continued)

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

Other Governmental Funds
Combining Balance Sheet, Continued

Capital Project Funds

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

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

Other Governmental Funds

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

Year Ended June 30, 2023

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds

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

Special Revenue Funds

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

(continued)



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

Other Governmental Funds

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

Special Revenue Funds

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

(continued)



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

Other Governmental Funds

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

Special Revenue Funds

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

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

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

(continued)

FINAL DRAFT FOR DISCUSSION PURPOSES ONLY

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

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

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

(continued)

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Other Governmental Funds

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

	Capital Project Funds										Total Other Governmental Funds	
	Buckland HVAC	Kivalina Teacher Housing	Alaska Technical Center Family Housing	Magnet School (ATC) Expansion Project	Kotzebue Magnet School Dorm	Construction Management	Selawik Renovations	June Nelson Elementary Roof Replacement	Total Capital Project Funds	Total		
Revenues:												
Local sources:												
Charges for services	-	-	-	-	-	-	-	-	-	-	-	618,109
Other	-	-	-	-	-	-	-	-	158,002	-	-	1,605,011
Intergovernmental:												
State of Alaska	60,230	-	-	-	-	-	-	-	6,733,715	-	-	9,377,489
Borough appropriations	-	-	-	-	-	-	-	-	1,546,744	-	-	1,622,300
Federal sources:												
Passed through the State of Alaska	-	-	-	-	-	-	-	-	-	-	-	9,956,569
Passed through other local entity	-	-	-	-	-	-	-	-	-	-	-	196,516
Direct	-	-	-	-	-	-	-	-	-	-	-	1,927,564
Total revenues	60,230	-	-	-	-	-	-	-	8,438,461	-	-	25,305,558
Expenditures:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	4,834,522
Special education support services - students	-	-	-	-	-	-	-	-	-	-	-	799,330
Support services - students	-	-	-	-	-	-	-	-	-	-	-	1,704,439
Support services - instruction	-	-	-	-	-	-	-	-	-	-	-	3,249,827
School administration	-	-	-	-	-	-	-	-	-	-	-	8,208
School administration support services	-	-	-	-	-	-	-	-	-	-	-	129,639
District administration support services	-	-	-	-	-	-	-	-	-	-	-	1,251,472
Operations and maintenance of plant	-	-	-	-	-	-	-	-	20,945	-	-	1,203,705
Student activities	-	-	-	-	-	-	-	-	-	-	-	434,307
Student transportation - to and from school	-	-	-	-	-	-	-	-	-	-	-	514,133
Adult and continuing education instruction	-	-	-	-	-	-	-	-	-	-	-	664,849
Food services	-	-	-	-	-	-	-	-	-	-	-	2,927,370
Construction and facilities acquisition	52,024	1,708,266	95,703	-	-	34,699	4,480	637,799	12,586,359	443,144	4,800	12,586,359
Total expenditures	52,024	1,708,266	95,703	-	-	34,699	4,480	637,799	13,050,448	443,144	4,800	30,308,160
Excess (deficiency) of revenues over expenditures	8,206	(1,708,266)	(95,703)	-	-	(34,699)	(4,480)	(637,799)	(4,611,987)	-	-	(5,002,602)
Other financing sources (uses):												
Transfers in	-	322,058	113,155	-	-	34,699	-	-	2,329,972	-	-	3,227,117
Transfers out	-	-	-	(507,439)	(299,947)	-	-	-	(807,386)	-	-	(807,386)
Net other financing sources (uses)	-	322,058	113,155	(507,439)	(299,947)	34,699	-	-	1,522,586	-	-	2,419,731
Net change in fund balances	8,206	(1,386,208)	17,452	(507,439)	(299,947)	-	(4,480)	(637,799)	(3,089,401)	-	-	(2,562,871)
Fund balances (deficits), beginning of year	(8,206)	1,386,208	-	1,180,957	299,947	-	(25,201)	-	5,263,174	-	-	5,906,524
Fund balances (deficits), end of year	-	-	17,452	673,518	-	-	(29,681)	(637,799)	2,173,773	-	-	3,323,653



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

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2023

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

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

T.V.E.P Basic Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Alaska Construction Academy Program Special Revenue Fund

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

Year Ended June 30, 2023

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

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

STAR of the Northwest Magnet School Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Teacher Housing Special Revenue Fund

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

Year Ended June 30, 2023

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

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

S.T.E.P Construction Special Revenue Fund

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

Year Ended June 30, 2023

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

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

School Broadband Assistance Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Rural Student Services Special Revenue Fund

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

Year Ended June 30, 2023

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

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

CARES Act Special Revenue Fund

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

Year Ended June 30, 2023

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

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

CRRSA Act Special Revenue Fund

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

Year Ended June 30, 2023

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

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

ARPA ESSER Special Revenue Fund

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

Year Ended June 30, 2023

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

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

ARP Homeless Special Revenue Fund

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

Year Ended June 30, 2023

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

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

COVID Discretionary Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Food Service Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Consolidated Administration Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Title I-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Title IV-A Special Revenue Funds

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

Year Ended June 30, 2023

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

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

Title I-A Parent Engagement Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Title I-A Professional Development Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Migrant Education - Books Special Revenue Funds

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

Year Ended June 30, 2023

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

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

Youth Risk Behavior Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Career Technical Education Special Revenue Fund

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

Year Ended June 30, 2023

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

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

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

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

Year Ended June 30, 2023

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

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

Positive Behavior Intervention Strategies Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Early Intervention Infant Learning Program Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Early Intervention Infant Learning Program Part C Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Medical Assistance Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Special Education Title VI-B Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Special Education Section 619 Special Revenue Fund

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

Year Ended June 30, 2023

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

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

ARPA Special Education Title VI-B Special Revenue Fund

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

Year Ended June 30, 2023

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

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

ARPA Special Education Section 619 Special Revenue Fund

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

Year Ended June 30, 2023

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

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

ELF ARPA Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Adult Basic Education - Unit 7556 Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Title II-A Teacher and Principal Training Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Youth Leaders Program Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Literacy Connections Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Native Youth in Action Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Indian Education Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Johnson O'Malley Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Johnson O'Malley Contract Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Rural Education Achievement Program Special Revenue Program

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

Year Ended June 30, 2023

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

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

Our Youth Special Revenue Program

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

Year Ended June 30, 2023

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

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

Maniilaq ABE/GED Contract Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Local Donation Payroll Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Village Improvement Funds Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Local Donation Professional and Technical Services Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2023

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

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

IPRARS Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Maniilaq Health Activities Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Maniilaq Counselor Program Special Revenue Fund

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

Year Ended June 30, 2023

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

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

Student Activities Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance

Year Ended June 30, 2023

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

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

Capital Project Funds

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

Year Ended June 30, 2023

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

(Continued)

PROVISIONAL DRAFT FOR DISCUSSION PURPOSES ONLY

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

Capital Project Funds

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

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

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Schedule of Compliance AS 14.17.505

Year Ended June 30, 2023

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

Unreserved fund balance as a percentage of
 current year expenditures:

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

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

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

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

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

Schedule of Expenditures of Federal Awards, Continued

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

See accompanying notes to schedule.

FINAL DRAFT
FOR DISCUSSION PURPOSES ONLY

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

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Indirect Cost Rate

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

Note 4. Non-monetary Assistance

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

Note 5. Passed Through Awards

No amounts were passed through to subrecipients.

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

Schedule of State Financial Assistance
Year Ended June 30, 2023

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

See accompanying notes to schedule.

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

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2023

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Subrecipients

No state funds were passed through to Subrecipients.

Note 4. Major Programs

* Denotes a major program for compliance audit purposes.

Note 5. Reconciliation of State Expenditures to the Financial Statements

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

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

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

Independent Auditor's Report

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

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

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Anchorage, Alaska
Month XX, 2023

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

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Anchorage, Alaska

Month XX, 2023

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

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

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

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

Noncompliance material to financial statements noted? Yes No

Federal Awards

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

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

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

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

Identification of major programs:

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

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

Auditee qualified as low-risk auditee? Yes

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs, Continued

Section II - Financial Statement Findings

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

Section III - Federal Award Findings and Questioned Costs

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

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

Independent Auditor's Report

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Anchorage, Alaska
Month XX, 2023

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

____ Yes X No

Significant deficiency identified?

____ Yes X None reported

Noncompliance material to the financial statements noted?

____ Yes X No

State Financial Assistance

Internal control over major programs:

Material weakness identified?

____ Yes X No

Significant deficiency identified?

____ Yes X None reported

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

Unmodified

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

\$1,460,729

Auditee qualified as low-risk auditee?

X Yes _____ No

Section II – Financial Statement Findings

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

Section III – State Award Findings and Questioned Costs

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