

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Basic Financial Statements, Required Supplementary  
Information, Supplementary Information,  
and Compliance Section  
(With Independent Auditor's Report Thereon)

Year Ended June 30, 2025

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Basic Financial Statements, Required Supplementary  
Information, Supplementary Information,  
and Compliance Section  
(With Independent Auditor's Report Thereon)

Year Ended June 30, 2025

# CORDOVA SCHOOL DISTRICT

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## **Independent Auditor's Report**

Members of the School Board  
Cordova School District  
Cordova, Alaska

## **Report on the Audit of the Financial Statements**

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cordova School District (the District), a component of the City of Cordova, Alaska as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Cordova School District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cordova 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 Cordova 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 Cordova 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 Cordova 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 Budgetary Comparison Information 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 notes to the Required Supplementary Information on pages 40-51 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 Cordova 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 (where applicable); Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances; Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (where applicable) – Nonmajor Special Revenue Funds; Schedule of Changes in Fiduciary Net Position, 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 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 listed in the table of contents 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 December 1, 2025, on our consideration of the Cordova 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 Cordova 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 Cordova School District's internal control over financial reporting and compliance.

*Altman, Rogers & Co.*

Anchorage, Alaska  
December 1, 2025



# **BASIC FINANCIAL STATEMENTS**

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Statement of Net Position

June 30, 2025

	Governmental Activities
<u>Assets and Deferred Outflows of Resources</u>	
Assets:	
Cash and cash equivalents	\$ 3,335,092
Accounts receivable -	
Grants	191,729
Inventory	55,517
Prepaid items	178,599
Capital assets, net of accumulated depreciation	123,290
Net OPEB asset	2,003,294
Total assets	<u>5,887,521</u>
Deferred outflows of resources -	
Pension related	360,213
OPEB related	117,027
Total deferred outflows of resources	<u>477,240</u>
Total assets and deferred outflows of resources	<u>\$ 6,364,761</u>
<u>Liabilities and Deferred Inflows of Resources and Net Position</u>	
Liabilities:	
Accounts payable	\$ 32,559
Payroll accruals and compensated absences liabilities	92,708
Unearned revenue	12,500
Due to student activities custodial fund	430,279
Net pension liability	3,895,453
Total liabilities	<u>4,463,499</u>
Deferred inflows of resources -	
OPEB related	<u>76,659</u>
Net Position:	
Net investment in capital assets	123,290
Restricted	206,786
Unrestricted	1,494,527
Total net position	<u>1,824,603</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 6,364,761</u>

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes
			Contributions	Contributions	in Net Position
					Total
					Governmental
					Activities
Governmental activities:					
Instruction	\$ 3,657,407	-	476,741	-	(3,180,666)
Special education instruction	1,133,324	-	178,607	-	(954,717)
Special education support services - students	192,852	-	164,403	-	(28,449)
Support services - students	207,011	-	38,656	-	(168,355)
Support services - instruction	523,942	-	99,214	-	(424,728)
School administration	342,247	-	56,791	-	(285,456)
School administration support services	300,277	-	30,477	-	(269,800)
District administration	374,918	-	36,917	-	(338,001)
District administration support services	441,662	-	66,561	-	(375,101)
Operations and maintenance of plant	1,295,135	154,054	32,019	-	(1,109,062)
Student activities	131,469	-	20,856	-	(110,613)
Student transportation - to and from school	155,198	-	145,193	-	(10,005)
Community services	420	-	-	-	(420)
Food services	539,405	14,269	652,653	-	127,517
Total governmental activities	\$ 9,295,267	168,323	1,999,088	-	(7,127,856)
General revenues:					
Local appropriation				\$ 2,455,086	
Grants and entitlements not restricted to specific programs				4,841,334	
Earnings on investments				50,350	
E-rate				144,308	
Other				140,764	
Total general revenues				7,631,842	
Change in net position				503,986	
Net position, beginning of year				1,320,617	
Net position, end of year				\$ 1,824,603	

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Balance Sheet - Governmental Funds

June 30, 2025

	Major Funds		Other	Total
	School	Capital Project	Governmental	Governmental
	Operating	Fund	Funds	Funds
	Fund			
<u>Assets</u>				
Cash and cash equivalents	\$ 3,335,092	-	-	3,335,092
Accounts receivable -				
Grants	-	-	191,729	191,729
Due from other funds	118,548	428,391	566,100	1,113,039
Inventory	31,792	-	23,725	55,517
Prepaid items	175,579	3,020	-	178,599
Total assets	<u>\$ 3,661,011</u>	<u>431,411</u>	<u>781,554</u>	<u>4,873,976</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 32,559	-	-	32,559
Payroll accruals and liabilities	50,297	-	-	50,297
Unearned revenue	12,500	-	-	12,500
Due to student activities custodial fund	430,279	-	-	430,279
Due to other funds	994,491	-	118,548	1,113,039
Total liabilities	<u>1,520,126</u>	<u>-</u>	<u>118,548</u>	<u>1,638,674</u>
Fund Balances:				
Nonspendable	207,371	3,020	23,725	234,116
Restricted	-	-	206,786	206,786
Assigned	-	428,391	432,495	860,886
Unassigned	1,933,514	-	-	1,933,514
Total fund balances	<u>2,140,885</u>	<u>431,411</u>	<u>663,006</u>	<u>3,235,302</u>
Total liabilities and fund balances	<u>\$ 3,661,011</u>	<u>431,411</u>	<u>781,554</u>	<u>4,873,976</u>

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Reconciliation of Net Position Between the  
Government-wide Financial Statements and the Fund Financial Statements

June 30, 2025

Total fund balances of governmental funds		\$ 3,235,302
Total net position on the Statement of Net Position is different because:		
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds:		
Compensated absences		(42,411)
Capital assets used in governmental activities are not financial resources and are not reported in the funds.		
		123,290
Long-term liabilities related to Pension/OPEB plans are not due and payable in the current period and therefore are not reported in the funds:		
Proportionate share of the collective net OPEB assets:		
PERS	\$ 805,126	
TRS	1,198,168	2,003,294
Proportionate share of the collective net pension liabilities:		
PERS	(1,897,001)	
TRS	(1,998,452)	(3,895,453)
Certain changes in net pension and OPEB plan assets and liabilities are deferred and amortized over time because they related to future periods:		
Deferred outflows of resources related to:		
PERS	225,489	
TRS	251,751	477,240
Deferred inflows of resources related to:		
PERS	(31,341)	
TRS	(45,318)	(76,659)
Net position of governmental activities		\$ <u>1,824,603</u>

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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

Year Ended June 30, 2025

	Major Funds		Other	Total
	School	Capital Project	Governmental	Governmental
	Operating	Fund	Funds	Funds
	Fund			
Revenues:				
Local sources:				
Charges for services	\$ 154,054	-	14,269	168,323
Earnings on investments	50,350	-	9,890	60,240
E-rate	144,308	-	-	144,308
Other	140,764	-	236,327	377,091
Intergovernmental:				
City appropriation and in-kind services	2,455,086	-	-	2,455,086
State of Alaska	5,253,435	-	173,504	5,426,939
Federal sources	36,791	-	898,976	935,767
Total revenues	8,234,788	-	1,332,966	9,567,754
Expenditures:				
Current:				
Instruction	3,265,138	3,029	84,367	3,352,534
Special education instruction	926,706	-	94,777	1,021,483
Special education support services - students	19,846	3,813	157,384	181,043
Support services - students	152,089	-	-	152,089
Support services - instruction	431,296	-	73,129	504,425
School administration	307,714	-	6,374	314,088
School administration support services	239,715	-	30,477	270,192
District administration	339,113	-	1,775	340,888
District administration support services	357,435	-	54,268	411,703
Operations and maintenance of plant	1,199,136	2,733	2,613	1,204,482
Student activities	116,584	-	800	117,384
Student transportation - to and from school	-	-	148,948	148,948
Community services	420	-	-	420
Food services	-	-	537,206	537,206
Equipment	-	14,464	-	14,464
Total expenditures	7,355,192	24,039	1,192,118	8,571,349
Excess (deficiency) of revenues over expenditures	879,596	(24,039)	140,848	996,405
Other financing sources (uses):				
Transfers in	-	-	8,950	8,950
Transfers out	(8,950)	-	-	(8,950)
Total other financing sources (uses)	(8,950)	-	8,950	-
Net changes in fund balances	870,646	(24,039)	149,798	996,405
Fund balances, beginning of year, as previously stated	1,227,131	455,450	513,208	2,195,789
Change in accounting principle	43,108	-	-	43,108
Fund balances, beginning of year, as restated	1,270,239	455,450	513,208	2,238,897
Fund balances, end of year	\$ 2,140,885	431,411	663,006	3,235,302

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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

Year Ended June 30, 2025

Net change in fund balances - total governmental funds	\$	996,405
Amounts reported for governmental activities in the statement of activities are different because:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Changes in the unfunded net pension and OPEB liabilities and assets:		
PERS	\$ (194,727)	
TRS	<u>(150,162)</u>	(344,889)
Change in compensated absences		697
Changes in deferred inflows and outflows of resources related to pension and OPEB plans:		
PERS	(32,046)	
TRS	<u>(104,109)</u>	(136,155)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives.		
This is the amount by which depreciation expense exceeded capital expenditures in the current period:		
Capital outlay	22,448	
Depreciation expense	<u>(34,520)</u>	<u>(12,072)</u>
Change in net position of governmental activities	\$	<u><u>503,986</u></u>

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Student Activities Custodial Fund  
Statement of Fiduciary Net Position

June 30, 2025

Assets

Due from governmental funds	\$ <u>430,279</u>
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Liabilities and Net Position

Net Position - Restricted for individuals, organizations, and student groups	\$ <u>430,279</u>
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The notes to the financial statements are an integral part of this statement.



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Student Activities Custodial Fund  
Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2025

Additions	\$ <u>968,282</u>
Deductions	<u>948,844</u>
Change in fiduciary net position	19,438
Net position, beginning of year	<u>410,841</u>
Net position, end of year	\$ <u><u>430,279</u></u>

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements

Year Ended June 30, 2025

**Note 1 – Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

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

Pursuant to Alaska Statutes, Title 29.43.030, the City of Cordova (the City) has the responsibility of establishing, maintaining, and operating a system of public schools. The City has delegated the administrative responsibilities for these functions to the School Board of the Cordova School District. Members of the School Board are elected by the public. The School Board has control over the 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 City Council for approval, and all bonded indebtedness is through the City.

The financial statements included in this report are for Cordova 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.

**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 nonfiduciary activities of the District. In general, the effect of interfund activity has been removed from these statements to minimize the double-counting of internal activities. The District reports *governmental activities*, which normally are supported by intergovernmental revenues. The District has no *business-type activities*, which rely primarily on fees and charges to external parties.

The statement of net position presents the financial condition of the governmental activities of the District at year-end.

The statement of activities demonstrates the degree to which the direct expenses of the given function of the segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

The City's local appropriation and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Fund financial statements are designed to present the financial information of the District at a more detailed level. The focus of governmental fund financial statements is on major funds. The major funds are presented in separate columns. Nonmajor funds are aggregated and presented in a single column named "other governmental funds."

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

Government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the District are included on the statement of net position. Revenues are recorded when transactions occur and expenses are recorded when a liability is incurred, regardless of the timing of related cash flow. Grants and similar items are recognized as revenue as soon as 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. Current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances report on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financial uses) of current financial resources. 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.

The District uses funds to maintain its financial records during the fiscal year. A fund is a separate accounting entity. The operations of each fund is accounted for with a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures. There are three categories of funds: governmental, proprietary and fiduciary. Of these three, the District only uses governmental and fiduciary funds.

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

The following are the District's major governmental funds:

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

The *Capital Project Fund* accounts for the activities related to general capital acquisition and construction projects funded by the District.

Additionally, the District reports the following fund types:

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

The District reports the following fiduciary fund:

The *Student Activities Custodial Fund* is custodial in nature and does not present results of operations or have a measurement focus. The fund is used to account for assets that the District holds for others in a fiduciary capacity.

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

Intergovernmental Revenue:

State of Alaska Foundation, Pupil Transportation and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. Federal Impact Aid receipts are recorded as revenues in the year the monies are received. State of Alaska and federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. On-behalf payments from the State of Alaska are recognized in the year to which they relate. Revenues from the City of Cordova are susceptible to accrual and recorded in the year of the appropriation.

Local Revenue:

Interest earned is recorded in the School Operating Fund unless otherwise specified by the funding source. Rental income from District operated property is recorded in the period to which it relates. E-rate revenue is also recorded in the period it relates. Both interest and rental income are susceptible to accrual. Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

Budget

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

The adopted School Operating Fund budget is submitted to the City of Cordova for approval of the required local appropriation, then to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

The School Board authorizes formal budget revisions periodically each year to adjust the revenues and expenditures to available resources and program needs. The final revised and approved budget is presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget. The Superintendent has the authority to make line item transfers limited to 10% of the line item or \$10,000, whichever is greater. These budget adjustments must be included in the School Board's next formal budget revision. Any interfund transfers require prior approval by the School Board.

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. The majority of the unexpended balances of grants from the state and federal governments for the Special Revenue Funds lapse on June 30.

Project budgets are adopted for the various construction funds based on the lives of the construction projects.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the School Operating Fund and Special Revenue Funds. Encumbrances, if any, outstanding at year end are reported as appropriate constraints of fund balance if they meet the criteria and definitions outlined later in these notes. Encumbrances are included as reductions to fund balance for the purpose of calculating fund balance limits in accordance with State of Alaska regulations.

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.

Cash and Cash Equivalents

All cash funds of the District are maintained in the District's central treasury to maximize investment income while minimizing the risk of loss of capital.

Receivables

All accounts receivable are considered collectible; therefore, no allowance for uncollectible accounts has been provided.

Short-Term Interfund 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 and eliminated in the preparation of the government-wide financial statements.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

Inventory

Inventories are valued at cost (first-in, first-out). The cost is recorded as an expenditure at the time individual inventory items are consumed. Inventory in the School Operating Fund consists of heating fuel. Inventory in the Food Service Fund consists of food and supplies. Reported inventories are equally offset by a portion of fund balance classified as nonspendable in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

Prepaid items

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaids. The prepaid assets do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as nonspendable in the fund financial statements.

Capital Assets

General capital assets result from expenditures in the governmental funds. The assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the balance sheet of the fund financial statements.

All purchased capital assets are valued at cost. Donated capital assets are recorded at acquisition value, the price that would be paid to acquire an asset with equivalent service potential in an orderly marked transaction. The District has established a capitalization threshold of \$5,000 for assets with a useful life greater than one year. The District does not possess any infrastructure. School buildings (and the related debt) are owned and capitalized by the City and are not recorded in these financial statements.

Depreciation is computed on the straight-line method over the estimated useful life of the assets, generally 3 to 7 years for equipment and vehicles. Maintenance and repairs of the routine nature that do not add to the value of the asset are charged as expenditures as incurred and are not capitalized.

Compensated Absences

The District's policy permits employees to accumulate earned but unused personal leave and sick day benefits. Personal leave is subject to certain restrictions and maximum accumulations. All employees are paid for any accumulated personal leave upon use or termination. Sick leave may accumulate indefinitely. Upon resignation, outstanding sick leave is lost except for its use as an increase in service credit of those employees who are members of the Alaska Teachers' Retirement System. A liability is recognized when it is attributable to services already rendered, it accumulates, and it is more likely than not that the District will compensate an employee (either as paid time off or cash payment). Unused leave is accrued utilizing current salary costs as earned by employees, and recorded as a liability in the government-wide statement of net position.

Unearned Revenue

Amounts received from grantor agencies, which are restricted as to use and have not been expended for the intended use are shown on the balance sheet as unearned revenue.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. Deferred outflows of resources consist of pension related items. These items are amortized, resulting in additional expenses in future periods.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources consist of pension related items. These items are amortized, resulting in a reduction of expense at a later date.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form such as prepaid items, long-term notes receivables, or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of fund balances is composed of the remaining four classifications: restricted, committed, assigned, and unassigned.

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

*Committed fund balance.* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the School Board – the District’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. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned fund balance.* This classification reflects the amounts constrained by the District’s “intent” to be used for specific purposes but is neither restricted nor committed. The School Board and Superintendent have the authority to assign amounts to be used for specific purposes. 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.* This 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.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

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 component.

Interfund Transfers

During the course of normal operations, the District has numerous transactions between funds, including expenditures and transfers of resources to provide services and construct assets. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. The classification of amounts recorded as subsidies, advance, or other transfers is determined by the School Board.

Pensions and Other Post Employment Benefits (OPEB)

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reported period. As such, actual results could differ from those estimates.

Indirect Costs

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



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

**Note 2 – Cash and Cash Equivalents**

The District's cash is primarily maintained in a central treasury recorded in the School Operating Fund. Cash balances outside the School Operating Fund have been reclassified to "due to other funds". All of the District's cash is held in the form of demand accounts including checking, savings, and short-term money market funds held by commercial banks.

*Custodial credit risk* is the risk in the event of a bank failure, the government's deposits may not be returned to it. To limit credit risk, the District's cash management policy requires that all deposits be either insured or covered by collateralization agreements.

*Interest rate risk* is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value of changes in market interest rates.

The District's cash management policy is as follows: the Superintendent or the business manager may invest any surplus funds not needed to meet the monthly payroll and accounts payable. These are to be invested in instruments available to municipalities under Alaska law in a manner which will provide maximum security, while meeting daily cash flow demands, conforming to all state and local statutes governing the investment of public funds, while providing a market rate or return through budgetary and economic cycles.

**Note 3 – Interfund Receivables, Payables, and Transfers**

Interfund receivables and payables are shown as "due from other funds" and "due to other funds" in each of the individual funds. The composition of interfund balances as of June 30, 2025, is as follows:

Due to other funds:

From the School Operating Fund to:

Capital Project Fund	\$ 428,391
Other Governmental funds	566,100
Student Activities Custodial Fund	430,279

From other governmental funds to the School Operating Fund	<u>118,548</u>
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Net Due to Other Funds	<u>\$ 1,543,318</u>
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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.

A schedule of transfers for the year ended June 30, 2025, is as follows:

Transfers out:

From the School Operating Fund to Other Governmental Funds	<u>\$ 8,950</u>
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CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

**Note 4 – Capital Assets**

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Vehicles and equipment	\$ 440,406	22,448	-	462,854
Accumulated depreciation	(305,044)	(34,520)	-	(339,564)
Capital assets, net	<u>\$ 135,362</u>	<u>(12,072)</u>	<u>-</u>	<u>123,290</u>

Depreciation expense was charged to the governmental activities functions as follows for the year ended June 30, 2025:

Instruction	\$ 21,027
Operations and maintenance of plant	5,044
Food services	2,199
Student transportation – to and from school	6,250
Total depreciation allocated to governmental activities	<u>\$ 34,520</u>

**Note 5 – Long-term Debt**

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due within one year
Compensated absences	\$ 43,108	-	(697)	42,411	42,411
Net pension and OPEB liability	3,465,057	430,396	-	3,895,453	-
Total long-term liabilities	<u>\$ 3,508,165</u>	<u>430,396</u>	<u>(697)</u>	<u>3,937,864</u>	<u>42,411</u>

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CORDOVA SCHOOL DISTRICT  
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Notes to Basic Financial Statements, Continued

**Note 6 – Fund Balance**

Fund balance for the year ended June 30, 2025 reported in the major funds and the nonmajor funds in the aggregate on the governmental funds' balance sheet is subject to the following constraints:

	School Operating Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepaid items	\$ 175,579	3,020	-	178,599
Inventory	31,792	-	23,725	55,517
Total Nonspendable	<u>207,371</u>	<u>3,020</u>	<u>23,725</u>	<u>234,116</u>
Restricted:				
Scholarships	-	-	206,786	206,786
Assigned:				
Capital projects	-	428,391	-	428,391
DVR Community Rehab	-	-	61,524	61,524
Food service	-	-	235,221	235,221
Safe Children's Act	-	-	2,453	2,453
Pupil transportation	-	-	109,386	109,386
Other local grants	-	-	569	569
Insurance refunds	-	-	23,342	23,342
Total Assigned	<u>-</u>	<u>428,391</u>	<u>432,495</u>	<u>860,886</u>
Unassigned	<u>1,933,514</u>	<u>-</u>	<u>-</u>	<u>1,933,514</u>
Total fund balances	<u>\$ 2,140,885</u>	<u>431,411</u>	<u>663,006</u>	<u>3,235,302</u>

**Note 7 – Defined Benefit (DB) Pension/OPEB 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.

CORDOVA SCHOOL DISTRICT  
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Notes to Basic Financial Statements, Continued

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

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

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

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

### Plan Memberships

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

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

CORDOVA SCHOOL DISTRICT  
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Notes to Basic Financial Statements, Continued

**Other Postemployment Benefit Plans (OPEB)**

*Alaska Retiree Healthcare Trust Plan (ARHCT)*

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2025, employer contributions were 0.00% for PERS and 0.00% for TRS.

*Occupational Death and Disability Plan (ODD)*

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2025, the employer contribution rates were 0.24% for PERS and 0.08% for TRS.

*Retiree Medical Plan (RMP)*

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured. Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended June 30, 2025, employer contributions were 0.83% for PERS and 0.68% for TRS.

*Health Reimbursement Arrangement Plan (HRA)*

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

**Investments**

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

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

CORDOVA SCHOOL DISTRICT  
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Notes to Basic Financial Statements, Continued

**Rate of Return**

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return, net of investment expense, for the year ended June 30, 2024 for PERS and TRS for the DB Pension Plan were 8.75% and 8.74%, the ARHCT Plan were 8.89% and 8.90%, the ODD Plan were 9.01% and 8.84%, and the RMP were 9.02% and 8.90%, respectively.

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

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

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS and TRS plans (rates shown below exclude an annual inflation component of 2.39%):

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

*Discount Rate:* The discount rate used to measure the total pension and OPEB liabilities and assets is 7.25%. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 4.21% as of June 30, 2024.

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

CORDOVA SCHOOL DISTRICT  
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Notes to Basic Financial Statements, Continued

**Employer Effective Rate:** This is the actual employer pay-in rate. Under current legislation, these rates are statutorily capped at 22.00% for PERS and 12.56% for TRS of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS or TRS participating wages, including those wages attributable to employees in the defined benefit plan.

**ARM Board Adopted Rate:** This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. 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 2040. 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.

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

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

CORDOVA SCHOOL DISTRICT  
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Notes to Basic Financial Statements, Continued

*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, 2025 (measurement period) the past service rate for PERS and TRS is 17.88%.

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

Inflation	2.50% per year.
Salary Increases	Increases range from 2.85% to 8.50% based on service.
Investment return / discount rate	7.25%, net of expenses based on average inflation of 2.50% and a real return of 4.75%.
Mortality	Based upon 2017-2021 actual experience study and applicable tables contained in Pub-2010, projected with MP-2021 generational improvement.
Healthcare cost trend rates	Pre-65 medical: 6.4% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Rx/EGWP: 6.9% grading down to 4.5%. Ultimate trend rates reached in FY2050.

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

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



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

**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/drb/pers>.

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

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

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

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

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

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	<u>153,800</u>	<u>10,859</u>	<u>164,659</u>

**Public Employees' Retirement Plans**

For the year ended June 30, 2025 the State of Alaska contributed \$53,339 (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 of June 30, 2024 to a total of \$125,619 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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, 2025, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:	Pension
District's proportionate share of the net pension liability	\$ 1,897,001
State's proportionate share of the net pension liability	712,223
Total	<u>\$ 2,609,224</u>
	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	\$ (762,613)
State's proportionate share of the ARHCT OPEB liability (asset)	(283,126)
Total	<u>\$ (1,045,739)</u>
District's proportionate share of the ODD OPEB liability (asset)	<u>\$ (21,944)</u>
District's proportionate share of the RMP OPEB liability (asset)	<u>\$ (20,569)</u>
Total District's share of net pension and OPEB liabilities and assets	<u>\$ 1,091,875</u>

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending 2026 to 2039, as determined by projections based on the June 30, 2023 valuation.

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.03459%	0.03247%	0.00212%
OPEB:			
ARHCT	0.03463%	0.03240%	0.00223%
ODD	0.03676%	0.03790%	(0.00114%)
RMP	0.04413%	0.04540%	(0.00127%)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense (benefit) of \$513,208 and \$7,997, respectively, for the year ended June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	18,261	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	153,800	-
Total	\$ 172,061	-
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 413	-
Changes of assumptions	20,475	-
Net difference between projected and actual earnings on OPEB plan investments	11,613	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(8,891)
District contributions subsequent to the measurement date	-	-
Total	\$ 32,501	(8,891)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(5,141)
Changes of assumptions	-	(54)
Net difference between projected and actual earnings on OPEB plan investments	70	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,711	(377)
District contributions subsequent to the measurement date	2,436	-
Total	<u>\$ 4,217</u>	<u>(5,572)</u>

  

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 518	(2,286)
Changes of assumptions	6,960	(13,828)
Net difference between projected and actual earnings on OPEB plan investments	290	-
Changes in proportion and differences between District contributions and proportionate share of contributions	519	(764)
District contributions subsequent to the measurement date	8,423	-
Total	<u>\$ 16,710</u>	<u>(16,878)</u>

\$153,800 and \$10,859 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, 2026 (measurement date), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,		Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	\$	(50,844)	(30,872)	(1,303)	(2,853)
2026		94,653	76,918	(479)	65
2027		(13,972)	(12,328)	(788)	(3,097)
2028		(11,576)	(10,108)	(581)	(2,239)
2029		-	-	(341)	(1,234)
Thereafter		-	-	(299)	767
Total	\$	<u>18,261</u>	<u>23,610</u>	<u>(3,791)</u>	<u>(8,591)</u>

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2025, the District recognized \$93,794 and (\$35,021) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 2,526,984	1,897,001	1,363,884
Net OPEB ARHCT liability (asset)	\$ (482,875)	(762,613)	(998,018)
Net OPEB ODD liability (asset)	\$ (20,612)	(21,944)	(22,988)
Net OPEB RMP liability (asset)	\$ 3,563	(20,569)	(39,014)

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

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (1,024,894)	(762,613)	(451,041)
Net OPEB RMP liability (asset)	\$ (41,449)	(20,569)	7,447

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

*Plan Description and Funding Requirements.* Districts and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8.00% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5.00% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 0.83% for the retiree medical plan (DB), 0.24% for occupational and death and disability benefits (DB) and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is capped at 22.00% with anything in excess of the previously listed rates being contributed to the Defined Benefit Unfunded Liability (DBUL).

Plan members are 100% vested with their contributions.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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 \$110,381 for the year ended June 30, 2025, which included forfeitures of \$1,709 which have been applied as employer contributions.

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

*Plan Description.* The District participates in the Alaska Teachers' Retirement System (TRS), a cost sharing multiple-employer defined benefit plan. Currently, there are 57 employers participating in TRS, including 53 school districts. TRS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The system is governed by the Alaska Retirement Management Board (ARMB). The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for TRS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at <http://doa.alaska.gov/drb/trs>.

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

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

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

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

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

Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$ 154,832	13,156	167,988

**Teachers' Retirement Plans**

For the year ended June 30, 2025 the State of Alaska contributed \$395,553 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of \$554,773 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

**Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB:** At June 30, 2025, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:	Pension
District's proportionate share of the net pension liability	\$ 1,998,452
State's proportionate share of the net pension liability	3,433,684
Total	\$ 5,432,136
	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	\$ (1,119,017)
State's proportionate share of the ARHCT OPEB liability (asset)	(1,812,493)
Total	\$ (2,931,510)
District's proportionate share of the ODD OPEB liability (asset)	\$ (20,719)
District's proportionate share of the RMP OPEB liability (asset)	\$ (58,432)
Total District's share of net pension and OPEB liabilities and assets	\$ 800,284

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending 2026 to 2039, as determined by projections based on the June 30, 2023 valuation.



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.10803%	0.10130%	0.00673%
OPEB:			
ARHCT	0.11216%	0.10426%	0.00790%
ODD	0.26003%	0.26628%	(0.00625%)
RMP	0.25986%	0.26679%	(0.00693%)

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense (benefit) of \$953,275 and \$28,890, respectively, for the year ended June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	33,320	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	154,832	-
Total	\$ 188,152	-
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(275)
Changes of assumptions	13,213	-
Net difference between projected and actual earnings on OPEB plan investments	14,178	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(7,507)
District contributions subsequent to the measurement date	-	-
Total	\$ 27,391	(7,782)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(3,274)
Changes of assumptions	-	(30)
Net difference between projected and actual earnings on OPEB plan investments	88	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,152	(2,683)
District contributions subsequent to the measurement date	1,385	-
Total	<u>\$ 2,625</u>	<u>(5,987)</u>

  

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,157	(3,980)
Changes of assumptions	10,902	(22,674)
Net difference between projected and actual earnings on OPEB plan investments	832	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,921	(4,895)
District contributions subsequent to the measurement date	11,771	-
Total	<u>\$ 33,583</u>	<u>(31,549)</u>

\$154,832 and \$13,156 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, 2026 (measurement date), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,		Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	\$	(91,870)	(46,735)	(1,097)	(4,428)
2026		167,485	94,742	(523)	1,356
2027		(22,864)	(15,603)	(954)	(3,498)
2028		(19,431)	(12,795)	(747)	(3,114)
2029		-	-	(742)	(1,047)
Thereafter		-	-	(684)	994
Total	\$	<u>33,320</u>	<u>19,609</u>	<u>(4,747)</u>	<u>(9,737)</u>

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2025, the District recognized \$133,538 and (\$30,879) 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	\$ 2,899,271	1,998,452	1,235,947
Net OPEB ARHCT liability (asset)	\$ (771,227)	(1,119,017)	(1,410,058)
Net OPEB ODD liability (asset)	\$ (20,787)	(20,719)	(20,678)
Net OPEB RMP liability (asset)	\$ (15,423)	(58,432)	(90,909)

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

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (1,441,834)	(1,119,017)	(733,337)
Net OPEB RMP liability (asset)	\$ (94,833)	(58,432)	(9,150)

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

*Plan Description and Funding Requirements.* Districts and Public Employers in the State of Alaska have a defined contribution retirement plan for new hires first enrolled on or after July 1, 2006. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8.00% of their base salaries. State statutes require the employer to contribute 7.00% of employees' eligible compensation. Additionally, employers are required to contribute to other post-employment benefits (DB): 0.68% for the retiree medical plan, 0.08% for occupational death and disability, and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

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%

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

The District contributed \$176,144 for the year ended June 30, 2025, which included forfeitures of \$0 which have been applied as employer contributions.

**Note 8 – Contingencies**

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

The District receives a substantial portion of its revenue from state and local grants and the City of Cordova. 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 Cordova, Alaska as within the state-defined District boundaries. Any significant changes in the number of enrolled students would have a material effect on any funding dependent on the number of enrolled students.

**Note 9 – Risk Management**

The District faces a considerable number of risks of loss, including: (a) damage and loss to property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensations; i.e., employee injuries, and (f) medical insurance costs of employees. Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for damage and loss to property and contents, general liability, errors and omissions, employee health care, and student accidents. Worker's compensation is also purchased as required by statute. The District has no coverage for potential losses from environmental damages. Coverage limits and the deductibles on the commercial policies have stayed relatively constant for the last several years. No settlements in excess of insurance coverage have been realized over the past three years.

**Note 10 – Subsequent Accounting Pronouncements**

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

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

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

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Basic Financial Statements, Continued

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

**Note 11 – Implementation of New Accounting Standard GASB Statement No. 101**

During the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. This Statement modifies the recognition and measurement of the compensated absences liability. Prior to the implementation of GASB Statement No. 101, the District did not include certain balances related to sick leave. Under GASB Statement No. 101, all earned, accumulating leave that is more likely than not to be paid or settled, is included in the measurement of compensated absences. The District restated its long-term liabilities to recognize that portion of leave in the compensated absences balance as of July 1, 2024. This resulted in a restatement of previously reported fund balance, as follows:

		Governmental Funds
Fund balance, beginning of year as previously stated	\$	2,195,789
Change in accounting principle		<u>43,108</u>
Fund balance, beginning of year as restated	\$	<u><u>2,238,897</u></u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

School Operating Fund

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

Year Ended June 30, 2025

	School Operating Fund			Variance with Final Budget- Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Local sources	\$ 370,398	129,000	489,476	360,476
Intergovernmental:				
City appropriations	2,418,000	2,659,398	2,455,086	(204,312)
Federal sources	40,000	40,000	36,791	(3,209)
State sources	4,637,942	5,248,963	5,253,435	4,472
Total revenues	7,466,340	8,077,361	8,234,788	157,427
Expenditures:				
Current:				
Instruction	3,218,341	3,386,243	3,265,138	121,105
Special education instruction	1,110,940	1,171,276	926,706	244,570
Special education support services - students	8,683	8,683	19,846	(11,163)
Support services - students	137,117	163,381	152,089	11,292
Support services - instruction	502,196	510,688	431,296	79,392
School administration	318,062	317,940	307,714	10,226
School administration support services	297,432	305,225	239,715	65,510
District administration	341,458	344,452	339,113	5,339
District administration support services	374,770	438,098	357,435	80,663
Operations and maintenance of plant	1,151,219	1,255,940	1,199,136	56,804
Student activities	116,658	116,658	116,584	74
Community services	-	-	420	(420)
Total expenditures	7,576,876	8,018,584	7,355,192	663,392
Excess (deficiency) of revenues over expenditures	(110,536)	58,777	879,596	820,819
Other financing sources (uses):				
Transfers (out)	-	-	(8,950)	(8,950)
Net change in fund balance	\$ (110,536)	58,777	870,646	811,869
Fund balance, beginning of year, as previously stated			1,227,131	
Change in accounting principle			43,108	
Fund balance, beginning of year, as restated			1,270,239	
Fund balance, end of year			\$ 2,140,885	

See accompanying notes to Required Supplementary Information.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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

Public Employees' Retirement System (PERS)

June 30, 2025

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
2016	0.0390%	\$ 1,891,521	\$ 507,208	\$ 2,398,729	\$ 823,984	229.56%	63.96%
2017	0.0373%	\$ 2,083,983	\$ 263,315	\$ 2,347,298	\$ 930,549	223.95%	59.55%
2018	0.0247%	\$ 1,275,278	\$ 477,034	\$ 1,752,312	\$ 882,867	144.45%	63.37%
2019	0.0347%	\$ 1,724,099	\$ 499,936	\$ 2,224,035	\$ 959,970	179.60%	65.19%
2020	3.1970%	\$ 1,749,995	\$ 691,614	\$ 2,441,609	\$ 1,059,045	165.24%	63.42%
2021	0.0309%	\$ 1,823,283	\$ 755,765	\$ 2,579,048	\$ 1,062,403	171.62%	61.61%
2022	0.0434%	\$ 1,592,981	\$ 216,442	\$ 1,809,423	\$ 1,067,720	149.19%	76.46%
2023	0.0355%	\$ 1,807,670	\$ 496,090	\$ 2,303,760	\$ 1,291,548	139.96%	67.97%
2024	0.0325%	\$ 1,683,698	\$ 561,599	\$ 2,245,297	\$ 1,107,683	152.00%	68.23%
2025	0.0346%	\$ 1,897,001	\$ 712,223	\$ 2,609,224	\$ 1,165,018	162.83%	67.81%

See accompanying notes to Required Supplementary Information.



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>							
2018	0.0247%	\$ 208,463	\$ 77,625	\$ 286,088	\$ 882,867	23.61%	89.68%
2019	0.0347%	\$ 356,448	\$ 103,201	\$ 459,649	\$ 959,970	37.13%	88.12%
2020	0.0320%	\$ 47,430	\$ 18,907	\$ 66,337	\$ 1,059,045	4.48%	98.13%
2021	0.0309%	\$ (139,742)	\$ (57,758)	\$ (197,500)	\$ 1,062,403	-13.15%	106.15%
2022	0.0436%	\$ (1,119,398)	\$ -	\$ (1,119,398)	\$ 1,067,720	-104.84%	135.54%
2023	0.0352%	\$ (692,818)	\$ -	\$ (692,818)	\$ 1,291,548	-53.64%	128.51%
2024	0.0324%	\$ (745,548)	\$ (249,343)	\$ (994,891)	\$ 1,107,683	-67.31%	133.96%
2025	0.0346%	\$ (762,613)	\$ (283,126)	\$ (1,045,739)	\$ 1,165,018	-65.46%	130.59%
<b>Occupational Death and Disability (ODD):</b>							
2018	0.0486%	\$ (6,896)	\$ -	\$ (6,896)	\$ 882,867	-0.78%	212.97%
2019	0.0474%	\$ (9,206)	\$ -	\$ (9,206)	\$ 959,970	-0.96%	270.62%
2020	0.0450%	\$ (10,909)	\$ -	\$ (10,909)	\$ 1,059,045	-1.03%	297.43%
2021	0.0467%	\$ (12,728)	\$ -	\$ (12,728)	\$ 1,062,403	-1.20%	283.80%
2022	0.0433%	\$ (19,076)	\$ -	\$ (19,076)	\$ 1,067,720	-1.79%	374.22%
2023	0.0372%	\$ (16,296)	\$ -	\$ (16,296)	\$ 1,291,548	-1.26%	348.80%
2024	0.0379%	\$ (19,445)	\$ -	\$ (19,445)	\$ 1,107,683	-1.76%	349.24%
2025	0.0368%	\$ (21,944)	\$ -	\$ (21,944)	\$ 1,165,018	-1.88%	346.81%
<b>Retiree Medical Plan (RMP):</b>							
2018	0.0486%	\$ 2,534	\$ -	\$ 2,534	\$ 882,867	0.29%	93.98%
2019	0.0474%	\$ 6,032	\$ -	\$ 6,032	\$ 95,970	6.29%	88.71%
2020	0.0566%	\$ 13,450	\$ -	\$ 13,450	\$ 1,059,045	1.27%	83.17%
2021	0.0580%	\$ 4,117	\$ -	\$ 4,117	\$ 1,062,403	0.39%	92.23%
2022	0.0511%	\$ (13,706)	\$ -	\$ (13,706)	\$ 1,067,720	-1.28%	115.10%
2023	0.0438%	\$ (15,196)	\$ -	\$ (15,196)	\$ 1,291,548	-1.18%	120.08%
2024	0.0454%	\$ (21,557)	\$ -	\$ (21,557)	\$ 1,107,683	-1.95%	124.29%
2025	0.0441%	\$ (20,569)	\$ -	\$ (20,569)	\$ 396,355	-5.19%	119.87%

See accompanying notes to Required Supplementary Information.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 81,499	\$ (81,499)	\$ -	\$ 930,549	8.76%
2017	\$ 97,445	\$ (97,445)	\$ -	\$ 882,867	11.04%
2018	\$ 113,978	\$ (113,978)	\$ -	\$ 959,970	11.87%
2019	\$ 115,742	\$ (120,856)	\$ (5,114)	\$ 1,059,045	10.93%
2020	\$ 107,611	\$ (103,341)	\$ 4,270	\$ 1,062,403	10.13%
2021	\$ 120,005	\$ (127,141)	\$ (7,136)	\$ 1,067,720	11.24%
2022	\$ 119,947	\$ (111,727)	\$ 8,220	\$ 1,291,548	9.29%
2023	\$ 154,949	\$ (154,949)	\$ -	\$ 1,107,683	13.99%
2024	\$ 157,799	\$ (158,092)	\$ (293)	\$ 1,165,018	13.54%
2025	\$ 155,323	\$ (153,800)	\$ 1,523	\$ 1,250,182	12.42%

*See accompanying notes to Required Supplementary Information.*

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>					
2018	\$ 32,489	\$ (32,489)	\$ -	\$ 959,970	3.38%
2019	\$ 44,088	\$ (44,088)	\$ -	\$ 1,059,045	4.16%
2020	\$ 42,888	\$ (42,888)	\$ -	\$ 1,062,403	4.04%
2021	\$ 23,343	\$ (23,343)	\$ -	\$ 1,067,720	2.19%
2022	\$ 20,605	\$ (20,605)	\$ -	\$ 1,291,548	1.60%
2023	\$ -	\$ -	\$ -	\$ 1,107,683	0.00%
2024	\$ -	\$ -	\$ -	\$ 1,165,018	0.00%
2025	\$ -	\$ -	\$ -	\$ 1,250,182	0.00%
<b>Occupational Death and Disability (ODD):</b>					
2018	\$ 858	\$ (858)	\$ -	\$ 959,970	0.09%
2019	\$ 1,837	\$ (1,837)	\$ -	\$ 1,059,045	0.17%
2020	\$ 2,038	\$ (2,038)	\$ -	\$ 1,062,403	0.19%
2021	\$ 2,289	\$ (2,289)	\$ -	\$ 1,067,720	0.21%
2022	\$ 2,145	\$ (2,145)	\$ -	\$ 1,291,548	0.17%
2023	\$ 2,322	\$ (2,322)	\$ -	\$ 1,107,683	0.21%
2024	\$ 2,522	\$ (2,522)	\$ -	\$ 1,165,018	0.22%
2025	\$ 2,436	\$ (2,436)	\$ -	\$ 1,250,182	0.19%
<b>Retiree Medical Plan (RMP):</b>					
2018	\$ 5,526	\$ (5,526)	\$ -	\$ 95,970	5.76%
2019	\$ 6,642	\$ (6,642)	\$ -	\$ 1,059,045	0.63%
2020	\$ 10,347	\$ (10,347)	\$ -	\$ 1,062,403	0.97%
2021	\$ 9,379	\$ (9,379)	\$ -	\$ 1,067,720	0.88%
2022	\$ 7,403	\$ (7,403)	\$ -	\$ 1,291,548	0.57%
2023	\$ 8,514	\$ (8,514)	\$ -	\$ 1,107,683	0.77%
2024	\$ 8,492	\$ (8,492)	\$ -	\$ 396,355	2.14%
2025	\$ 8,423	\$ (8,423)	\$ -	\$ 501,732	1.68%

See accompanying notes to Required Supplementary Information.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska 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
2016	0.0901%	\$ 1,675,371	\$ 2,677,634	\$ 4,353,005	\$ 1,781,327	94.05%	73.82%
2017	0.1074%	\$ 2,451,973	\$ 2,908,302	\$ 5,360,275	\$ 2,202,956	111.30%	68.40%
2018	0.0894%	\$ 1,812,700	\$ 3,170,805	\$ 4,983,505	\$ 2,180,806	83.12%	72.39%
2019	0.1170%	\$ 2,239,971	\$ 3,330,675	\$ 5,570,646	\$ 2,166,348	103.40%	74.09%
2020	0.1250%	\$ 2,336,484	\$ 3,466,021	\$ 5,802,505	\$ 2,300,077	101.58%	74.68%
2021	0.1203%	\$ 2,446,476	\$ 4,247,003	\$ 6,693,479	\$ 2,177,329	112.36%	72.81%
2022	0.1430%	\$ 1,138,167	\$ 966,463	\$ 2,104,630	\$ 2,381,658	47.79%	89.43%
2023	0.1317%	\$ 2,194,691	\$ 2,924,109	\$ 5,118,800	\$ 2,346,746	93.52%	78.33%
2024	0.1013%	\$ 1,781,359	\$ 2,819,713	\$ 4,601,072	\$ 2,518,228	70.74%	77.62%
2025	0.1080%	\$ 1,998,452	\$ 3,433,684	\$ 5,432,136	\$ 2,642,492	75.63%	77.07%

See accompanying notes to Required Supplementary Information.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>							
2018	0.0894%	\$ 164,336	\$ 287,637	\$ 451,973	\$ 2,180,806	7.54%	93.75%
2019	0.1168%	\$ 363,065	\$ 541,633	\$ 904,698	\$ 2,166,348	16.76%	90.23%
2020	0.1246%	\$ (190,477)	\$ (283,455)	\$ (473,932)	\$ 2,300,077	-8.28%	105.50%
2021	0.1199%	\$ (428,816)	\$ (748,763)	\$ (1,177,579)	\$ 2,177,329	-19.69%	113.78%
2022	0.1487%	\$ (1,728,359)	\$ (1,344,566)	\$ (3,072,925)	\$ 2,381,658	-72.57%	145.41%
2023	0.1344%	\$ (1,177,650)	\$ (1,512,282)	\$ (2,689,932)	\$ 2,346,746	-50.18%	134.84%
2024	0.1043%	\$ (1,053,716)	\$ (1,591,513)	\$ (2,645,229)	\$ 2,518,228	-41.84%	140.49%
2025	0.1122%	\$ (1,119,017)	\$ (1,812,493)	\$ (2,931,510)	\$ 2,642,492	-42.35%	137.40%
<b>Occupational Death and Disability (ODD):</b>							
2018	0.2342%	\$ (7,654)	\$ -	\$ (7,654)	\$ 2,180,806	-0.35%	1342.59%
2019	0.2000%	\$ (7,011)	\$ -	\$ (7,011)	\$ 2,166,348	-0.32%	1304.81%
2020	0.2258%	\$ (9,080)	\$ -	\$ (9,080)	\$ 2,300,077	-0.39%	1409.77%
2021	0.1994%	\$ (8,582)	\$ -	\$ (8,582)	\$ 2,177,329	-0.39%	931.08%
2022	0.2369%	\$ (14,440)	\$ -	\$ (14,440)	\$ 2,381,658	-0.61%	1254.36%
2023	0.2346%	\$ (14,168)	\$ -	\$ (14,168)	\$ 2,346,746	-0.60%	1268.28%
2024	0.2663%	\$ (18,424)	\$ -	\$ (18,424)	\$ 2,518,228	-0.73%	1410.42%
2025	0.2600%	\$ (20,719)	\$ -	\$ (20,719)	\$ 2,642,492	-0.78%	1600.56%
<b>Retiree Medical Plan (RMP):</b>							
2018	0.2342%	\$ (11,102)	\$ -	\$ (11,102)	\$ 2,180,806	-0.51%	118.16%
2019	0.1999%	\$ (6,395)	\$ -	\$ (6,395)	\$ 2,166,348	-0.30%	109.56%
2020	0.2256%	\$ (8,652)	\$ -	\$ (8,652)	\$ 2,300,077	-0.38%	110.03%
2021	0.2000%	\$ (19,729)	\$ -	\$ (19,729)	\$ 2,177,329	-0.91%	125.59%
2022	0.2365%	\$ (47,480)	\$ -	\$ (47,480)	\$ 2,381,658	-1.99%	142.54%
2023	0.2342%	\$ (45,351)	\$ -	\$ (45,351)	\$ 2,346,746	-1.93%	140.73%
2024	0.2668%	\$ (59,097)	\$ -	\$ (59,097)	\$ 2,518,228	-2.35%	140.71%
2025	0.2599%	\$ (58,432)	\$ -	\$ (58,432)	\$ 1,155,876	-5.06%	134.72%

See accompanying notes to Required Supplementary Information.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 96,780	\$ (96,780)	\$ -	\$ 2,202,956	4.39%
2017	\$ 110,356	\$ (110,356)	\$ -	\$ 2,180,806	5.06%
2018	\$ 128,331	\$ (128,331)	\$ -	\$ 2,166,348	5.92%
2019	\$ 126,850	\$ (118,029)	\$ 8,821	\$ 2,300,077	5.52%
2020	\$ 116,174	\$ (116,153)	\$ 21	\$ 2,177,329	5.34%
2021	\$ 84,368	\$ (84,368)	\$ -	\$ 2,381,658	3.54%
2022	\$ 89,739	\$ (90,204)	\$ (465)	\$ 2,346,746	3.82%
2023	\$ 160,969	\$ (161,002)	\$ (33)	\$ 2,518,228	6.39%
2024	\$ 172,840	\$ (173,711)	\$ (871)	\$ 2,642,492	6.54%
2025	\$ 155,735	\$ (154,832)	\$ 903	\$ 2,739,912	5.68%

*See accompanying notes to Required Supplementary Information.*

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>					
2018	\$ 63,556	\$ (63,556)	\$ -	\$ 2,166,348	2.93%
2019	\$ 62,466	\$ (62,466)	\$ -	\$ 2,300,077	2.72%
2020	\$ 65,495	\$ (65,495)	\$ -	\$ 2,177,329	3.01%
2021	\$ 85,956	\$ (85,956)	\$ -	\$ 2,381,658	3.61%
2022	\$ 78,294	\$ (78,294)	\$ -	\$ 2,346,746	3.34%
2023	\$ -	\$ -	\$ -	\$ 2,518,228	0.00%
2024	\$ -	\$ -	\$ -	\$ 2,642,492	0.00%
2025	\$ -	\$ -	\$ -	\$ 2,739,912	0.00%
<b>Occupational Death and Disability (ODD):</b>					
2018	\$ -	\$ -	\$ -	\$ 2,166,348	0.00%
2019	\$ 705	\$ (705)	\$ -	\$ 2,300,077	0.03%
2020	\$ 655	\$ (655)	\$ -	\$ 2,177,329	0.03%
2021	\$ 858	\$ (858)	\$ -	\$ 2,381,658	0.04%
2022	\$ 922	\$ (922)	\$ -	\$ 2,346,746	0.04%
2023	\$ 1,095	\$ (1,095)	\$ -	\$ 2,518,228	0.04%
2024	\$ 1,156	\$ (1,156)	\$ -	\$ 2,642,492	0.04%
2025	\$ 1,385	\$ (1,385)	\$ -	\$ 2,739,912	0.05%
<b>Retiree Medical Plan (RMP):</b>					
2018	\$ 6,541	\$ (6,541)	\$ -	\$ 2,166,348	0.30%
2019	\$ 6,958	\$ (6,958)	\$ -	\$ 2,300,077	0.30%
2020	\$ 8,922	\$ (8,922)	\$ -	\$ 2,177,329	0.41%
2021	\$ 9,970	\$ (9,970)	\$ -	\$ 2,381,658	0.42%
2022	\$ 6,874	\$ (6,874)	\$ -	\$ 2,346,746	0.29%
2023	\$ 11,917	\$ (11,917)	\$ -	\$ 2,518,228	0.47%
2024	\$ 11,852	\$ (11,852)	\$ -	\$ 1,155,876	1.03%
2025	\$ 11,771	\$ (11,771)	\$ -	\$ 1,402,428	0.84%

See accompanying notes to Required Supplementary Information.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Required Supplementary Information

June 30, 2025

**1. School Operating Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance**

**Budgets and Budgetary Accounting**

Budgets are adopted on a modified accrual basis consistent with generally accepted accounting principles. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Annual budgets for operations are adopted by the School Board for all operating revenues, expenditures, and inter-fund transfers. Budgets are prepared and presented on the modified accrual basis of accounting.
2. The adopted School Operating Fund budget is submitted to the City of Cordova for approval of the required local appropriation, then to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.
3. The School Board authorizes formal budget revisions periodically each year to adjust the revenues and expenditures to available resources and program needs. The final revised and approved budget is presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget. The Superintendent has the authority to make line item transfers limited to 10% of the line item or \$10,000, whichever is greater. These budget adjustments must be included in the School Board's next formal budget revision. Any interfund transfers require prior approval by the School Board.
4. 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. The majority of the unexpended balances of grants from the state and federal governments for the Special Revenue Funds lapse on June 30.
5. Project budgets are adopted for the various construction funds based on the lives of the construction projects.

**Excess of Expenditures over Appropriations**

The following functions that had expenditures in excess of appropriations in the School Operating Fund for the year ended June 30, 2025 were:

Special education support services- students	\$	11,163
Community services	\$	420

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



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Required Supplementary Information, Continued

**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.

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

***Defined Benefit Pension and Postemployment Healthcare Benefit Plan***

**a) Changes in Methods Since the Prior Valuation – June 30, 2022 to June 30, 2023**

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

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

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no changes in actuarial assumptions since the prior valuation.

**c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2022 to June 30, 2023**

There 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, 2022 to June 30, 2023**

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

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

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no changes in actuarial assumptions since the prior valuation.

**c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2022 to June 30, 2023**

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

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

**Schedule of District Contributions (Pension) and (OPEB)**

The table valuation date is June 30, 2022 which was rolled forward to June 30, 2023. Actuarially determined contribution rates are calculated as of June 30<sup>th</sup>, two years prior to the fiscal year in which contributions are reported.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

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, 2022 to June 30, 2023**

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

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

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

**c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2022 to June 30, 2023**

There 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, 2022 to June 30, 2023**

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

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

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

**c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2022 to June 30, 2023**

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

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

**Schedule of District Contributions (Pension) and (OPEB)**

The table valuation date is June 30, 2023 which was rolled forward to June 30, 2024. Actuarially determined contribution rates are calculated as of June 30<sup>th</sup>, two years prior to the fiscal year in which contributions are reported.

## **SUPPLEMENTARY INFORMATION**

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

School Operating Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Earnings on investments	\$ 1,000	50,350	49,350
E-rate	128,000	144,308	16,308
Other	-	140,764	140,764
Charges for services	-	154,054	154,054
Total local sources	<u>129,000</u>	<u>489,476</u>	<u>360,476</u>
Intergovernmental:			
City appropriation	2,418,000	2,273,000	(145,000)
In-kind services performed by the City	241,398	182,086	(59,312)
Total	<u>2,659,398</u>	<u>2,455,086</u>	<u>(204,312)</u>
State of Alaska:			
Foundation program	4,762,331	4,801,700	39,369
PERS on-behalf payments	59,644	53,339	(6,305)
TRS on-behalf payments	412,611	395,553	(17,058)
Other state revenues	14,377	2,843	(11,534)
Total State of Alaska	<u>5,248,963</u>	<u>5,253,435</u>	<u>4,472</u>
Federal sources - direct-			
Impact aid	40,000	36,791	(3,209)
Total revenues	<u>8,077,361</u>	<u>8,234,788</u>	<u>157,427</u>
Expenditures:			
Current:			
Instruction:			
Certificated salaries	1,879,909	1,938,813	(58,904)
Non-certificated salaries	152,853	96,974	55,879
Employee benefits	1,180,619	1,135,056	45,563
Professional and technical services	1,000	26,752	(25,752)
Student travel	2,500	1,865	635
Other purchased services	-	2,115	(2,115)
Supplies, materials and media	126,362	59,156	67,206
Tuition-students and stipends	43,000	4,350	38,650
Other	-	57	(57)
Total instruction	<u>3,386,243</u>	<u>3,265,138</u>	<u>121,105</u>
Special education instruction:			
Certificated salaries	233,382	232,792	590
Non-certificated salaries	360,758	286,718	74,040
Employee benefits	571,786	404,059	167,727
Utility services	-	62	(62)
Supplies, materials and media	5,350	3,075	2,275
Total special education instruction	<u>1,171,276</u>	<u>926,706</u>	<u>244,570</u>
			(continued)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Current:			
Special education support services - students:			
Certificated salaries	\$ 5,000	-	5,000
Non-certificated salaries	-	452	(452)
Employee benefits	1,503	3,296	(1,793)
Professional and technical services	-	15,453	(15,453)
Supplies, materials and media	2,180	645	1,535
Total special education support services - students	<u>8,683</u>	<u>19,846</u>	<u>(11,163)</u>
Support services - students:			
Certificated salaries	112,070	110,791	1,279
Employee benefits	44,111	39,406	4,705
Professional and technical services	1,200	-	1,200
Supplies, materials and media	6,000	1,892	4,108
Total support services - students	<u>163,381</u>	<u>152,089</u>	<u>11,292</u>
Support services - instruction:			
Certificated salaries	98,679	109,055	(10,376)
Employee benefits	70,734	89,860	(19,126)
Professional and technical services	34,000	7,976	26,024
Staff travel	2,800	-	2,800
Utility services	160,400	159,679	721
Other purchased services	3,000	12,770	(9,770)
Supplies, materials and media	117,075	51,881	65,194
Other	24,000	75	23,925
Total support services - instruction	<u>510,688</u>	<u>431,296</u>	<u>79,392</u>
School administration:			
Certificated salaries	181,850	183,418	(1,568)
Employee benefits	124,890	119,632	5,258
Utility services	7,000	1,825	5,175
Supplies, materials and media	4,200	2,469	1,731
Other	-	370	(370)
Total school administration	<u>317,940</u>	<u>307,714</u>	<u>10,226</u>
School administration support services:			
Non-certificated salaries	131,610	113,148	18,462
Employee benefits	150,325	112,989	37,336
Professional and technical services	1,200	-	1,200
Supplies, materials and media	20,890	12,085	8,805
Other	1,200	1,493	(293)
Total school administration support services	<u>305,225</u>	<u>239,715</u>	<u>65,510</u>
District administration:			
Certificated salaries	137,840	143,142	(5,302)
Non-certificated salaries	49,969	51,052	(1,083)
Employee benefits	95,153	93,574	1,579
Professional and technical services	8,000	13,069	(5,069)
Staff travel	24,900	8,469	16,431
Utility services	1,950	1,297	653
Insurance and bond premiums	-	215	(215)
Other purchased services	6,400	-	6,400
Supplies, materials and media	3,910	15,109	(11,199)
Other	16,330	13,186	3,144
Total district administration	<u>344,452</u>	<u>339,113</u>	<u>5,339</u>
			(continued)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Current:			
District administration support services:			
Certificated salaries	\$ 2,500	1,500	1,000
Non-certificated salaries	146,340	120,478	25,862
Employee benefits	123,763	121,369	2,394
Professional and technical services	55,000	54,236	764
Staff travel	5,000	3,420	1,580
Utility services	3,290	4,734	(1,444)
Other purchased services	45,170	9,072	36,098
Insurance and bond premiums	65,000	61,171	3,829
Supplies, materials and media	27,990	23,741	4,249
Other	4,045	10,840	(6,795)
Indirect cost recovery	(40,000)	(53,126)	13,126
Total district administration support services	<u>438,098</u>	<u>357,435</u>	<u>80,663</u>
Operations and maintenance of plant:			
Non-certificated salaries	312,525	295,625	16,900
Employee benefits	299,100	280,538	18,562
Staff travel	1,500	-	1,500
Professional and technical services	-	5,172	(5,172)
Utility services	38,300	47,810	(9,510)
Energy	351,000	313,555	37,445
Other purchased services	63,638	38,686	24,952
Insurance and bond premiums	125,000	152,780	(27,780)
Supplies, materials and media	64,877	56,509	8,368
Other	-	477	(477)
Equipment	-	7,984	(7,984)
Total operations and maintenance of plant	<u>1,255,940</u>	<u>1,199,136</u>	<u>56,804</u>
Student activities:			
Non-certificated salaries	59,850	57,750	2,100
Employee benefits	54,413	54,245	168
Staff travel	-	360	(360)
Supplies, materials and media	2,395	1,705	690
Other	-	2,524	(2,524)
Total student activities	<u>116,658</u>	<u>116,584</u>	<u>74</u>
Community services:			
Supplies, materials and media	-	420	(420)
Total expenditures	<u>8,018,584</u>	<u>7,355,192</u>	<u>663,392</u>
Excess of revenues over expenditures	58,777	879,596	820,819
Other financing sources (uses):			
Transfers out	-	(8,950)	(8,950)
Net change in fund balance	\$ <u>58,777</u>	870,646	<u>811,869</u>
Fund balance, beginning of year, as previously stated		1,227,131	
Change in accounting principle		43,108	
Fund balance, beginning of year, as restated		<u>1,270,239</u>	
Fund balance, end of year		\$ <u><u>2,140,885</u></u>	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Capital Project Fund

Schedule of Revenues, Expenditures and  
Changes in Fund Balance

Year Ended June 30, 2025

Revenues:	
Local sources - other	\$ <u>          -</u>
Expenditures:	
Current:	
Instruction -	
Supplies, materials and media	<u>          3,029</u>
Special education support services- students-	
Supplies, materials and media	<u>          3,813</u>
Operations and maintenance of plant:	
Supplies, materials and media	2,733
Equipment	<u>        14,464</u>
Total operations and maintenance of plant	<u>        17,197</u>
Total expenditures	<u>        24,039</u>
Net change in fund balance	(24,039)
Fund balance, beginning of year	<u>        455,450</u>
Fund balance, end of year	\$ <u><u>        431,411</u></u>

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Other Governmental Funds

Combining Balance Sheet

June 30, 2025

	Special Revenue Funds					
	<u>Pupil Transportation</u>	<u>DVR Community Rehabilitation Program</u>	<u>Food Service</u>	<u>Title I-A Basic</u>	<u>Title I-C Migrant Education</u>	<u>Migrant Literacy</u>
<u>Assets</u>						
Accounts receivable:						
Grants	\$ -	15,630	57,551	12,405	35,716	3,615
Due from other funds	109,386	45,894	177,670	-	-	-
Inventory	-	-	23,725	-	-	-
Total assets	<u>109,386</u>	<u>61,524</u>	<u>258,946</u>	<u>12,405</u>	<u>35,716</u>	<u>3,615</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Due to other funds	\$ -	-	-	12,405	35,716	3,615
Fund balances:						
Nonspendable	-	-	23,725	-	-	-
Restricted	-	-	-	-	-	-
Assigned	109,386	61,524	235,221	-	-	-
Total fund balances	<u>109,386</u>	<u>61,524</u>	<u>258,946</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	\$ <u>109,386</u>	<u>61,524</u>	<u>258,946</u>	<u>12,405</u>	<u>35,716</u>	<u>3,615</u>

(continued)



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Other Governmental Funds

Combining Balance Sheet, Continued

	Special Revenue Funds					
	Title II-A Teacher and Principal	Safe Children's Act	Carl Perkins	Title IV - 21st Century School	Title VI-B	IDEA Section 619
<u>Assets</u>						
Accounts receivable:						
Grants	\$ 11,988	-	3,847	2,238	27,614	160
Due from other funds	-	2,453	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	<u>11,988</u>	<u>2,453</u>	<u>3,847</u>	<u>2,238</u>	<u>27,614</u>	<u>160</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Due to other funds	\$ <u>11,988</u>	<u>-</u>	<u>3,847</u>	<u>2,238</u>	<u>27,614</u>	<u>160</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Assigned	-	2,453	-	-	-	-
Total fund balances	<u>-</u>	<u>2,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	\$ <u>11,988</u>	<u>2,453</u>	<u>3,847</u>	<u>2,238</u>	<u>27,614</u>	<u>160</u>

(continued)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Other Governmental Funds

Combining Balance Sheet, Continued

		Special Revenue Funds					
<u>Assets</u>		Indian Education	REAP	Other Local Grants	Insurance Refunds	Scholarships	Total
Accounts receivable:							
Grants	\$	18,722	2,243	-	-	-	191,729
Due from other funds		-	-	569	23,342	206,786	566,100
Inventory		-	-	-	-	-	23,725
Total assets		<u>18,722</u>	<u>2,243</u>	<u>569</u>	<u>23,342</u>	<u>206,786</u>	<u>781,554</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Due to other funds	\$	<u>18,722</u>	<u>2,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,548</u>
Fund balances:							
Nonspendable		-	-	-	-	-	23,725
Restricted		-	-	-	-	206,786	206,786
Assigned		-	-	569	23,342	-	432,495
Total fund balances		<u>-</u>	<u>-</u>	<u>569</u>	<u>23,342</u>	<u>206,786</u>	<u>663,006</u>
Total liabilities and fund balances	\$	<u>18,722</u>	<u>2,243</u>	<u>569</u>	<u>23,342</u>	<u>206,786</u>	<u>781,554</u>

(A Component Unit of the City of Cordova, Alaska)

## Other Governmental Funds

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

Year Ended June 30, 2025

	Special Revenue Funds					
	Pupil Transportation	DVR Community Rehabilitation Program	Food Service	Fresh Fruits and Vegetables	Title I-A Basic	Title I-C Migrant Education
Revenues:						
Local sources:						
Charges for services	\$ -	-	14,269	-	-	-
Earnings on investments	-	-	-	-	-	-
Other	-	-	227,935	-	-	-
Intergovernmental:						
State of Alaska	144,404	29,100	-	-	-	-
Federal sources	-	-	411,818	16,357	70,552	153,550
Total revenues	<u>144,404</u>	<u>29,100</u>	<u>654,022</u>	<u>16,357</u>	<u>70,552</u>	<u>153,550</u>
Expenditures:						
Current:						
Instruction	-	-	-	-	15,893	14,380
Special education instruction	-	-	-	-	18,277	54,567
Special education support services - students	1,209	22,800	-	-	-	32,988
Support services - instruction	-	-	-	-	28,677	5,700
School administration	-	-	-	-	-	-
School administration support services	-	-	-	-	-	28,503
District administration	-	-	-	-	-	-
District administration support services	-	2,795	-	-	7,705	16,771
Operations and maintenance of plant	655	-	1,958	-	-	-
Student activities	-	-	-	-	-	-
Student transportation - to and from school	146,808	-	1,499	-	-	641
Food services	-	-	520,849	16,357	-	-
Total expenditures	<u>148,672</u>	<u>25,595</u>	<u>524,306</u>	<u>16,357</u>	<u>70,552</u>	<u>153,550</u>
Excess (deficiency) of revenues over expenditures	(4,268)	3,505	129,716	-	-	-
Other financing sources (uses):						
Transfers in	-	-	8,950	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,950</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,268)	3,505	138,666	-	-	-
Fund balances, beginning of year	<u>113,654</u>	<u>58,019</u>	<u>120,280</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 109,386</u>	<u>61,524</u>	<u>258,946</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Other Governmental Funds

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

	Special Revenue Funds					
	Migrant Literacy	Title II-A Teacher and Principal	Safe Children's Act	Carl Perkins	Title IV - 21st Century School	Title VI-B
Revenues:						
Local sources:						
Charges for services	\$ -	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
State of Alaska	-	-	-	-	-	-
Federal sources	8,059	23,604	-	17,635	12,204	106,381
Total revenues	<u>8,059</u>	<u>23,604</u>	<u>-</u>	<u>17,635</u>	<u>12,204</u>	<u>106,381</u>
Expenditures:						
Current:						
Instruction	6,488	-	-	16,795	1,211	-
Special education instruction	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	96,527
Support services - instruction	690	9,764	-	-	9,660	-
School administration	-	6,374	-	-	-	-
School administration support services	-	1,974	-	-	-	-
District administration	-	1,775	-	-	-	-
District administration support services	881	3,717	-	840	1,333	11,618
Operations and maintenance of plant	-	-	-	-	-	-
Student activities	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Total expenditures	<u>8,059</u>	<u>23,604</u>	<u>-</u>	<u>17,635</u>	<u>12,204</u>	<u>108,145</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	(1,764)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-	(1,764)
Fund balances, beginning of year	-	-	2,453	-	-	1,764
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>2,453</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Other Governmental Funds

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

	Special Revenue Funds						
	IDEA Section 619	Indian Education	REAP	Other Local Grants	Insurance Refunds	Scholarships	Total
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	14,269
Earnings on investments	-	-	-	-	-	9,890	9,890
Other	-	-	-	3,342	-	5,050	236,327
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	173,504
Federal sources	2,088	31,257	45,471	-	-	-	898,976
Total revenues	<u>2,088</u>	<u>31,257</u>	<u>45,471</u>	<u>3,342</u>	<u>-</u>	<u>14,940</u>	<u>1,332,966</u>
Expenditures:							
Current:							
Instruction	-	27,344	2,002	254	-	-	84,367
Special education instruction	-	-	21,933	-	-	-	94,777
Special education support services - students	1,860	-	-	2,000	-	-	157,384
Support services - instruction	-	726	16,570	1,342	-	-	73,129
School administration	-	-	-	-	-	-	6,374
School administration support services	-	-	-	-	-	-	30,477
District administration	-	-	-	-	-	-	1,775
District administration support services	228	3,414	4,966	-	-	-	54,268
Operations and maintenance of plant	-	-	-	-	-	-	2,613
Student activities	-	-	-	-	-	800	800
Student transportation - to and from school	-	-	-	-	-	-	148,948
Food services	-	-	-	-	-	-	537,206
Total expenditures	<u>2,088</u>	<u>31,484</u>	<u>45,471</u>	<u>3,596</u>	<u>-</u>	<u>800</u>	<u>1,192,118</u>
Excess (deficiency) of revenues over expenditures	-	(227)	-	(254)	-	14,140	140,848
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	8,950
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,950</u>
Net change in fund balances	-	(227)	-	(254)	-	14,140	149,798
Fund balances, beginning of year	-	227	-	823	23,342	192,646	513,208
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>569</u>	<u>23,342</u>	<u>206,786</u>	<u>663,006</u>

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Pupil Transportation Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental - State sources	\$ 132,076	144,404	12,328
Expenditures:			
Current:			
Special education support services - students-			
Supplies, materials and media	1,700	1,209	491
Operations and maintenance of plant -			
Supplies, materials and media	800	655	145
Student transportation - to and from school:			
Non-certificated salaries	12,476	12,302	174
Employee benefits	4,325	3,703	622
Student travel	21,500	19,965	1,535
Other purchased services	104,630	105,853	(1,223)
Supplies, materials and media	5,000	4,836	164
Other	-	149	(149)
Total student transportation - to and from school	147,931	146,808	1,123
Total expenditures	150,431	148,672	1,759
Net change in fund balance	\$ (18,355)	(4,268)	14,087
Fund balance, beginning of year		113,654	
Fund balance, end of year		\$ 109,386	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

DVR Community Rehabilitation Program Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental - State sources	\$ 28,718	29,100	382
Expenditures:			
Current:			
Special education support services - students:			
Non-certificated salaries	18,650	19,921	(1,271)
Employee benefits	2,653	2,879	(226)
Supplies, materials and media	5,550	-	5,550
Total special education support services - students	26,853	22,800	4,053
District administration support services -			
Indirect costs	1,865	2,795	(930)
Total expenditures	28,718	25,595	3,123
Net change in fund balance	\$ -	3,505	3,505
Fund balance, beginning of year		58,019	
Fund balance, end of year		\$ 61,524	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Food Service Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental-			
Federal sources - through the State of Alaska	\$ 298,000	411,818	113,818
Local:			
Charges for services	9,000	14,269	5,269
Other	220,000	227,935	(7,935)
Total local sources	<u>229,000</u>	<u>242,204</u>	<u>13,204</u>
Total revenues	<u>527,000</u>	<u>654,022</u>	<u>127,022</u>
Expenditures:			
Current:			
Operations and maintenance of plant:			
Purchased services	-	116	(116)
Supplies, materials and media	2,000	1,842	158
Total operations and maintenance of plant	<u>2,000</u>	<u>1,958</u>	<u>42</u>
Student transportation - to and from school-			
Supplies, materials and media	<u>-</u>	<u>1,499</u>	<u>(1,499)</u>
Food services:			
Non-certificated salaries	157,068	154,028	3,040
Employee benefits	153,355	114,871	38,484
Supplies, materials and media	200,500	249,590	(49,090)
Other	214	2,360	(2,146)
Total food services	<u>511,137</u>	<u>520,849</u>	<u>(9,712)</u>
Total expenditures	<u>513,137</u>	<u>524,306</u>	<u>(9,554)</u>
Excess of revenues over expenditures	13,863	129,716	117,468
Other financing sources -			
Transfers in	<u>-</u>	<u>8,950</u>	<u>8,950</u>
Net change in fund balance	<u>\$ 13,863</u>	138,666	<u>126,418</u>
Fund balance, beginning of year		<u>120,280</u>	
Fund balance, end of year		<u>\$ 258,946</u>	



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Fresh Fruits and Vegetables Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 16,357	16,357	-
Expenditures:			
Current:			
Food services -			
Supplies, materials and media	16,357	16,357	-
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 83,993	70,552	(13,441)
Expenditures:			
Current:			
Instruction:			
Non-certificated salaries	1,000	272	728
Employee benefits	1,000	78	922
Professional and technical services	2,000	2,000	-
Purchased services	-	2,574	(2,574)
Supplies, materials and media	22,420	10,969	11,451
Total instruction	26,420	15,893	10,527
Special education instruction:			
Non-certificated salaries	8,000	8,094	(94)
Employee benefits	10,500	10,183	317
Total special education instruction	18,500	18,277	223
Support services - students			
Certificated salaries	500	-	500
Support services - instruction:			
Certificated salaries	4,500	3,750	750
Employee benefits	500	524	(24)
Supplies, materials and media	24,400	24,403	(3)
Total support services - instruction	29,400	28,677	723
District administration support services -			
Indirect costs	9,173	7,705	1,468
Total expenditures	83,993	70,552	13,441
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Title I-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 183,518	153,550	(29,968)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	9,600	2,625	6,975
Non-certificated salaries	9,565	8,767	798
Employee benefits	5,109	2,988	2,121
Supplies, materials and media	4,694	-	4,694
Total instruction	28,968	14,380	14,588
Special education instruction:			
Certified salaries	3,000	-	3,000
Non-certificated salaries	32,450	31,223	1,227
Employee benefits	23,800	23,344	456
Total special education instruction	59,250	54,567	4,683
Special education support services - students:			
Non-certificated salaries	15,585	15,837	(252)
Employee benefits	17,300	17,151	149
Total special education support services - students	32,885	32,988	(103)
Support services - instruction:			
Certificated salaries	5,000	5,000	-
Employee benefits	777	700	77
Total support services - instruction	5,777	5,700	77
School administration support services:			
Non-certificated salaries	16,010	12,201	3,809
Employee benefits	17,586	16,302	1,284
Supplies, materials and media	1,000	-	1,000
Total school administration support services	34,596	28,503	6,093
District administration support services -			
Indirect costs	20,042	16,771	3,271
Student transportation- to and from school-			
Student travel	2,000	641	1,359
Total expenditures	183,518	153,550	29,968
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Migrant Literacy Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 8,500	8,059	(441)
Expenditures:			
Current:			
Instruction -			
Supplies, materials and media	7,572	6,488	1,084
Support services - instruction -			
Supplies, materials and media	-	690	(690)
District administration support services -			
Indirect costs	928	881	47
Total expenditures	8,500	8,059	441
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Title II-A Teacher and Principal Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 27,934	23,604	(4,330)
Expenditures:			
Current:			
Support services - instruction:			
Certificated salaries	5,000	5,000	-
Employee benefits	3,769	3,764	5
Professional and technical services	-	1,000	(1,000)
Total support services - instruction	8,769	9,764	(995)
School administration:			
Certificated salaries	3,000	3,000	-
Employee benefits	423	420	3
Professional and technical services	1,000	-	1,000
Staff travel	3,238	2,329	909
Other	1,300	625	675
Total school administration	8,961	6,374	2,587
School administration support services:			
Professional and technical services	1,000	-	1,000
Staff travel	3,238	1,974	1,264
Total school administration support services	4,238	1,974	2,264
District administration -			
Other	1,775	1,775	-
District administration support services:			
Certified salaries	1,000	1,000	-
Employee benefits	140	140	-
Indirect costs	3,051	2,577	474
Total district administration support services	4,191	3,717	474
Total expenditures	27,934	23,604	4,330
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Carl Perkins Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 27,000	17,635	(9,365)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	4,000	4,000	-
Non-certificated salaries	1,800	500	1,300
Employee benefits	698	596	102
Professional and technical services	475	475	-
Staff travel	2,500	1,061	1,439
Other purchased services	4,075	4,075	-
Supplies, materials and media	11,662	5,922	5,740
Other	504	166	338
Total instruction	25,714	16,795	8,919
District administration support services -			
Indirect costs	1,286	840	446
Total expenditures	27,000	17,635	9,365
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Title IV-21st Century School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 14,301	12,204	(2,097)
Expenditures:			
Current:			
Instruction:			
Non-certificated salaries	1,500	1,125	375
Employee benefits	279	86	193
Total instruction	1,779	1,211	568
Support services - instruction:			
Certified salaries	6,000	5,000	1,000
Employee benefits	850	697	153
Professional and technical services	1,150	1,150	-
Staff travel	2,910	2,764	146
Other	50	49	1
Total support services - instruction	10,960	9,660	1,300
District administration support services -			
Indirect costs	1,562	1,333	229
Total expenditures	14,301	12,204	2,097
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Title VI-B Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 106,381	106,381	-
Expenditures:			
Current:			
Special education support services - students:			
Certified salaries	5,000	5,000	-
Non-certificated salaries	23,303	23,303	-
Employee benefits	26,288	26,288	-
Professional and technical services	40,172	41,936	(1,764)
Total special education support services - students	94,763	96,527	(1,764)
District administration support services -			
Indirect costs	11,618	11,618	-
Total expenditures	106,381	108,145	(1,764)
Net change in fund balance	\$ -	(1,764)	(1,764)
Fund balance, beginning of year		1,764	
Fund balance, end of year		\$ -	



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

IDEA Section 619 Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - through the State of Alaska	\$ 4,512	2,088	(2,424)
Expenditures:			
Current:			
Special education support services - students:			
Professional and technical services	1,200	-	1,200
Supplies, materials and media	2,819	1,860	959
Total special education support services - students	4,019	1,860	2,159
District administration support services -			
Indirect costs	493	228	265
Total expenditures	4,512	2,088	2,424
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Indian Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - direct	\$ 31,257	31,257	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	14,000	17,150	(3,150)
Non-certificated salaries	3,503	3,822	(319)
Employee benefits	5,443	6,122	(679)
Supplies, materials and media	3,909	250	3,659
Total instruction	26,855	27,344	(489)
Support services - instruction:			
Certificated salaries	500	501	(1)
Employee benefits	70	225	(155)
Total support services - instruction	570	726	(156)
District administration support services -			
Indirect costs	3,832	3,414	418
Total expenditures	31,257	31,484	(227)
Net change in fund balance	\$ -	(227)	(227)
Fund balance, beginning of year		227	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

REAP Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental -			
Federal sources - direct	\$ 45,471	45,471	-
Expenditures:			
Current:			
Instruction:			
Supplies, materials and media	2,000	2,002	(2)
Special education instruction:			
Non-certificated salaries	9,500	9,713	(213)
Employee benefits	12,505	12,220	285
Total special education instruction	22,005	21,933	72
Support services - instruction -			
Professional and technical services	16,500	16,570	(70)
District administration support services -			
Indirect costs	4,966	4,966	-
Total expenditures	45,471	45,471	-
Net change in fund balance	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Other Local Grants Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2025

	APEI	Cordova Electric Coop	Cordova Telephone Company	Alaska Community Foundation	Total
Revenues:					
Local sources - other	\$ 2,000	-	1,342	-	3,342
Expenditures:					
Current:					
Instruction -					
Supplies, materials and media	-	27	-	227	254
Special education support services- students-					
Supplies, materials and media	2,000	-	-	-	2,000
Support services - instruction -					
Supplies, materials and media	-	-	1,342	-	1,342
Total expenditures	2,000	27	1,342	227	3,596
Net change in fund balance	-	(27)	-	(227)	(254)
Fund balance, beginning of year	-	364	232	227	823
Fund balance, end of year	\$ -	337	232	-	569

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Scholarship Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2025

	<u>Actual Amounts</u>
Revenues:	
Local sources:	
Earnings on investments	\$ 9,890
Other	<u>5,050</u>
Total revenues	<u>14,940</u>
Expenditures:	
Current:	
Student activities -	
Other	<u>800</u>
Net change in fund balance	14,140
Fund balance, beginning of year	<u>192,646</u>
Fund balance, end of year	\$ <u><u>206,786</u></u>

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Student Activities Custodial Fund

Schedule of Changes in Fiduciary Net Position

Year Ended June 30, 2025

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
Assets:				
Due from governmental funds	\$ 410,841	968,282	(948,844)	430,279
Net Position - Restricted for:				
Individuals, organizations, and student groups:				
Athletic travel	5,792	399,971	(398,909)	6,854
Board scholarship	15,760	292	(350)	15,702
Bionic (peer helpers)	87	-	-	87
Boat building	9,347	-	-	9,347
Boy's basketball	7,956	42,894	(50,639)	211
Calculator resale	-	-	-	-
Cheerleaders - CHS varsity	6,979	29,495	(32,996)	3,478
CHS music	8,769	62,279	(43,905)	27,143
CHS student council	9,480	7,835	(6,769)	10,546
Class of 2022	386	-	(386)	-
Class of 2023	59	-	(59)	-
Class of 2024	3,905	-	-	3,905
Class of 2025	1,423	2,402	(2,552)	1,273
Class of 2026	1,834	2,983	(2,685)	2,132
Class of 2027	3,945	4,508	(2,259)	6,194
Class of 2028	4,733	4,990	(1,396)	8,327
Class of 2029	363	6,015	(2,089)	4,289
Class of 2030	-	2,294	(1,974)	320
Close-up	1,840	11,132	(2,169)	10,803
Concessions	250	15,774	(16,024)	-
Copper nugget yearbook	1,857	6,523	(7,039)	1,341
Cordova centennial yearbook	7,659	-	-	7,659
Cross country	12,402	27,133	(26,104)	13,431
Drama	1,642	-	(1,642)	-
Esports	-	-	-	-
Elks tip-off tourney	8,853	5,683	(9,744)	4,792
Fitness club	200	-	-	200
Girls basketball	15,700	44,306	(49,728)	10,278
HS Robotics	1,917	24,874	(22,292)	4,499
Industrial art fees	8,533	40	-	8,573
Interest on checking account/CD	1,553	-	-	1,553
JH Boys Basketball	9,005	10,751	(11,939)	7,817

(continued)

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Student Activities Custodial Fund

Schedule of Changes in Fiduciary Net Position, Continued

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
Net Position - Restricted for:				
Individuals, organizations, and student groups, continued:				
JH Girls Basketball	7,843	15,564	(14,960)	8,447
JH Cheerleading	3,420	10,071	(10,450)	3,041
JH Robotics	7,010	9,965	(9,211)	7,764
JH Volleyball	14,526	14,856	(13,866)	15,516
JH Wrestlers	2,859	13,958	(13,482)	3,335
Junior Achievement	1,800	-	-	1,800
Leadership	139	13,184	(13,184)	139
Mt. Eccles playground	58,640	-	-	58,640
Mt. Eccles hounds	13,840	22,743	(12,414)	24,169
Mt. Eccles robotics	750	2,400	(3,120)	30
Mt. Eccles student council	241	3,352	(2,705)	888
Mt. Eccles student help	21,705	-	-	21,705
Mt. Eccles student of the quarter	545	600	(619)	526
National Honor Society	368	2,080	(2,107)	341
Nose Bowl	1,806	100	-	1,906
Other Agency Funds	(668)	-	-	(668)
Problem solving team	-	-	-	-
PWSCC Rent	2,625	-	(2,625)	-
Science club	10,413	-	-	10,413
Swim Team	15,088	25,582	(23,938)	16,732
Tech Club	4,140	-	(4,140)	-
Technology fees	54,435	1,942	(6,292)	50,085
Tournament Team Feed	-	1,609	(1,609)	-
Track	-	1,359	(1,026)	333
Varsity volleyball	30,234	60,959	(66,016)	25,177
Wolverine pride	1,692	2,242	-	3,934
Wrestlers	5,126	53,542	(53,431)	5,237
Senior Parent Dinner	35	-	-	35
Total Net Position - Restricted for				
Individuals, organizations, and student groups	\$ 410,841	968,282	(948,844)	430,279

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of Compliance - AS 14.17.505

June 30, 2025

Total fund balance - School Operating Fund	\$	2,140,885
less exemptions per 4 AAC 09.160(a)		
Inventory		31,792
Prepaid items		175,579
Federal impact aid received		<u>36,791</u>
<b>Fund Balance Subject to 10% Limitation</b>	<b>\$</b>	<b><u><u>1,896,723</u></u></b>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	\$	<u>1,896,723</u>	=	<u><u>25.79%</u></u>
Current year expenditures		7,355,192		

\* Per State of Alaska COVID-19 Disaster Order of Suspension No. 3 dated March 11, 2020, the compliance requirement AS 14.17.505 limiting the unreserved fund balance a district may have in their operating fund year end fund balance to 10% was waived by the Governor for fiscal year 2020. In July 2021 this wavier was extended until June 30, 2025 through the State of Alaska House Bill 76, therefore suspending the requirement for the year ended June 30, 2025.



CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

<u>Federal Agency/ Program Title</u>	<u>Grant Award Number</u>	<u>Assistance Listing Number</u>	<u>Total Grant Award</u>	<u>Passed through to Sub-recipients</u>	<u>Federal Expenditures</u>
U.S. Department of Agriculture:					
Passed through the State of Alaska, Department of Education and Early Development:					
Child Nutrition Cluster:					
School Breakfast Program (SBP)	None	10.553	\$ 66,461	-	66,461
School Lunch Program (SLP)	None	10.555	240,721	-	240,721
Summer Food Service Program for Children (SFSPC)	None	10.559	104,636	-	104,636
Fresh Fruit and Vegetable Program (FFVP)	FF 25.CCSD.02	10.582	16,357	-	16,357
Total Child Nutrition Cluster			<u>428,175</u>	<u>-</u>	<u>428,175</u>
U.S. Department of Education:					
Direct:					
Impact Aid	S041B240140	84.041	<u>36,791</u>	<u>-</u>	<u>36,791</u>
Indian Education Grants to Local Educational Agencies	S06A241176	84.060A	<u>31,257</u>	<u>-</u>	<u>31,257</u>
Rural Education Achievement Program	S358A230004	84.358A	<u>30,704</u>	<u>-</u>	<u>13,472</u>
Rural Education Achievement Program	S358A240005	84.358A	<u>31,999</u>	<u>-</u>	<u>31,999</u>
Total ALN 84.358			<u>62,703</u>	<u>-</u>	<u>45,471</u>
Passed through the State of Alaska Department of Education and Early Development:					
Title I Basic Grants to Local Educational Agencies	IP 25.CCSD.01	84.010	<u>83,994</u>	<u>-</u>	<u>70,552</u>
Migrant Education - Title I-C	IP 25.CCSD.01	84.011	<u>183,518</u>	<u>-</u>	<u>153,550</u>
Migrant Literacy	MB 25.CCSD.01	84.011A	<u>8,500</u>	<u>-</u>	<u>8,059</u>
Total ALN 84.011			<u>192,018</u>	<u>-</u>	<u>161,609</u>
Career and Technical Education-Basic Grants to States (Perkins V)	EK 25.CCSD.01	84.048	<u>27,000</u>	<u>-</u>	<u>17,635</u>
Special Education Cluster (IDEA):					
Special Education-Grants to States- Title VI-B	SE 25.CCSD.01	84.027	<u>106,381</u>	<u>-</u>	<u>106,381</u>
Special Education-Preschool Grants (IDEA Preschool)	SE 25.CCSD.01	84.173	<u>4,512</u>	<u>-</u>	<u>2,088</u>
Total Special Education Cluster (IDEA)			<u>110,893</u>	<u>-</u>	<u>108,469</u>
Supporting Effective Instruction State Grants	IP 25.CCSD.01	84.367	<u>27,934</u>	<u>-</u>	<u>23,604</u>
Student Support and Academic Enrichment Program - Title IV-A	IP 25.CCSD.01	84.424	<u>14,301</u>	<u>-</u>	<u>12,204</u>
Total U.S. Department of Education			<u>586,891</u>	<u>-</u>	<u>507,592</u>
Total Expenditures of Federal Awards			<u>\$ 1,015,066</u>	<u>-</u>	<u>935,767</u>

See the accompanying notes to the Schedule.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Cordova School District under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Cordova School District, it is not intended to and does not present the basic financial statements of Cordova School District.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3. Indirect Cost**

Cordova School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Schedule of State Financial Assistance

Year Ended June 30, 2025

<u>State Agency / Program Title</u>	<u>Award Number</u>	<u>Total Award Amount</u>	<u>Passed Through to Subrecipients</u>	<u>State Expenditures</u>
Department of Education and Early Development:				
* Public School Funding Program	None	\$ 4,174,311	-	4,174,311
* HB 268 One-Time Funding	None	612,966	-	612,966
Disparity Test	None	1,193	-	1,193
Quality Schools	None	14,423	-	14,423
Pupil Transportation	None	130,518	-	130,518
Pupil Transportation HB 268 Supplemental	None	13,886	-	13,886
Dividend Raffle Funds	None	1,650	-	1,650
Total Department of Education and Early Development		<u>4,948,947</u>	<u>-</u>	<u>4,948,947</u>
Alaska Department of Labor and Workforce Development - Division of Vocational Rehabilitation - Summer Work Program	None	<u>29,100</u>	<u>-</u>	<u>29,100</u>
Total State Financial Assistance		<u>\$ 4,978,047</u>	<u>-</u>	<u>4,978,047</u>

See accompanying notes to the Schedule.

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2025

**Note 1. Major Programs**

\* denotes a major program for compliance audit purposes.

**Note 2. Basis of Presentation**

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Cordova School District under programs of the State of Alaska for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Cordova School District, it is not intended to and does not present the basic financial statements of Cordova School District.

**Note 3. 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 District's basic financial statements.

**Note 4. Reconciliation of State Financial Assistance 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	\$ 4,978,047
PERS On-Behalf	53,339
TRS On-Behalf	<u>395,553</u>
Total State Revenues	\$ <u>5,426,939</u>

## **COMPLIANCE SECTION**

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

**Independent Auditor's Report**

Members of the School Board  
Cordova School District  
Cordova, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cordova School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Cordova School District's basic financial statements, and have issued our report thereon dated December 1, 2025.

**Report on Internal Control over Financial Reporting**

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

Members of the School Board  
Cordova School District

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Cordova 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.

*Altman, Rogers & Co.*

Anchorage, Alaska  
December 1, 2025

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

**Independent Auditor's Report**

Members of the School Board  
Cordova School District  
Cordova, Alaska

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Cordova School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Cordova School District's major federal programs for the year ended June 30, 2025. Cordova 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, Cordova School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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  
December 1, 2025

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

**Section I – Summary of Auditor's Results**

Financial Statements

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

Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report?

\_\_\_\_ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_\_ Yes X None reported

Noncompliance material to the financial statements noted?

\_\_\_\_ Yes X No

Federal Awards

Internal Control over major federal programs (2 CFR 200.516(a)(1)):

Material weakness(es) identified?

\_\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_\_ Yes X None reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516(a)(2))?

\_\_\_\_ Yes X No

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR 200.516(a)(3) or (4)?

\_\_\_\_ Yes X No

Identification of major programs:

ALN(s)

10.553 / 10.555 / 10.559 / 10.582

Name of Federal Program or Cluster

Child Nutrition Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee?

X Yes \_\_\_\_ No

CORDOVA SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs, Continued

***Section II – Financial Statement Findings***

Cordova School District did not have any findings related to the financial statements.

***Section III - Federal Award Findings and Questioned Costs***

Cordova School District did not have any findings related to the 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  
Cordova School District  
Cordova, Alaska

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited Cordova 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 Cordova School District's major state programs for the year ended June 30, 2025. Cordova School District's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, Cordova School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major State Program***

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

We are required to be independent of Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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 Cordova 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  
December 1, 2025

CORDOVA SCHOOL DISTRICT  
(A Component Unit of the City of Cordova, Alaska)

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

**Section I – Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

☐ Yes ☒ No

Significant deficiency identified?

☐ Yes ☒ None reported

Noncompliance material to the financial statements noted?

☐ Yes ☒ No

**State Awards**

Internal control over major programs:

Material weakness identified?

☐ Yes ☒ No

Significant deficiency identified?

☐ Yes ☒ None reported

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

Unmodified

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

\$ 750,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

**Section II – Financial Statement Findings**

Cordova School District did not have any findings related to the financial statements.

**Section III – State Award Findings and Questioned Costs**

Cordova School District did not have any findings related to State awards.