



Nome Public Schools Board of Education Meeting Agenda

November 20, 2018 - 5:30 PM
Regular Board Meeting, NES Library
1057 E 5th Ave
Nome, Alaska 99762

PO Box 131
Nome, AK 99762

We inspire and empower students to be culturally grounded responsible citizens who are deeply connected to our community and world.

SCHOOL BOARD MEMBERS

Mrs. Sandy Martinson, President
Dr. Barb Amarok, Vice President
Mrs. Nancy Mendenhall
Mrs. Darlene Trigg
Mr. Bob Metcalf

AGENDA

A. Call to Order

1. Pledge of Allegiance
2. Nome Public Schools Mission Statement
3. Roll Call
4. Approval of Agenda
5. Committee Assignments

3

B. Consent Agenda (Routine matter considered for approval as one motion. Any item can be pulled for separate consideration).

1. Approval of Minutes: Regular Meeting: October 9, 2018 and Special Meeting: October 24, 2018
2. Approval of October Disbursements

C. Awards and Presentations

1. Introductions of Guest & Visitors
2. Students of the Month
3. Teacher of the Month
4. Support Staff Member of the Month
5. Assessment scores and Migrant Summer Program
6. FY18 Audit Presentation

4

D. Opportunity for Public Comments on Agenda/Non-agenda Items

(3 minutes per speaker, 30 minutes aggregate)

E. Superintendent Report

15

F. Information & Reports

1. Student Representative Report
2. Principal Reports
3. Directors Reports
4. Business Managers Report

18

19

23

G. Action Item (Board member comments should be concise and may be limited to speaking twice on a topic.)

1

1. Draft Budget Timeline
2. FY18 Audit

43

45

H. Second Public Comment Opportunity (Individuals are limited to three minutes each.)

I. Executive Session of the Board

1. Superintendent Evaluation

J. Board and Superintendent's Comments & Committee Reports

K. Upcoming Events

1. Tuesday, November 27, Work Session, 5:30pm, NES Library

2. Tuesday, December 11, Regular Meeting, 5:30pm, NES Library

L. Adjournment



**Nome Public Schools
 Board Members 2018 – 2019**

- ❖ Board group email: Board@nomeschools.org
- ❖ Board Secretary, Tahsha Smith: tahshasmith@nomeschools.org (907)-443-6187

<p><u>Brandy Arrington – Board President</u> PO Box 204 Home Phone: 443-2703 Work: 443-2243 Cellular: 304-2713 Email: barrington@nomeschools.org Elected: Oct 2014 – Term Expired: 2017 Reelected: Oct 2017 – Term Expired: 2020</p>	<p><u>Barb Amarok– Vice President/Clerk</u> PO Box 1627 Cellular: 434-1650 Work: 443-5491 Email: bamarok@nomeschools.org Elected: Oct 2010 – Term Expired: 2013 Reelected: Oct 2013 – Term Expires: 2016 Reelected: Oct 2016 – Term Expires: 2019</p>
<p><u>Sandy Martinson – Treasurer</u> PO Box 569 Cellular: 304-1759 Home: 443-6084 Email: smartinson@nomeschools.org Elected: Oct 2017 – Term Expires: 2018 Reelected: Oct 2018 – Term Expires: 2021</p>	<p><u>Nancy Mendenhall – Board Member</u> PO Box 1141 Home Phone: 443-2455 Email: nmendenhall@nomeschools.org Elected: Oct 2015 – Term Expires: 2018 Reelected: Oct 2018 – Term Expires 2021</p>
<p><u>Darlene Trigg – Board Member</u> PO Box 180 Cellular: 306-7999 Home: Email: dtrigg@nomeschools.org Elected: Oct 2018 – Term Expires: 2019</p>	<p><u>Devan Otton– Student Representative</u> Email: dotton1@nomeschools.org Elected: 2018 – Term Expires: 2019</p>

Committee Assignments

<p>Board Policy: Primary: Jennifer Reader Alternate: Brandy Arrington</p>	<p>Equity Committee: Primary: Barb Amarok Alternate: Nancy Mendenhall</p>
<p>Northwest College Advisory: Primary: Sandy Martinson Alternate: Nancy Mendenhall</p>	<p>NACTEC: Primary: Brandy Arrington Alternate: Sandy Martinson</p>

Other Roles

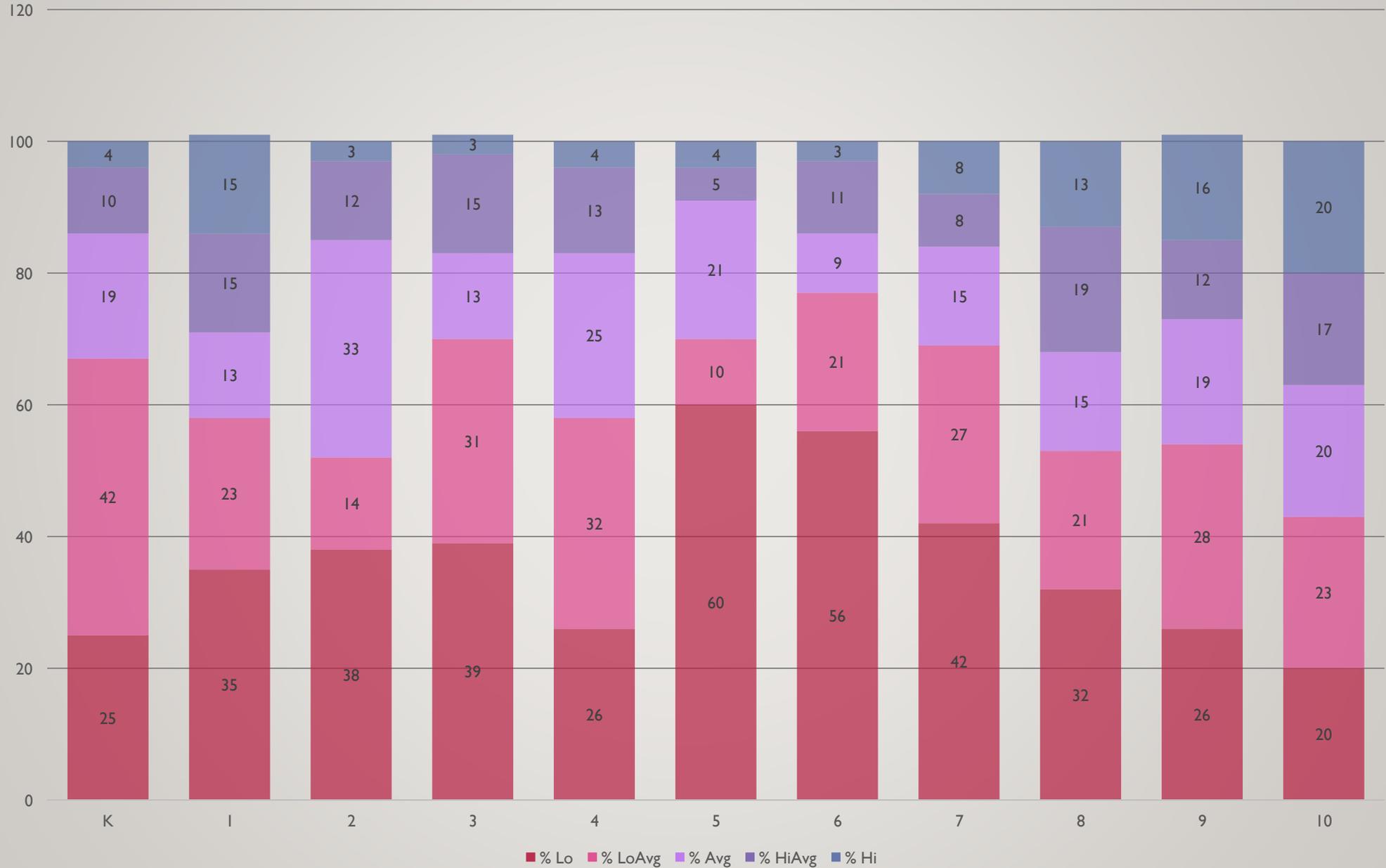
<p>Recruitment/Job Fair: Primary: Brandy Arrington Alternate: Nancy Mendenhall</p>	<p>CEA Negotiations: Primary: Jennifer Reader Alternate: Barb Amarok</p>
<p align="center">NEA Negotiations: Primary: Nancy Mendenhall Alternate: Sandy Martinson</p>	

MAP RESULTS

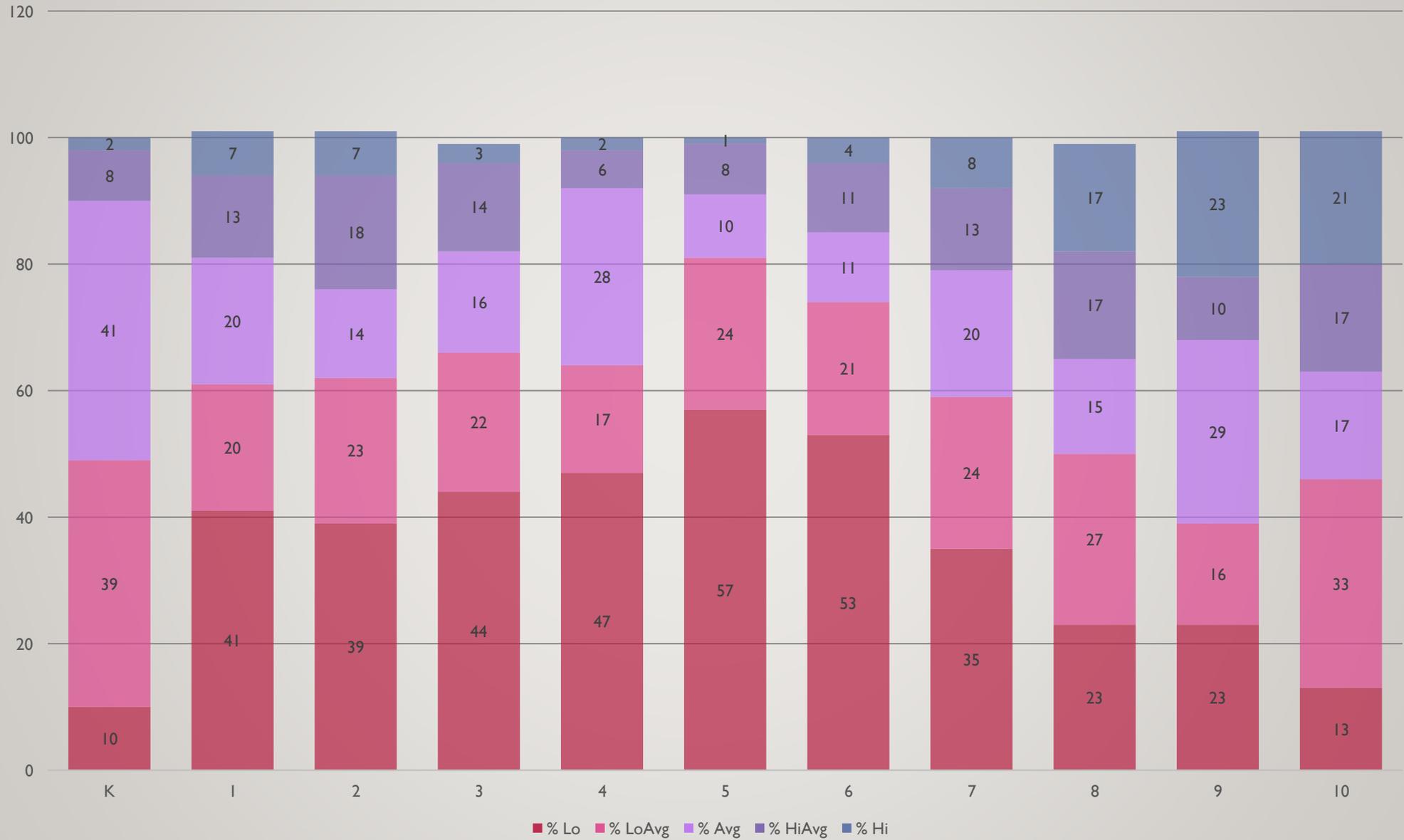
NOME PUBLIC SCHOOLS

NOVEMBER 13, 2018

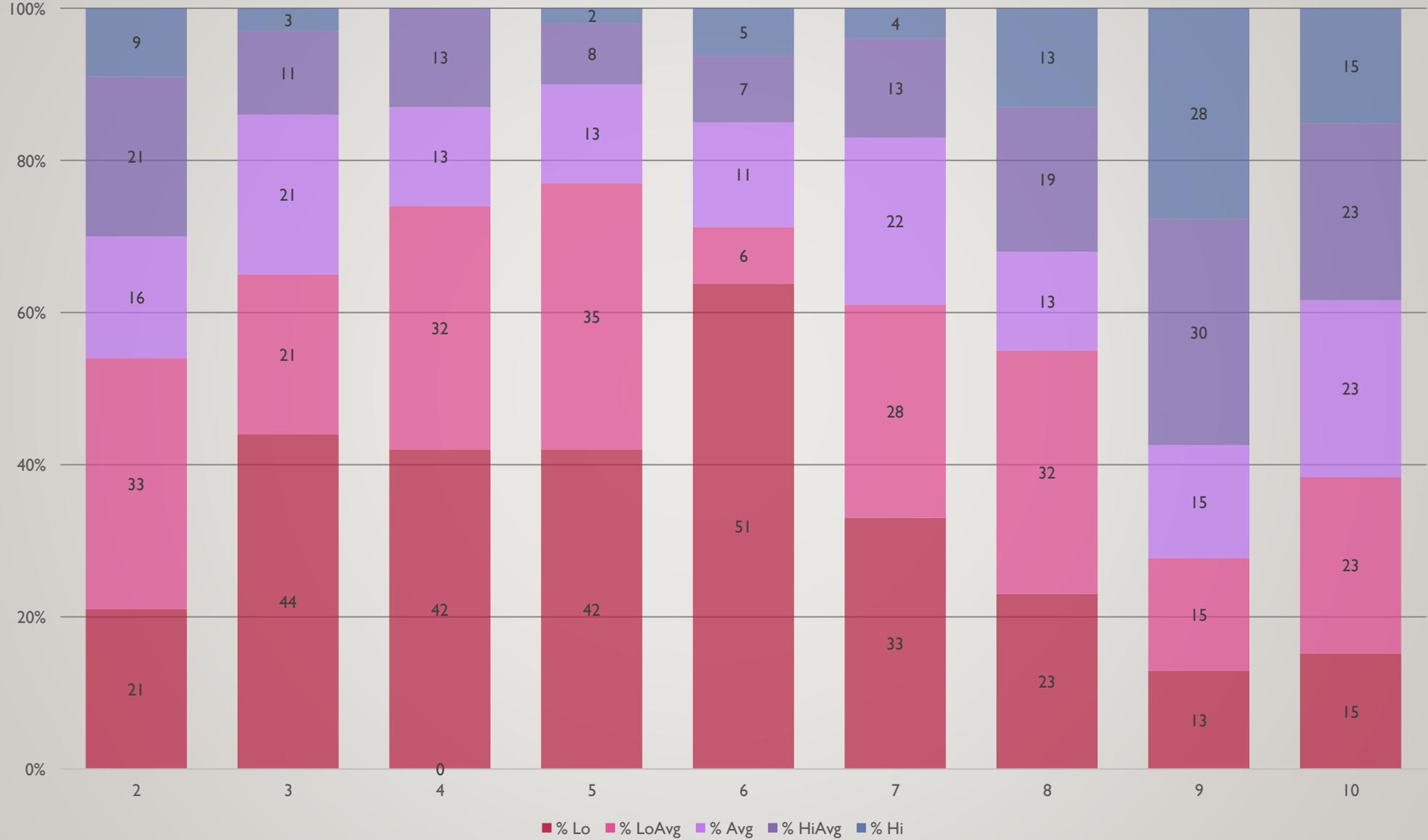
FALL 2018 MAP MATHEMATICS



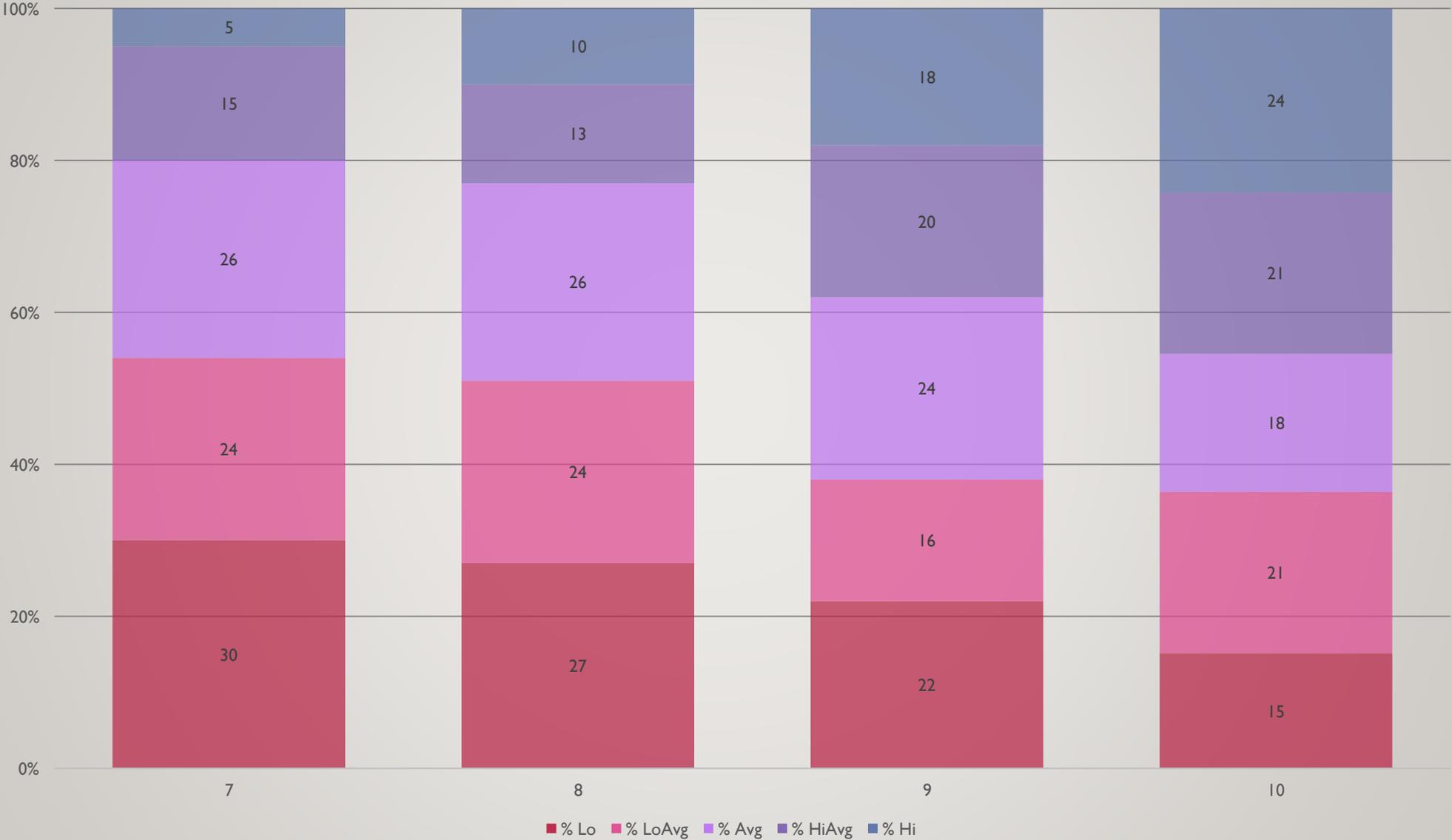
FALL 2018 MAP READING



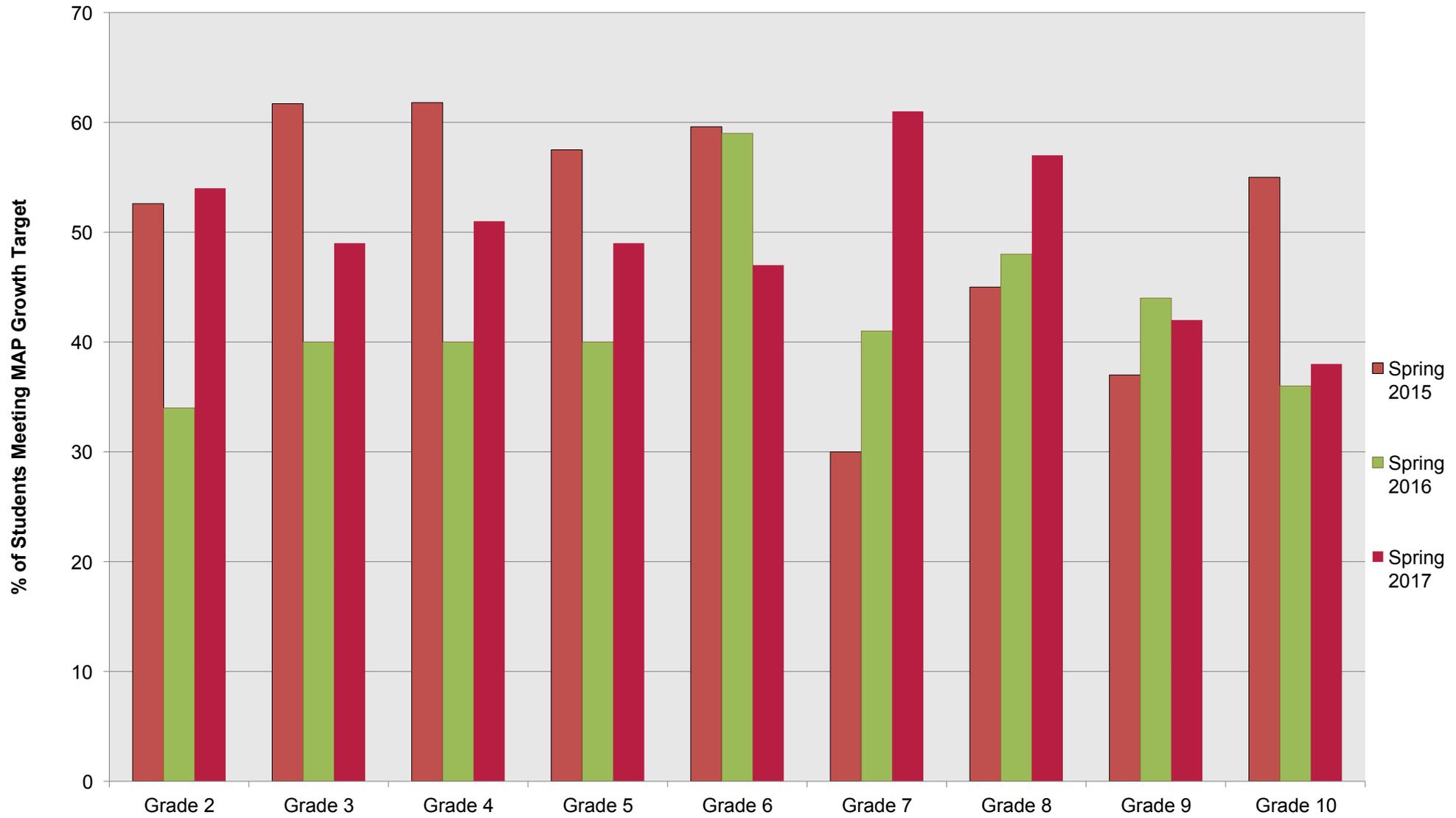
FALL 2018 LANGUAGE USAGE



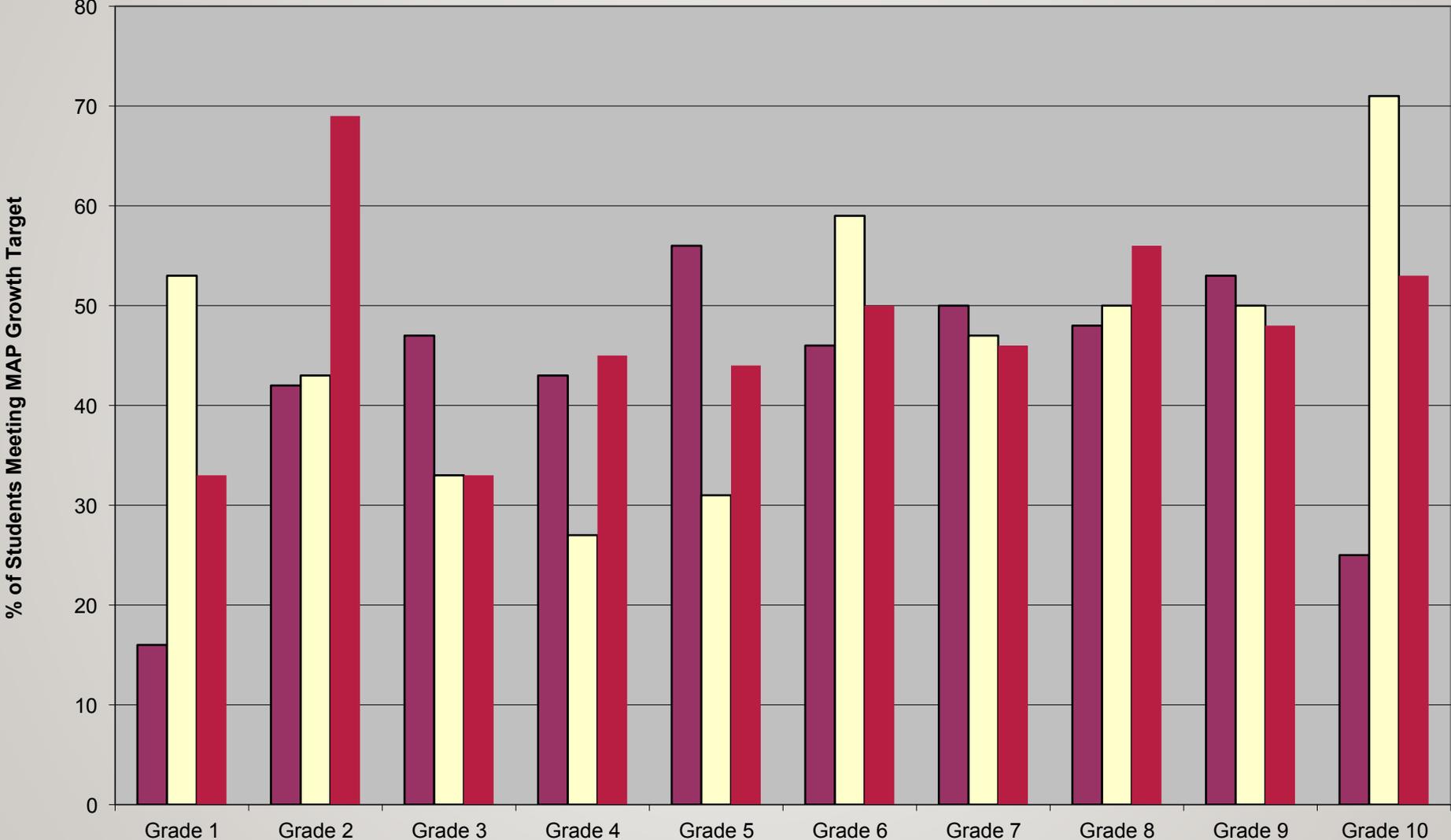
FALL 2018 SCIENCE



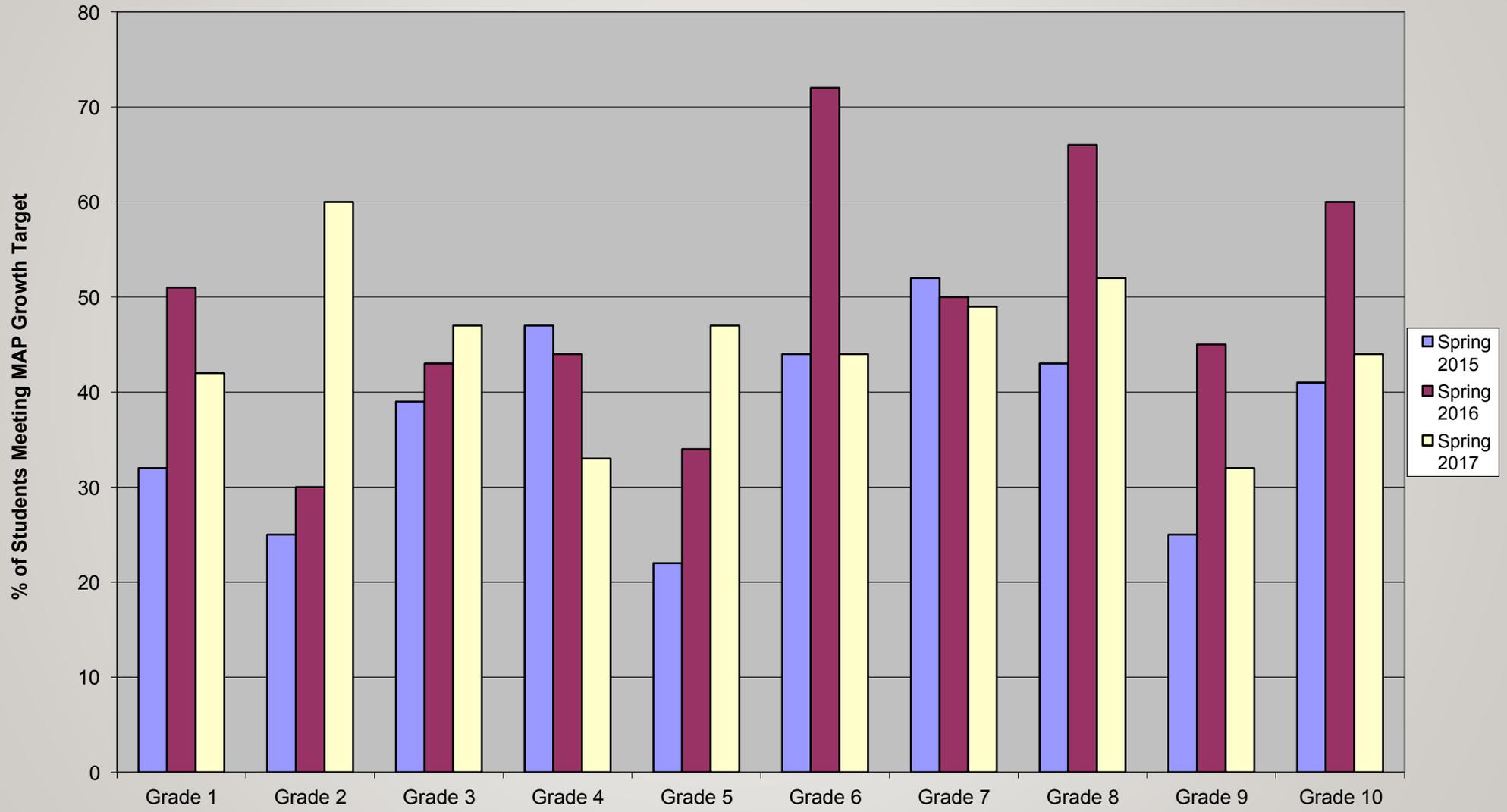
MAP Language 2015-2017



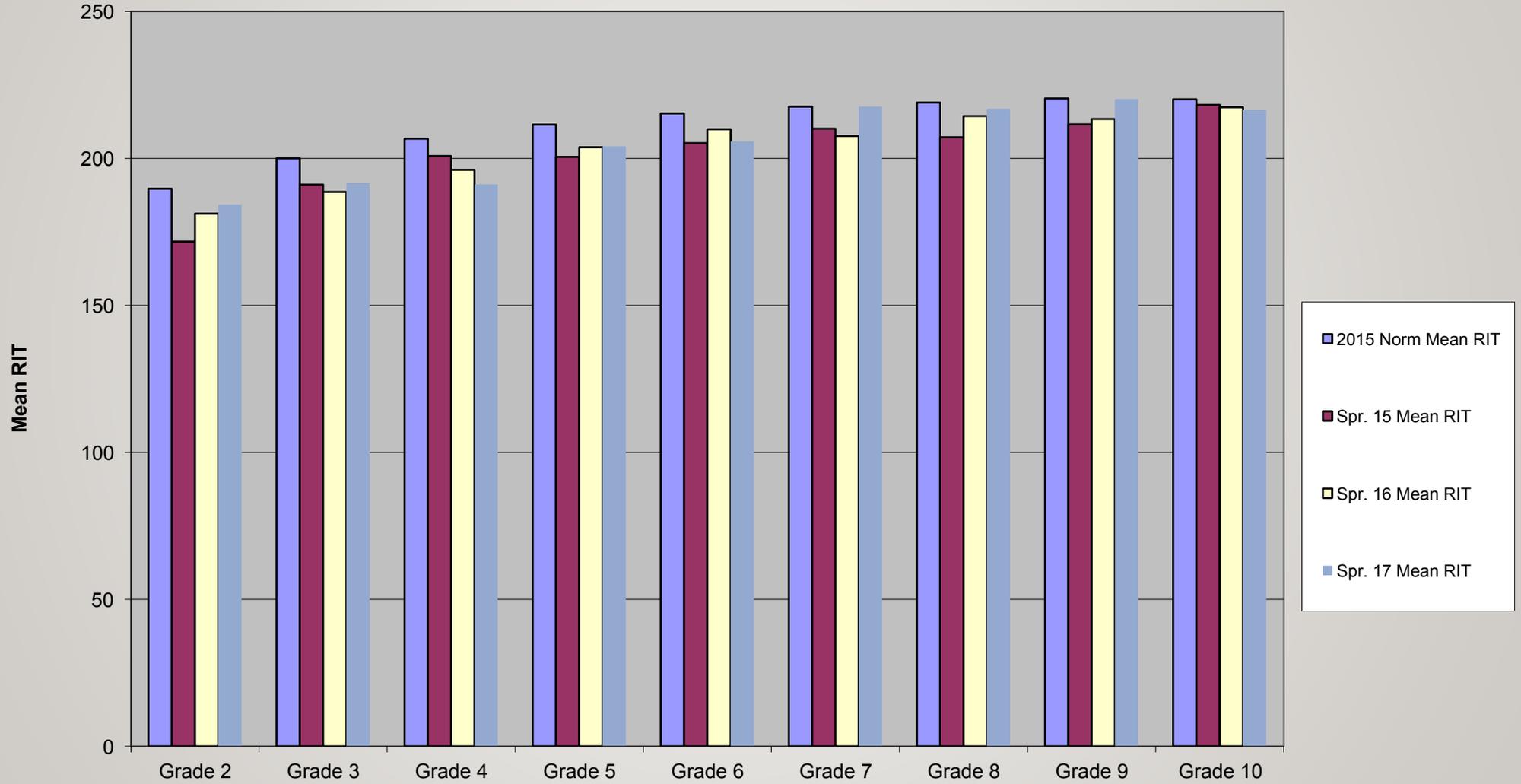
MAP Math 2015-2017



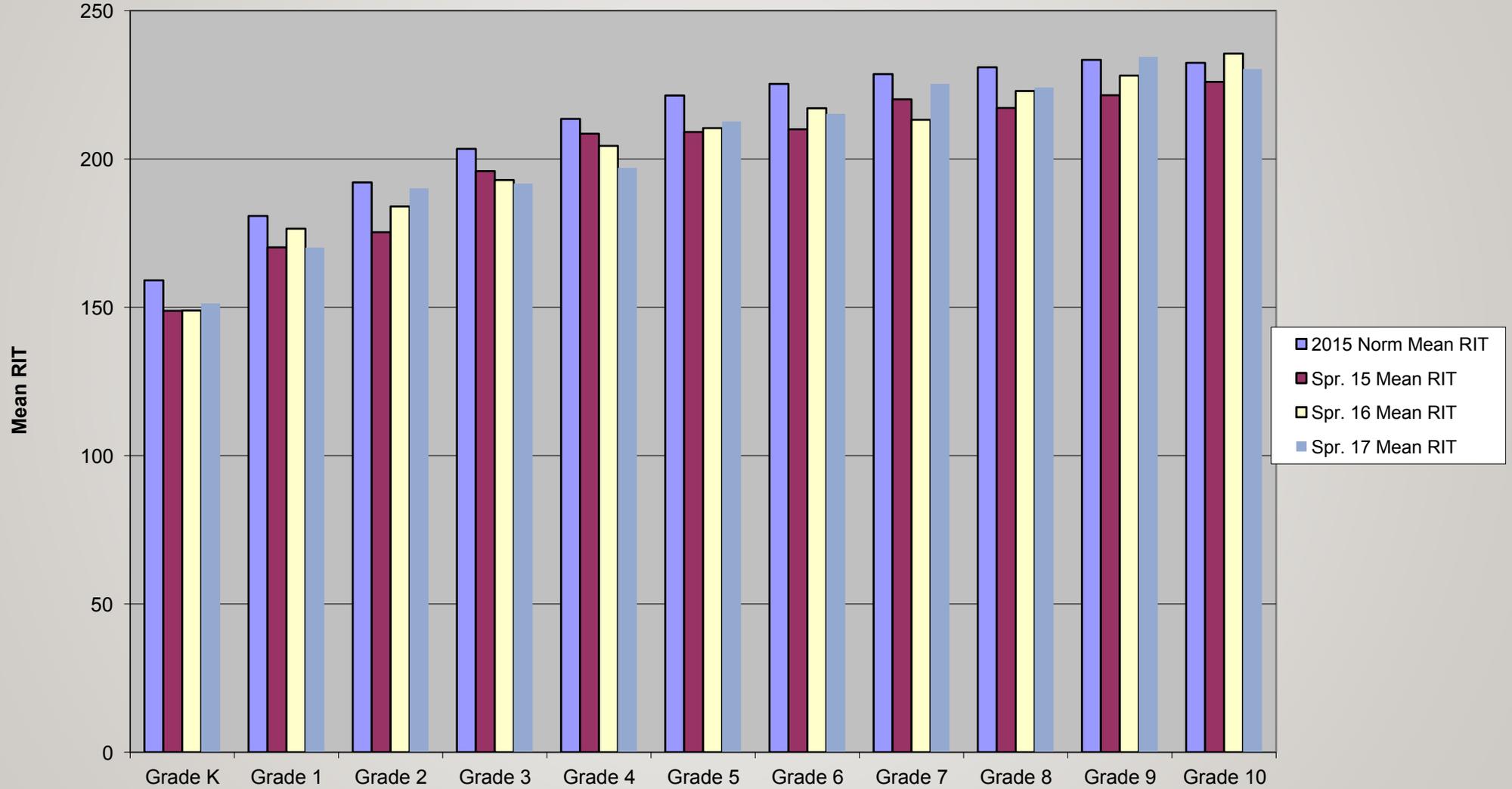
MAP Reading 2015-2017



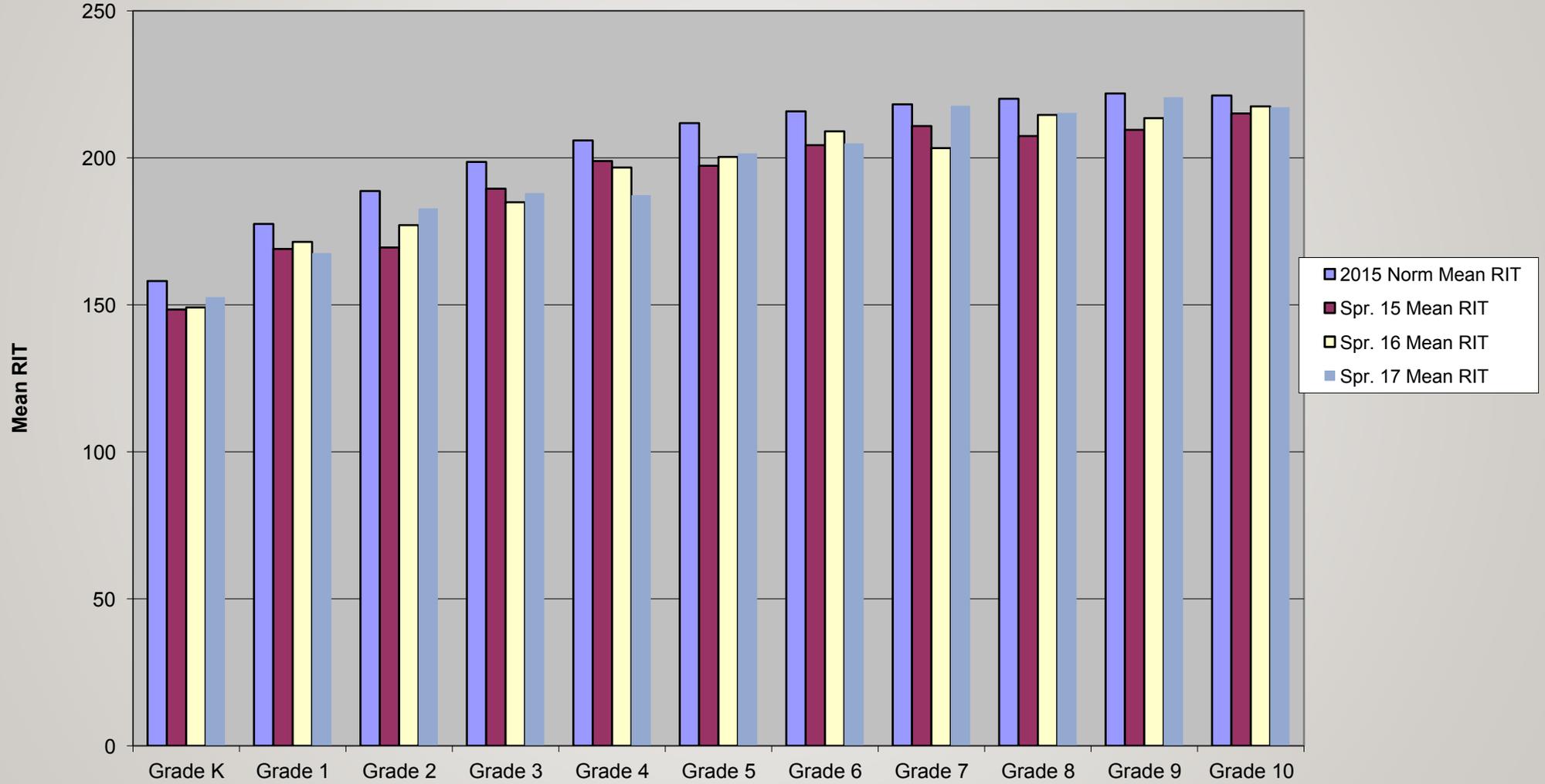
MAP Language
Norm RIT Comparison
Spring 2014-2016



MAP Math
Norm RIT Comparison
Spring 2014-2016



MAP Reading
Norm RIT Comparison
Spring 2014-2016





Nome Public Schools Superintendent Report November 13, 2018

1. Jon Berkley, Liz Korenek-Johnson, Bridie Trainor and myself met with Michelle Byer and Heather Coulehan, from AASB, to develop an Action Plan for the CRESEL Grant On October 23, 2018. I have attached a copy of the draft plan. Much of the plan aligns with the Equity Framework and Strategic Plan in addressing community and family involvement along with developing and maintaining a positive climate for staff and students.
2. The Equity Committee met for the second time this year on October 30, 2018. Much of the session focused on developing a plan for collaborating with local organizations to leverage resources and to look at ways to integrate culture/language into the school day. Konrad Frank and Lori Grassgreen, from AASB, worked with this committee to produce a rough draft to move forward with. Several students from Nome-Beltz were in attendance along with the regular committee members. The Action Plan is still being worked on and will be presented during a future meeting.
3. Enrollment is up slightly from last year and seems to be remaining steady. NPS has also fielded an increasing number of requests for enrollment in Extensions Correspondence School from Bering Straits SD students. We are looking to expand Extensions to 40 plus students for the coming year. This enrollment will be a combination of home-bound students, local students in other home-school programs, and students from other districts without a correspondence school such as Bering Strait School District.
4. On October 26, 2018 we graduated a student from Nome Youth Facility. The student had been sent to NYF and through the hard work of Rachel Ventress, Lloyd Perrigo and Elena Malova obtained enough credits to graduate from his local school in the Bering Strait School District. The dedication of 4 beds within NYF as treatment beds, with 18-24 month dedicated stays, will allow more students to obtain the credits to graduate.
5. I attended the Northwest Campus Celebration and the The Council on Domestic Violence and Sexual Assault (CDVSA) Community Dialogue. Both meetings provided valuable information into the history and the future needs of Nome.

NOME CRESEL Action Plan

Goal #1: Develop and utilize Nome specific SEL Standards that support children and adults to acquire and effectively apply the knowledge, attitudes and skills necessary to understand and manage emotions, set and achieve positive goals, feel and show empathy for others, establish and maintain positive relationships, and make responsible decisions.
Objective: Format and Complete Draft SEL Standards
Task: <ol style="list-style-type: none">1. Staff review SEL draft standards and provide feedback2. Staff feedback is incorporated into the Nome SEL Draft3. Nome SEL Standards are presented to School Board for adoption
Timeline: SEL Draft standards sent out to staff for review prior to minimum day on 11/14
Responsible Person/s: Bridie will send out SEL Standards to principals to share for review and will attend minimum day on 11/14 to explain the process

Goal #2: Engage families and community to encourage a sense of ownership and responsibility to heal a history of resentment and fear and develop a strength-based climate in the Nome schools
Objective: Promote community in the school to develop a sense of belonging to the school.
Task: <ol style="list-style-type: none">1. Community film showings - Paper Tigers and Resiliency2. Template for family/community schools events3. Welcome elders into the school4. Provide opportunities to bring community into the school5. Develop a more welcoming school environment
Timeline:
Person/s Responsible

Goal #3: Construct a collective membership that works collaboratively to improve the school environment and support the social emotional well-being and academic performance of students.

Objective: Develop a Professional Learning Community

Task:

- 1. Support implementation of Learning Commons**
- 2. Connect with BHS and other community resources**
- 3. Ensure Connected and Respected SEL program is a priority focus**
- 4. Focus on the 4th R in the High School**
- 5. Develop a strategic plan for building school wide relationships that focus on climate and connectedness**

Timeline:

Person/s Responsible:

Goal #4: Design and implement a plan that improves the quality and character of the Nome Public Schools

Objective: Cultivate positive staff climate and connectedness

Task:

- 1. Inventory what is already happening that is positive**
- 2. Staff input for suggestions for increasing staff climate and connectedness**
- 3. Support Kagan structures**

Timeline:

Person/s Responsible:

Devan Otton
Student Report
11/06/18

Events

- **Nome Native Youth Leadership Organization or NNYLO** does a bunch of volunteer work, they try their best to attend Sitnasuak Elders meetings. The group traveled to Anchorage to an Elders and Youth conference on October 14-17. At the conference, they met Lisa Murkowski, Bill Walker, and Byron Mallott. Their goal is how to incorporate more of our native culture into our schools and life.
- **The Wrestling Team** is doing excellent, most of the wrestlers are placing between 1st and 3rd place! The Nome invite was a huge jubilation. The team went to Bush Brawl in Kotz and did awesome.
- **The Volleyball Girls** are on a triumph! The volleyball team are undefeated in the region and won first place at the regional meet that was hosted here in Nome. They are traveling to state November 7th!
- **Swimming** ended the weekend before Halloween weekend. Ava went to Fairbanks for regions and she did really good. She got PRs every race she swam and made it into the finals. She couldn't make it to state because she is the only swimmer and you need a team that places at least 3rd to go to state.
- **The Junior Class Carnival** was a success, Juniors made the carnival a fun and safe place for families and community members. The Juniors raised a lot of money and the money goes to Prom set-up. Some of the money also goes to next year's graduation as well.
- **National Honor Society** is electing a President, Vice President, Secretary, and Treasurer. They are also planning to help out with the food bank soon.
- **Rubik's Cube Club** asked Student Council if they can make an account to save money in. They are planning to fundraise money to go to Anchorage for a Rubik's Cube competition.
- **Ms. Tatro's Mock Election** was a fun intro to what the voting process would be like and also learning about who and what we're voting for. Once we voted we all got a cookie and awesome Alaskan voting stickers.
- **Nanook News** continues to post news every 2 weeks. The newspaper is posted on the Nomeschools.org website if you want to read what we talk about!
- **Basketball Season & Cheer** start at the end of November! Basketball's first home games are on December 14th and the 15th against Galena.

Nome Elementary School

Box 131 • Nome, Alaska 99762

Phone: 443-5299 Fax: 443-2850

Elizabeth Korenek-Johnson
Principal



Elizabeth Dillman
Assistant Principal

November 6, 2018

Dear Board Members,

October was no less busy than any other month in this happening place we call NES! => A couple of notable events were the collaborative creation of our Schoolwide Title I plan, and the 52nd Annual Alaska Principals' Conference. On October 8th, a team of eight individuals met to create our school's education compact, parent engagement policy, and Schoolwide Title I Plan. The team consisted of Jamie Burgess, Nancy Bahnke, Julie Fabignon-Cross, Elena Spivey, Jennifer Reader, Bridie Trainor, Derek Stepanoff, and myself. We took time to look at assessment data and talk about what we know about our students, staff, school, and the needs of all, creating goals for reading & math improved achievement, and improvement in school safety and culture. The plan was shared with the public on Monday, October 29th, during Family Game Night, which was well-attended, and a lot of fun.

The Principals' Conference was a better experience for me this year, with a little more experience under my belt. I was able to take in more information, and choose from sessions based on the needs of our school. The keynote speakers and sessions I attended reminded me of my #1 goal for our school, which is building trust, and positive relationships and culture, for both staff and students. It was a bit of an "ah-ha" to learn that my focus needs to be on the staff first, so they are in a good place to focus on students. It's so important that adults' needs are met, too, so they can meet the needs of our kids.

What's been happening:

- The October 8 in-service was created to meet the diverse needs of our district, with staff participating in committee work, technology training, CPI training, and educational partnership with the Carrie McClain Museum.
- We would like to thank the NSHC Pharmacy for providing flu shots to students and staff, Hugh & Susanne Thomas for doing a wonderful job on school photos again this year, and Alaska's Public Health for administering our TB screenings this month. We are so appreciative of these professional partnerships, and the commitment to our kids and community.
- Parent/Teacher Conferences are STILL happening. Look for final numbers in next month's report.

Coming Events:

- On the November 14th minimum day, NES staff will be reviewing the proposed final draft of Nome Public Schools' SEL Standards, with the help of Bridie Trainor.
- Happy Thanksgiving to one & all! Our staff and students will enjoy the holiday on November 22nd & 23rd.
- School Photo retakes for NES will be November 30th. These orders will be received after the holidays.

Statistics

In the month of October school was in session 22 days. During that time:

- We served 5,515 student breakfasts;
- We served 5,093 student lunches;
- Our attendance rate was 90%.

Nome Elementary School provides a positive and welcoming environment where our culturally-diverse students, staff, and community members are valued through mutual respect, collaboration, safe interactions, and enriching experiences. Clear and high expectations serve as guidelines to reach success and wellness for all students in this rapidly-changing world.



Nome-Beltz Jr/Sr High School

PO Box 131 Nome, AK 99762

Jon Berkeley
Principal

Caen Dowell
Assistant Principal

Board Report

Tuesday, November 13, 2018

Dear Board Members,

It seems the El Nino effect has brought us much rain and wind this fall! Students and staff haven't been able to get out as much, but no matter, we just keep marching on!

- Parent-Teacher conferences were held on November 1 and 2. This year we offered door prizes for families who came to conferences. We held drawings at the end of each day for a turkey and for an Amazon gift card of \$50. The attendance was much higher this year, we will continue offering incentives to families during P/T conferences.
- Congratulations to the Varsity Volleyball team for winning the Western Conference tournament and for qualifying for the state tournament. The girls will be traveling to Anchorage on November 7.
- Mr. Hoyt was able to take some members of his NNYLO student group to AFN in Anchorage this year.
- Mrs. Husemann has completed ASVAB testing with HS students. An armed forces representative was in Nome to proctor the test. There were two sessions, a morning testing session and an afternoon session. Sixteen students took the test ranging in grades from 9-12.
- The Junior Class Carnival was a huge success. Thank you to all the students, parents, and staff who volunteered time. There were many visitors to the booths and the haunted house was a huge hit! Thank you to Devin Tatro and Holly Harlow, Junior Class Advisors, for leading the efforts.
- I attended the Principal's Conference in Anchorage October 18-22. There were three really great keynote speakers and I was able to come away with some ideas for staff and student engagement and a way for staff to collaborate.
- Mrs. K-J and I also attended an accreditation meeting while we were at the Principal's Conference. We met with AdvancED representatives to review the online tools that will help us prepare for an accreditation team visit in 2020.
- We will once again start planning for "Winterim". It is planned for January 14, 2019 - January 25, 2019.
- We will be planning our first quarter awards assembly for grades 7-12 for Perfect Attendance and Honor Roll.

Thank you,
Jon Berkeley, Principal



ACSA Board Report, November 13, 2018

Lisa Leeper, Principal

Enrollment / Attendance Update

- There were no changes to enrollment in October.
- We had a 96% student attendance rate for October.

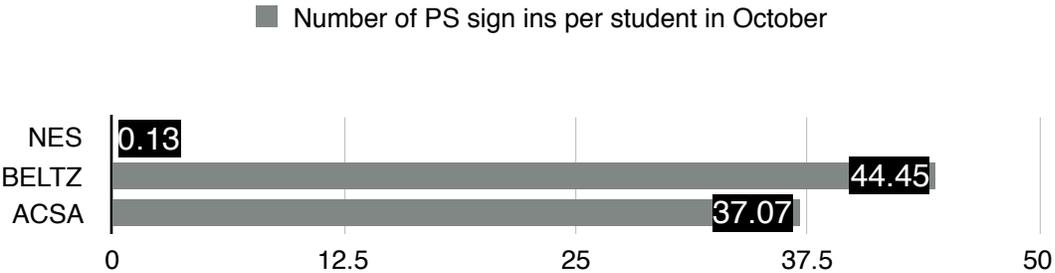
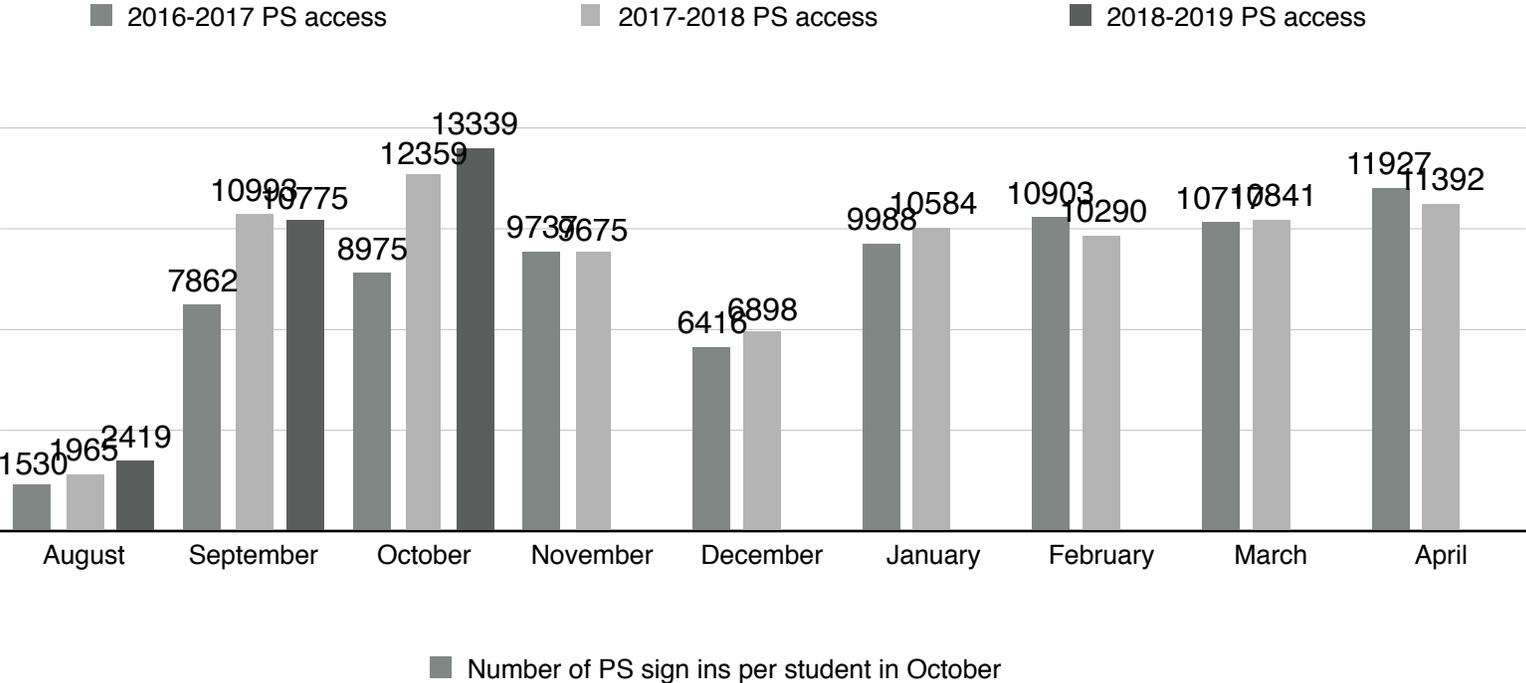
Classes and Activities

- October Student of the Month: Gabriella (Gabby) Brown, 7th grade
- On November 1st and 2nd and during the following week each day before school, ACSA staff met with or communicated with 100% of our families for parent/teacher conferences. We thanked the families for their participation.
- During parent teacher conferences, we used a Google Form to survey parents on five questions pertaining to communication. Thirty parents took the survey. We asked about parent use of PowerSchool, the daily school email, the ACSA Facebook page, and our website. The information gained will be used for making decisions about how to best reach parents for the benefit of their children's education.
- Eight ACSA students were on the "A Honor Roll" for 1st Quarter and 16 students were on the "B Honor Roll." These students and their parents were invited to a special luncheon held on Monday, November 12th.
- We are currently looking to fill two Academic Policy Committee seats, both with 3-year terms that will begin in January of 2018. Parents or community members are able to fill the seats and applications were solicited through email, our Website, and the ACSA Facebook page.
- On November 1st, we submitted an Artist in Schools grant. Bridie Trainor, with assistance from Mrs. Leeper, put together the grant and plans. Kristin Link, a science illustrator and natural history artist from McCarthy, is set to lead a residency the first two weeks in May, tying to our "Foundational Changes" theme for 2018-19. Under her direction, we hope to create a four-panel mural to be installed downtown that illustrates geology and its relationship to the local landscape and community.

Nome Public Schools
Director of Technology Report
 Jacob Phillips
 November 13th, 2018

PowerSchool

PowerSchool had another record month of use by students and parents. On November 3rd PowerSchool and PowerTeacher Pro were upgraded from version 10 to version 12. The upgrade to PowerSchool 12 adds some new quality of life enhancements for teachers in PowerTeacher Pro. The PowerSchool Mobile app has had its user interface updated and more information made accessible through the app. The PowerSchool admin portal gained some new features as well, the redesign of the contacts section is especially an improvement.



Google Student Accounts at NES

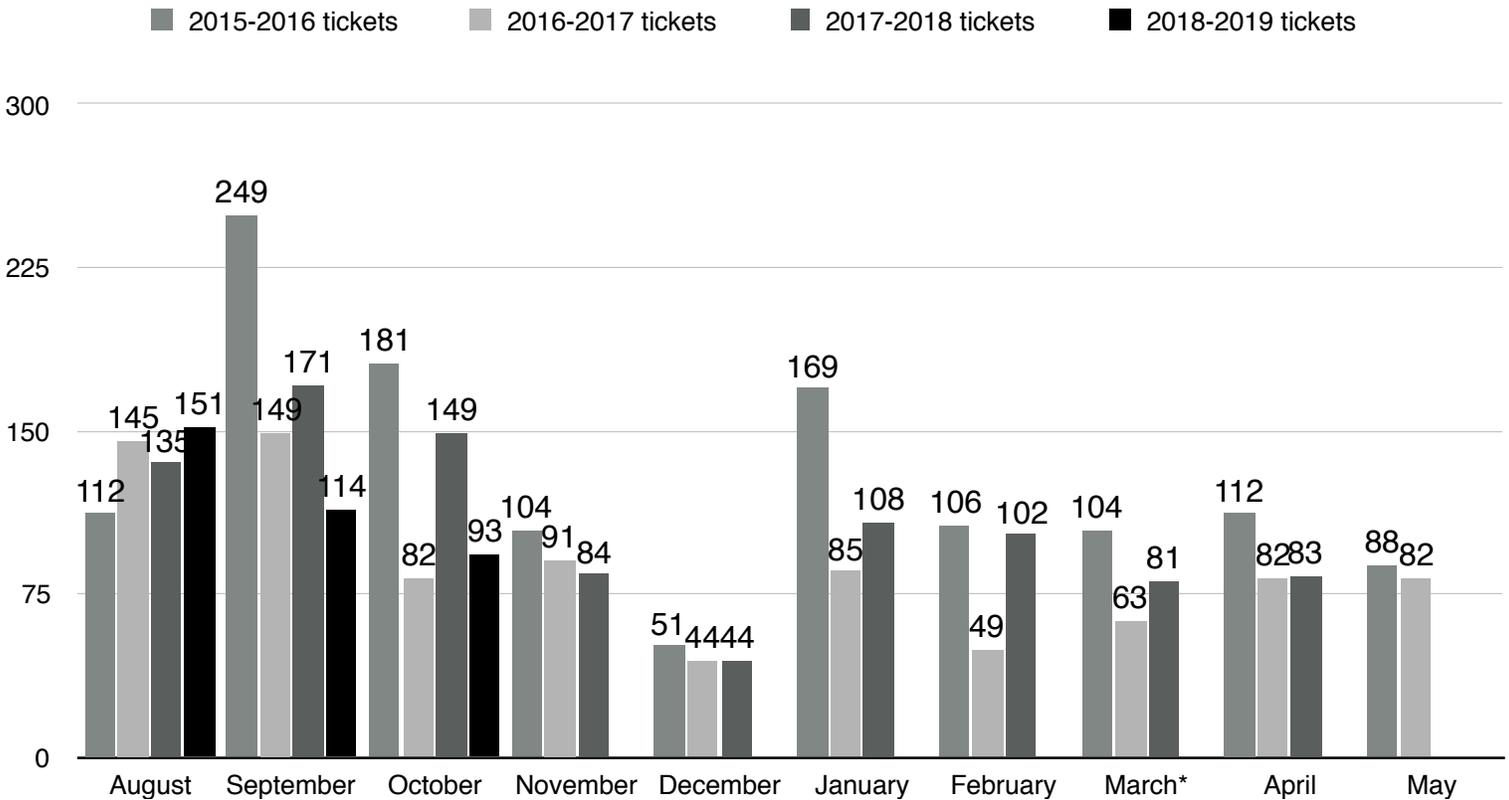
We are in the process of rolling out the first Google student accounts at NES. 5th and 6th grade students have been assigned Google accounts and we will be working with their teachers to get students comfortable working within the Google suite.

Media Server

We have a new local media server in place that allows staff to upload videos that can be shared out to teachers and students via links or embedded in Google docs. This removes the internet bandwidth bottleneck that made it impossible for a class of students to view videos individually. This also makes it possible for teachers to share out approved videos to students from blocked websites such as Youtube and Vimeo by allowing the teacher to store the video on our media server without ads and comments.

Technology Web HelpDesk

Part of the technology department's duty is to maintain the Technology Web Help Desk for staff to request repairs, training and troubleshooting. In October we responded to 93 tech requests through the system. We encourage staff to make use of this resource but many immediate needs are still handled outside of it.



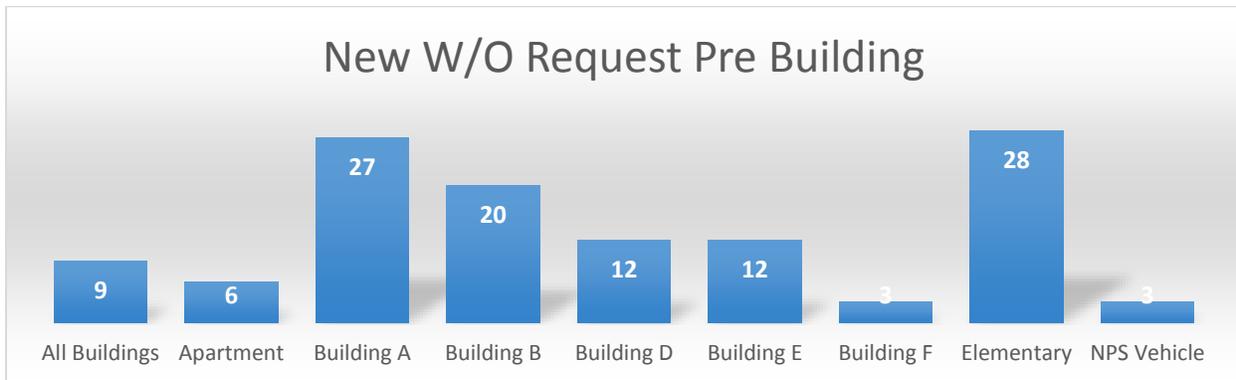
Facilities Service Report October 2018

Dean S Maschner, Facilities Manager
dmaschner@nomeschools.org
907-443-6179

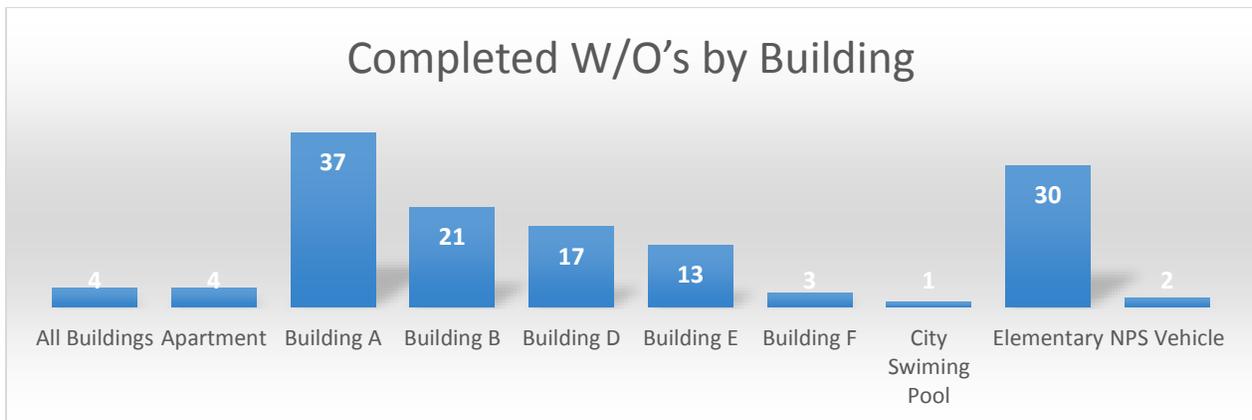
October's Work Orders

Build A = NBHS-Shops
Build B = NBJH- Gym
Build D = DO, ACSA, Dorms
Elementary =NES
Build E = Maint Shop
Build F = Quonset Hut
ALL- Buildings = reoccurring WO's campus wide, Mail, Snow removal,
Food delivery's

School Dude Work Order Report for October 2018



Facilities Services received 120 new work orders including preventive maintenance or system generated work orders.



We completed 132 Work Orders in Oct.

Training & Safety;

Facilities holds a monthly safety meeting and continues with our 2 to 4 hours monthly on-line safety and skills training. Oct. training started with a one-hour group conference call on Preventing Slips, Trips, and Falls, followed by an in-house discussion and one-hour online video with quiz through our insurance company AMLJIA.

Our facilities monthly training will be two to three hours a month throughout the school year. Oct. training was,

Preventing Slips, Trips, and Falls 60 Minutes
Anyone interested is welcome to join us and or have access to our training materials.

Injuries & Accidents

Facilities had no reportable accidents for October.

Projects –

We relamped the Nome Elementary Gym in Oct, the old LED's were failing and due to their age and color we were not able to match them. An alternative was researched and purchased from Superbrightleds.com. The new lights are substantially lighter and only ten inches in diameter and use about half the electricity as the old system.

NRC Environmental, update - removal of all our old lab chemicals. 1) inventory and planning, this has been completed. 2) Boxing and new onsite storage for winter, this might take place over Christmas break. (Pending Approval)

3) preparing the manifest and shipping to a proper disposal site. We are dealing with decades of lab chemical and some nasty ones.

October projects,

NES Gym relamping	13-Oct	2-Nov
Finish NES waste line utilidor	10-Sep	19-Oct
Reorganized Shop for winter	8-Oct	31-Oct
Repair or Replace NES faulty door hardware per -lockdown drill	14-Sep	31-Oct
Repair or Replace BELTZ faulty door hardware per -lockdown drill	14-Sep	31-Oct
Prep sander for winter, stock all doors with ice melt	22-Oct	31-Oct
Repair and add exterior lighting to Apartments	18-Oct	23-Oct
Repair and add exterior lighting to Pool to light D.O.	8-Oct	19-Oct
Repair Volvo loader	9-Oct	16-Oct
New antenna run from Roof to Beltz office	1-Oct	12-Oct
Move offices within the District office	8-Oct	9-Oct
Cleanout storage - Quonset Hut	8-Oct	19-Oct



Nome Public Schools

Special Education Board Report, October 9, 2018

Mindi M. Burford, MSED, Special Education Director

Current Status of the Special Education Department

- 93 Active Caseloads
- 9 Pending Evaluation/IEP's.
- 4 full time Special Education Teachers, One FT SPED Teacher Opening.
- 6 Special Education Paraprofessionals, 4 open positions, jobs are posted.
- 1 full time Special Education Secretary. Welcome Agnes Kunnuk!
- 1 full time Director of Special Education.

SPED Department Report for September 2018/2019 School Year

- The Special Education Director is in training with PowerSchool SPED to learn how to manage the program and set it up to function well with our SPED program. All of the SPED teachers and the district will have access to the program and the documents they have permission to access as of December 4, 2018.
- Jeff Hagen, Elizabeth Korenek-Johnson, and Mindi Burford interviewed and selected a candidate to fill the open SPED position, this individual is currently going through the teaching candidate process.
- Specialists have been to our district and we have completed all of the required assessments on current referrals and re-evaluations. SPED Teachers are now finishing up those ESER and IEP meetings.
- Krista Marvin will be attending the Speech and Language National Conference with our Speech and Language Pathologist in November. She will return to share her knowledge with our Speech and Language Paraprofessional at NBHS.
- 14 Teachers and Paraprofessionals attended the CIP Training the 8th and 13th of October, 2018 to receive their certificates. Refresher training for those with current certificates will have a course in the spring.
- Jeff Hagen and Mindi Burford attended the Autism Training online on October 25th and 26th.
- Paraprofessionals attended training with SPED Director on October 8, 2018. Training covered FERPA, touched base with all Paras and how they are doing, the SESA Specialists gave a 3-hour training on strategies to use with multi-disability students, emotionally disturbed students, and autistic students.
- NPS SPED Director is working closely with Behavioral Health Services to make sure we are providing all the services we can to our students that need it.
- Medicaid Billing for our district is in the process of being established, this will help us recoup some of the SPED funds used to provide services to our students.
- Training with new SPED Secretary has been going very well, there is a lot to learn.

Nome Public School Board Report
Jamie Burgess
Director of Federal Programs & Instruction

November 13, 2018

Consolidated Grant/Title I-A/Title II-A

- The district's consolidated grant application has been approved by the state.
- The last response documents for our State Monitoring visit last winter were submitted with the exception of one item for which we are awaiting further direction.
- The Schoolwide Plan, Education Compact and Parent Engagement Plan for Nome Elementary have been completed and submitted to the state. We are very thankful for the tireless efforts of Ms. K-J and her Title I Schoolwide Plan Committee to complete these documents.
- Ms. K-J led a Title I Parent Meeting to present the Schoolwide Plan and Education Compact to parents in conjunction with a Family Game Night on October 29th.

School Improvement Grant

- Due to Nome Elementary School's designation as a Comprehensive Support school starting in FY19, we anticipate an initial grant of approximately \$10,000 in the next few months to support the planning and initial implementation of our school improvement plan. Much of our first improvement plan will be based on the current Title I Schoolwide Plan, as we completed our Comprehensive Needs Assessment as part of that process. More information will be shared as it received from DEED, and we make progress on completing our School Improvement Plan. The state school improvement plan process is undergoing a revamp, as this is the first designation of schools for improvement under ESSA.

Indian Education/Johnson O'Malley Grants

- Funds from the Indian Education Grant were used to send six students and two chaperones to the Elders and Youth Conference in Anchorage October 14-17th.

Migrant Education Program

- Recruiting is almost finished for the year – our current count as of November 5th is 306 students. A few additional interviews which may add additional students are still scheduled. Enrollment in the program has tripled over the past several years. A big thank you to our temporary recruiter this year, Ms. Kelli Tallman, a first grade teacher at NES, who has been instrumental in assisting with enrolling new students in the program.
- 17 children participated in the Fall Session of the Migrant Swim Lessons. Another session will be scheduled in late March/early April.

Pre-K

- NPS has received a Pre-K grant for FY20 to place two teachers at Kawerak Head Start. The state funded this grant out of the newly announced additional early learning fund instead out of Head Start funds as previously announced. NPS has received information that we can still apply for additional funds from the same pool to support a third teacher at

Nome Preschool – the additional grant application should be completed by the end of November. This funding is for one year only – there is no word on whether it will be available beyond that time period.

Federal/State Reports

- The Fall OASIS Foundation Count Summary and Special Education Count Summary reports are completed and submitted. We have an increase in Special Education students who qualify for intensive funding over last year, as well as a small increase of 14 students over last year. We still must complete the reconciliation process for students who transferred in or out during the count period to determine the final count.

Assessment

- Attached are charts showing three-year trends in MAP achievement comparing Spring scores from 2016, 2017 and 2018.
- Results from the Fall MAP benchmarks is also attached.

English Language Learners (ELs)

- No Report.

ENROLLMENT REPORT - November 13 2018 Board Meeting

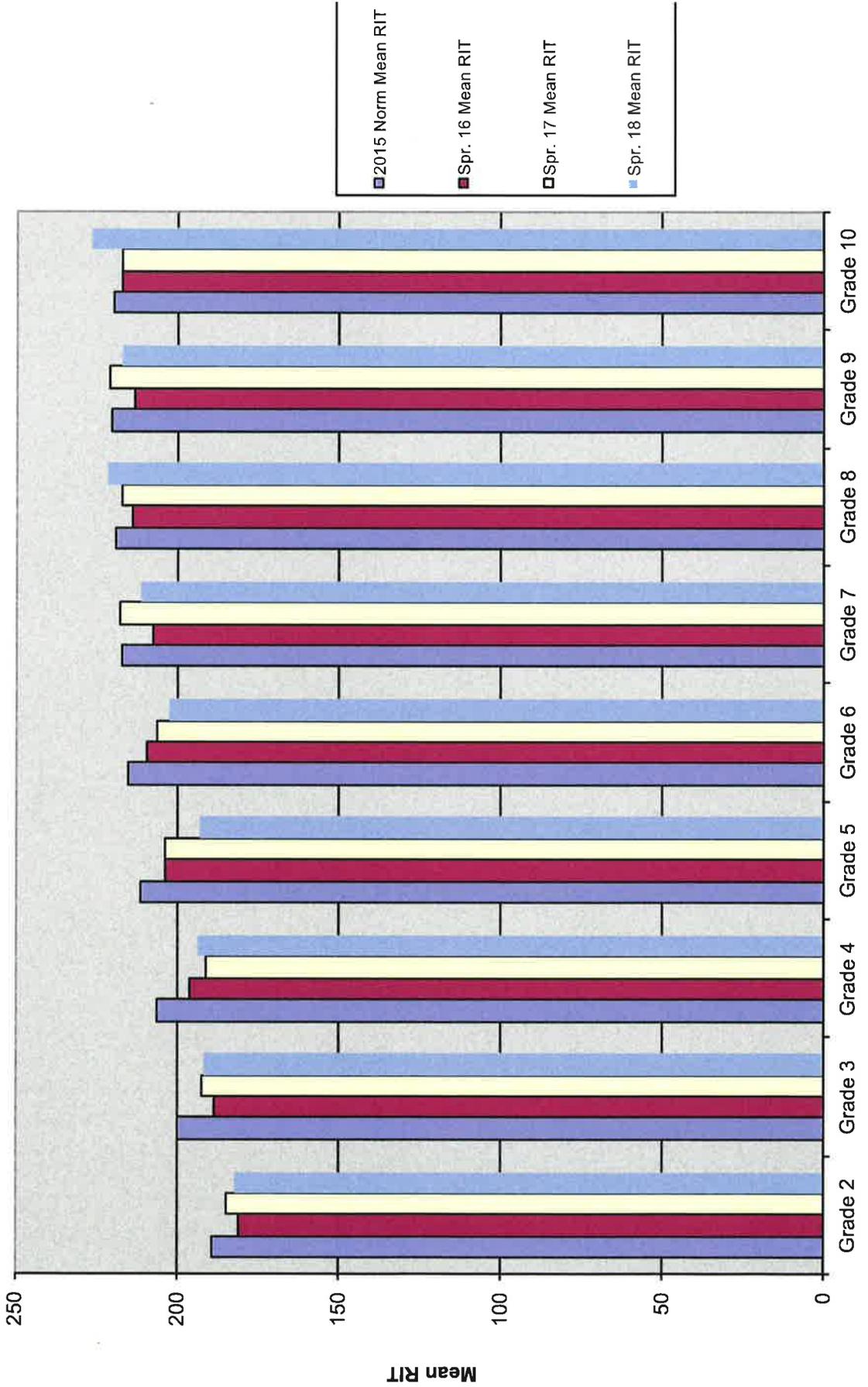
Students Enrolled End of FY18	681
Students Graduated	37
New Kinders Fall 2018	52
New to District Enrolled Start of School	35
Returning Students Enrolled Start of School	48
Total Students Withdrawn Start of School	96

WITHDRAWAL REPORT (11/6/18)	
Enrolled at Mt. Edgecumbe High School	7
Moved Out of State	9
Moved within State	62
Dropped Out*	5
NYF Students (returned to home district)	8
NYF Students (transfer to treatment facility)	4
NYF Student Graduated	1
TOTAL WITHDRAWN	96

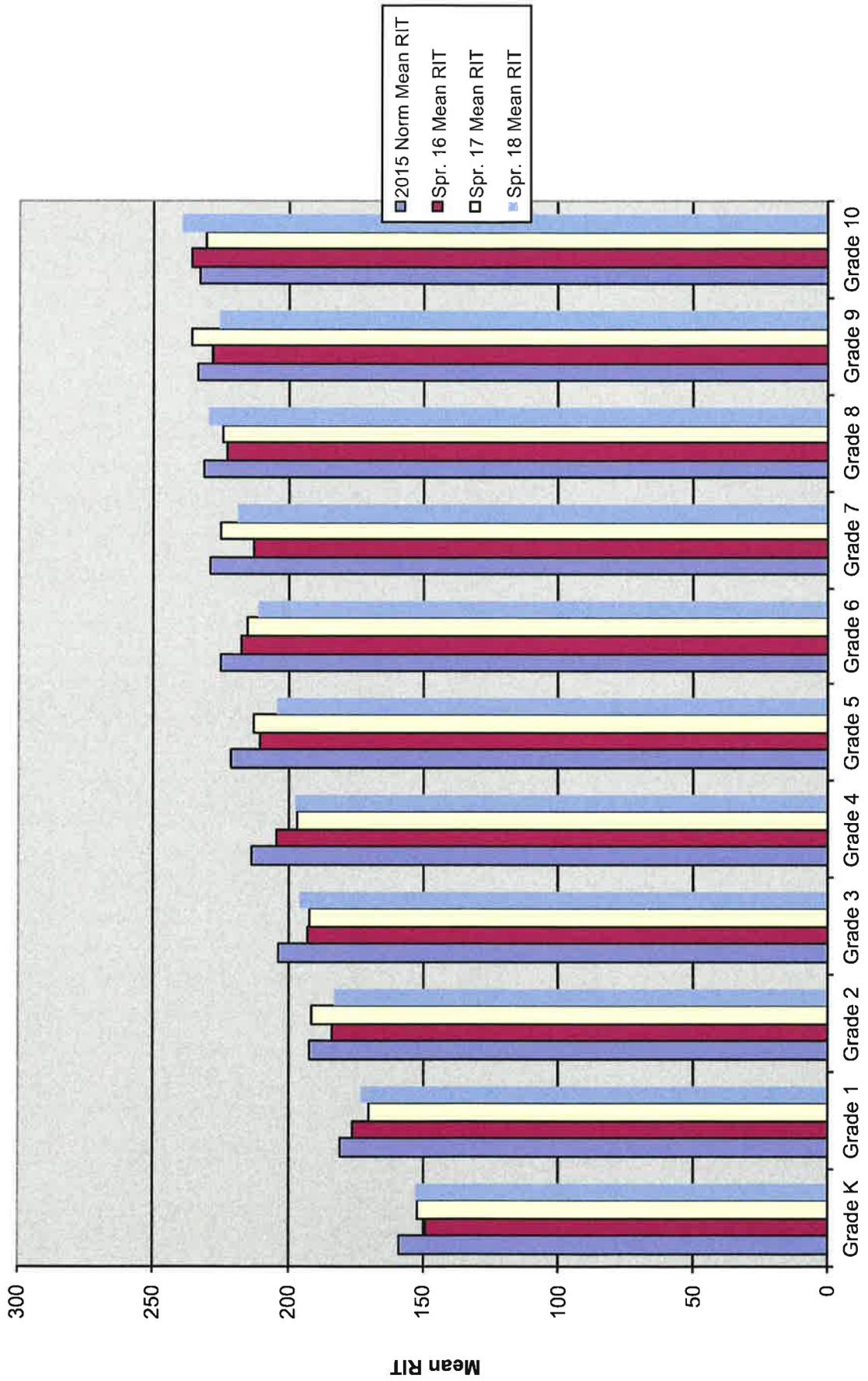
CURRENT DISTRICT ENROLLMENT (11/6/18)	
Nome Elementary School	370
Nome-Beltz Jr/Sr High School	242
Anvil City Science Academy	60
Extensions Correspondence Program	21
Nome Youth Facility	7
Pre-K for SPED Svcs. Only	6
TOTAL ENROLLMENT	706

*1 enrolled but never showed, 1 SPED Svcs only Pre-K exited

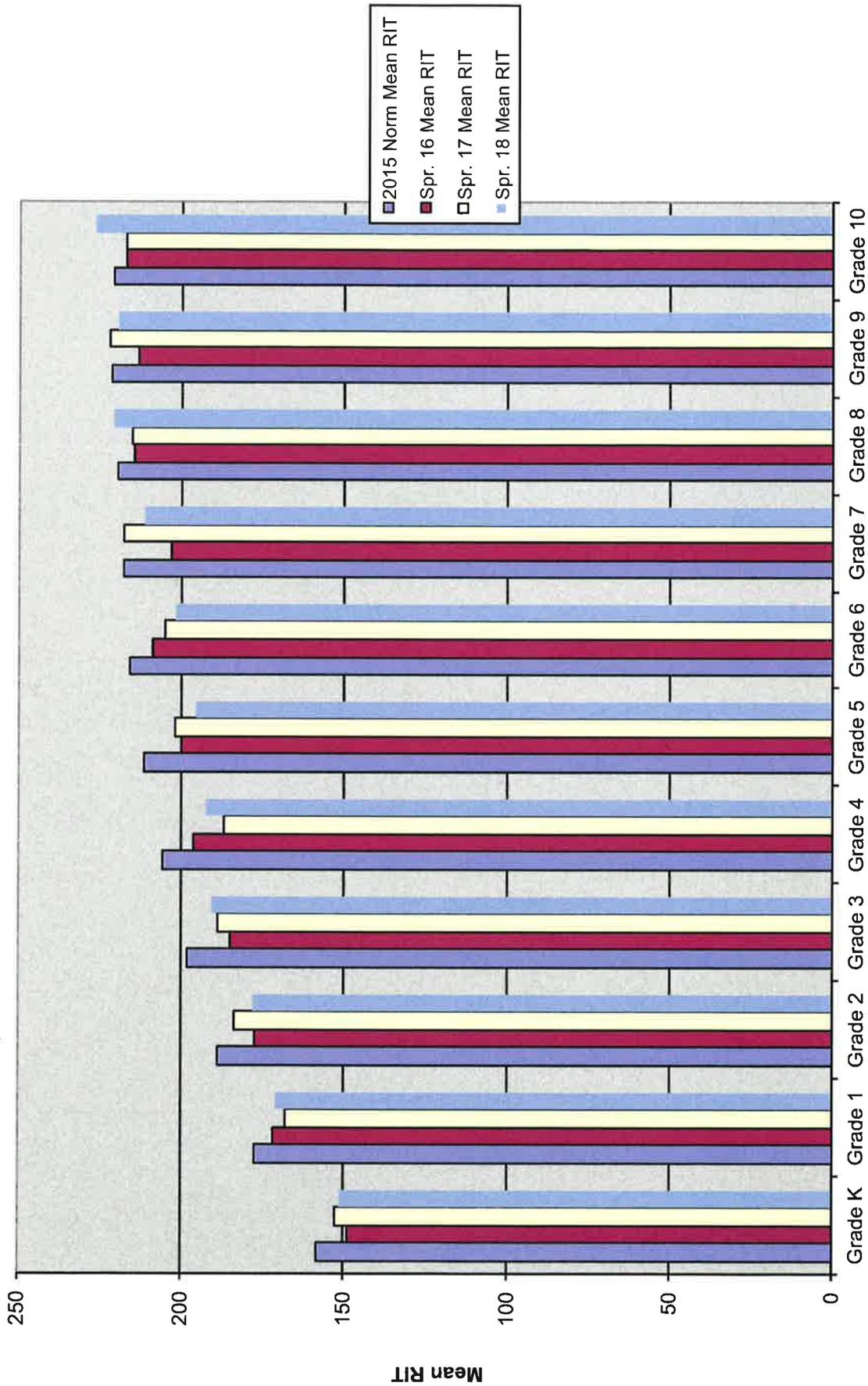
MAP Language
 Norm RIT Comparison
 Spring 2016-2018



MAP Math
 Norm RIT Comparison
 Spring 2016-2018



MAP Reading
 Norm RIT Comparison
 Spring 2016-2018



Percent of Students Meeting MAP Growth Target (year change)

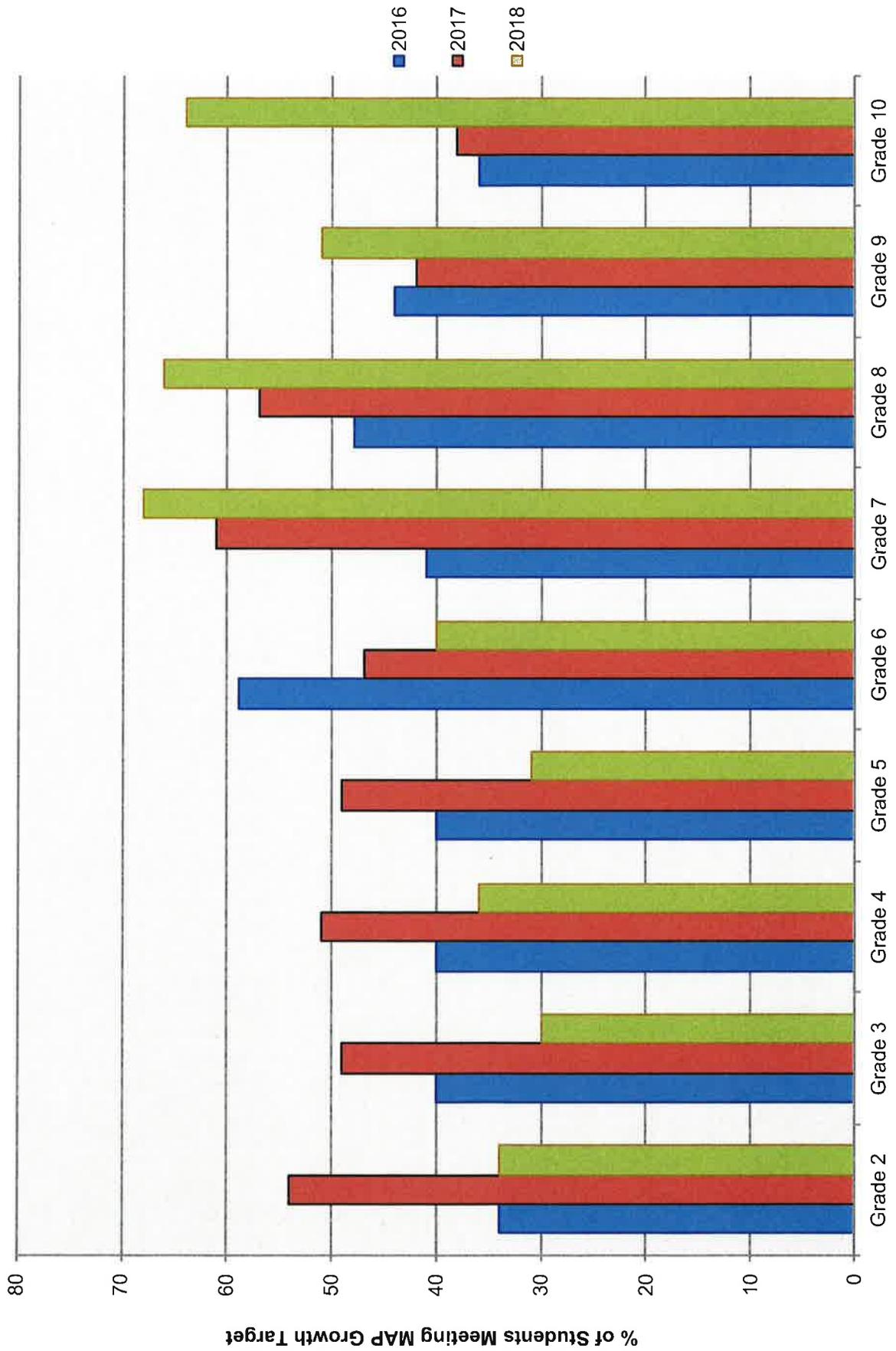
	Language				
	Spring 2016	Spring 2017	% Change	Spring 2018	% Change
Grade 2	34	54	20	34	-20
Grade 3	40	49	9	30	-19
Grade 4	40	51	11	36	-15
Grade 5	40	49	9	31	-18
Grade 6	59	47	(12)	40	-7
Grade 7	41	61	20	68	7
Grade 8	48	57	9	66	9
Grade 9	44	42	(2)	51	9
Grade 10	36	38	2	64	26

	Math				
	Spring 2016	Spring 2017	% Change	Spring 2018	% Change
Grade 1	53	33	(20)	33	0
Grade 2	43	69	26	49	(20)
Grade 3	33	33	0	29	(4)
Grade 4	27	45	18	19	(26)
Grade 5	31	44	13	40	(4)
Grade 6	59	50	(9)	34	(16)
Grade 7	47	46	(1)	45	(1)
Grade 8	50	56	6	51	(5)
Grade 9	50	48	(2)	45	(3)
Grade 10	71	53	(18)	50	(3)

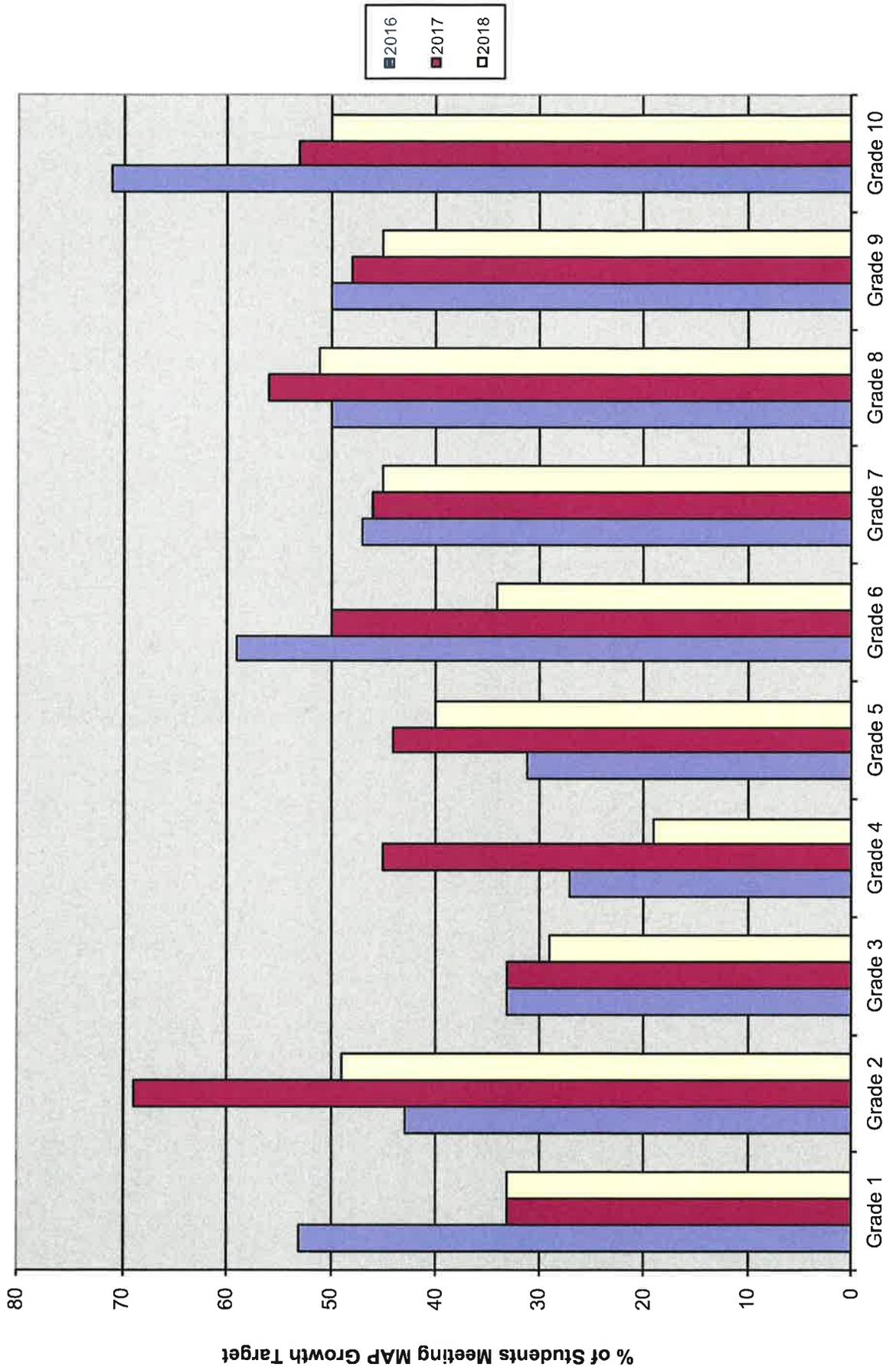
	Reading				
	Spring 2016	Spring 2017	% Change	Spring 2018	% Change
Grade 1	51	42	(9)	41	(1)
Grade 2	30	60	30	39	(21)
Grade 3	43	47	4	41	(6)
Grade 4	44	33	(11)	29	(4)
Grade 5	34	47	13	37	(10)
Grade 6	72	44	(28)	45	1
Grade 7	50	49	(1)	45	(4)
Grade 8	66	52	(14)	51	(1)
Grade 9	45	32	(13)	54	22
Grade 10	60	44	(16)	44	0

	Science				
	Spring 2016	Spring 2017	% Change	Spring 2018	% Change
Grade 7	58	40	(18)	57	17
Grade 8	45	57	12	51	(6)
Grade 9	29	45	16	59	14
Grade 10	68	60	(8)	65	5

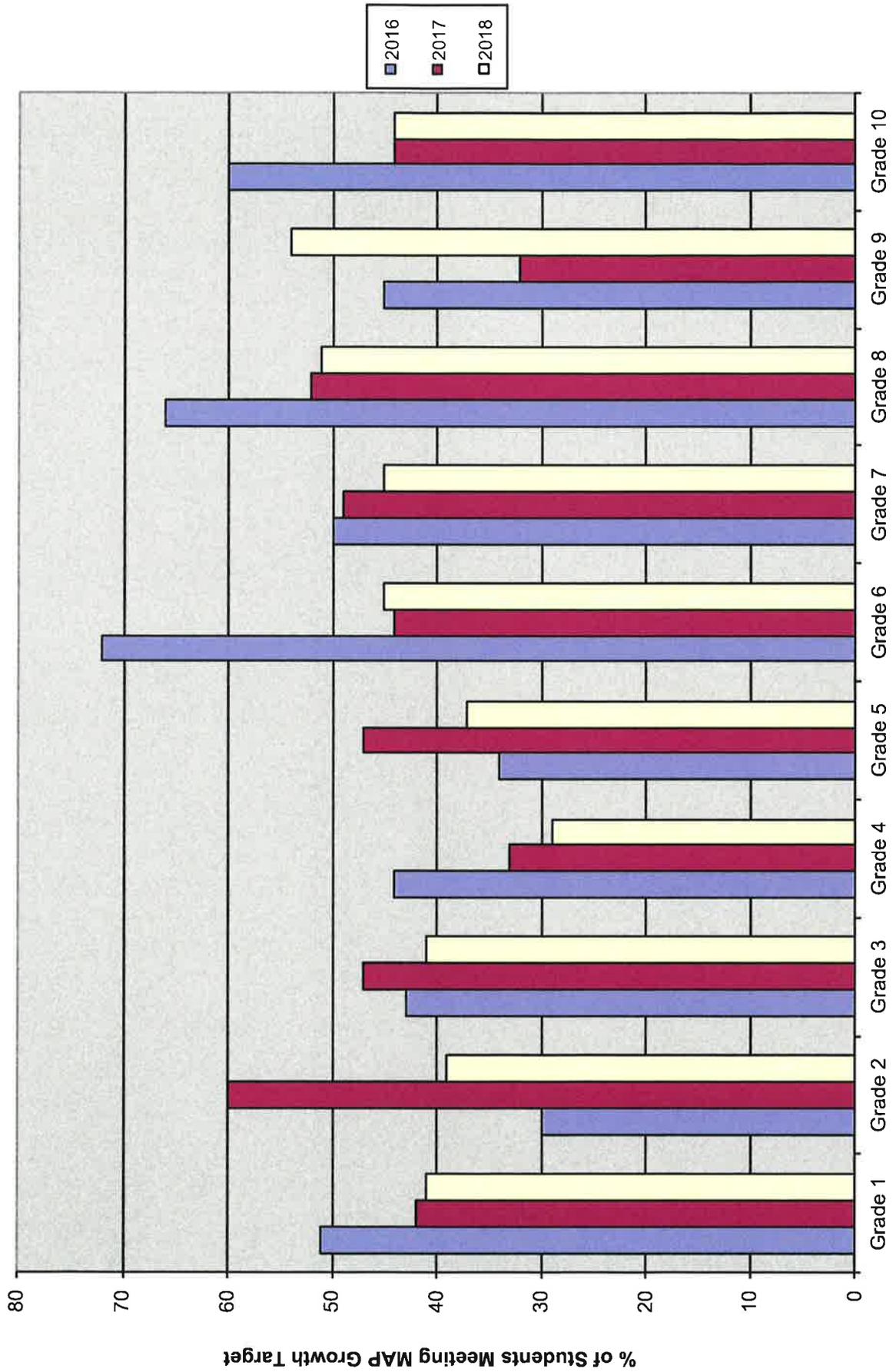
MAP Language 2016-2018



MAP Math 2016-2018



MAP Reading 2016-2018



FALL 2018 MAP MATHEMATICS

120

100

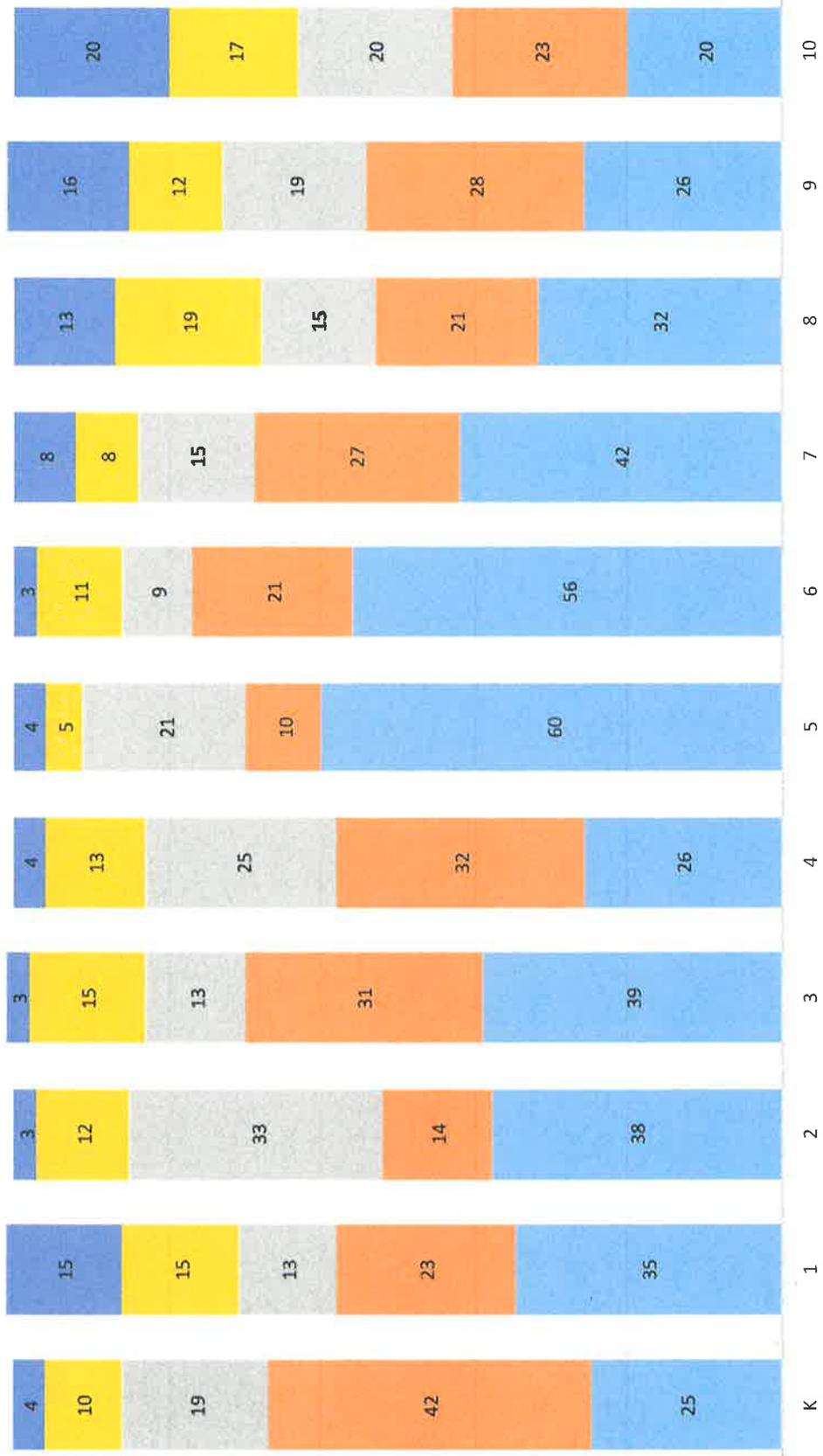
80

60

40

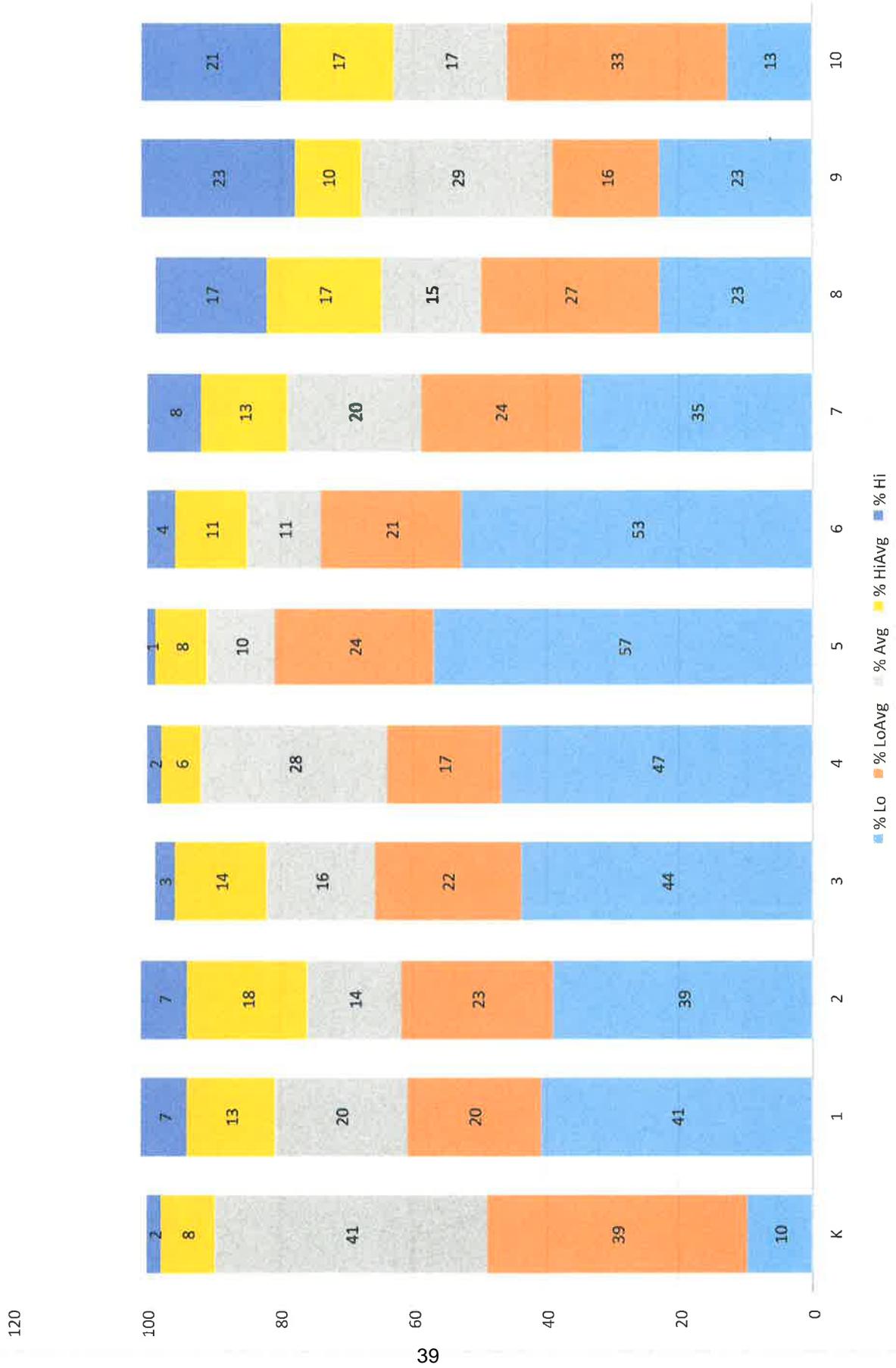
20

0

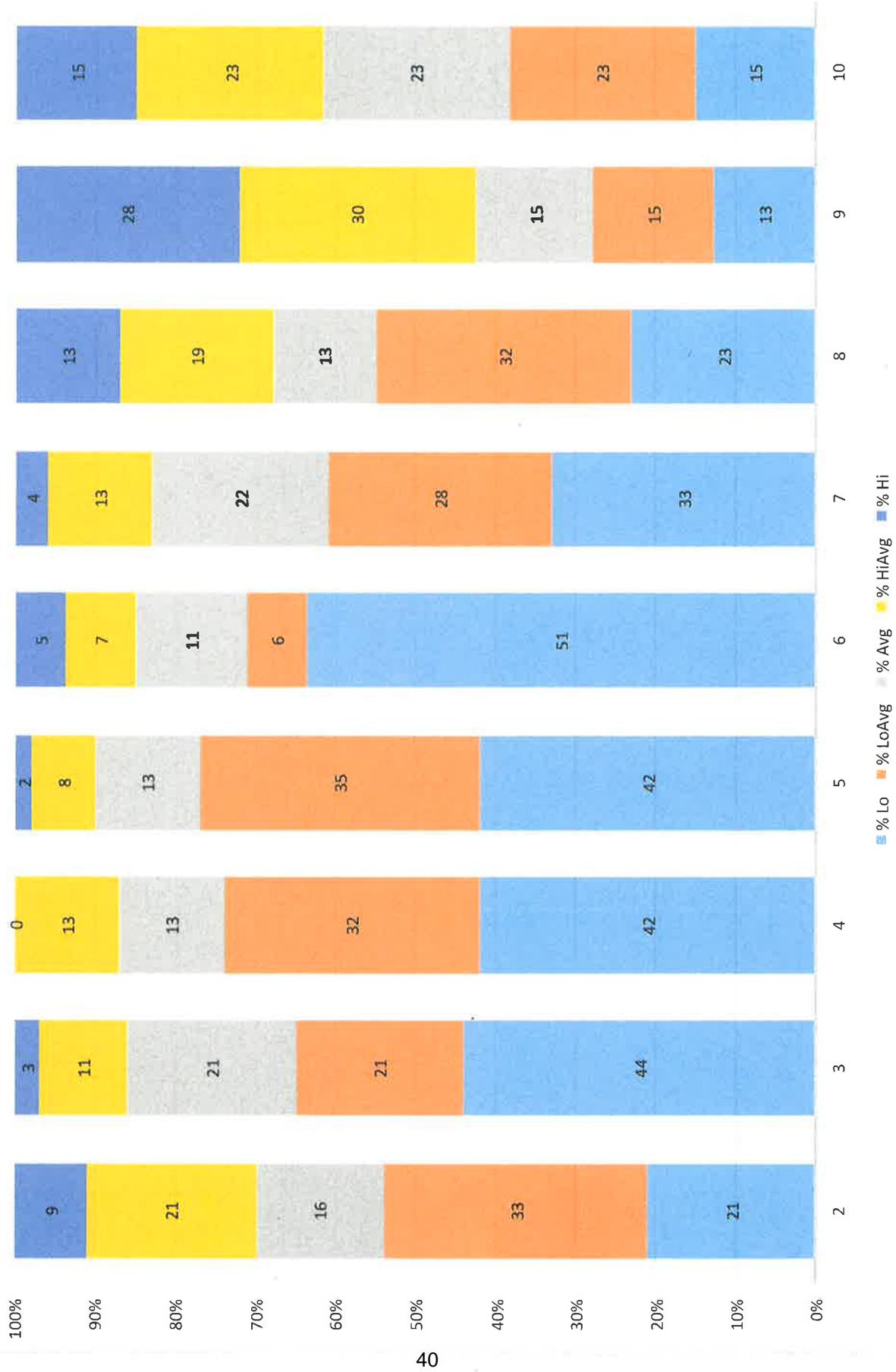


% Lo % LoAvg % Avg % HiAvg % Hi

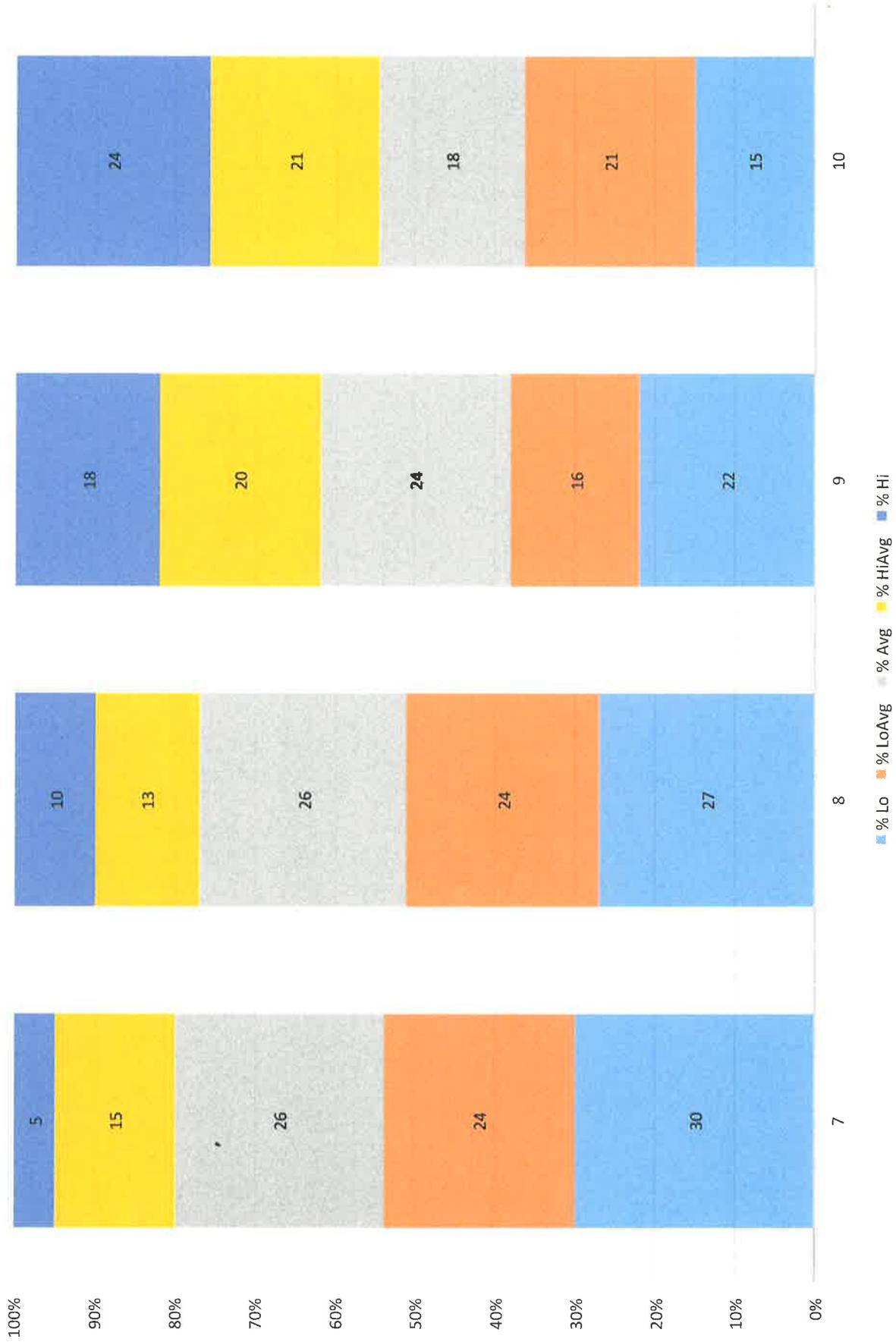
FALL 2018 MAP READING



FALL 2018 LANGUAGE USAGE



FALL 2018 SCIENCE





**Human Resources Manager-School Board Report
November 13, 2018
Cynthia Gray, NPS HR Manager**

RECRUITMENT/RETENTION

New Hires/Certificated/Classified:

1. Agnes Kunnuk/Secretary/SPED
3. Daniel Holmes/Special Education Paraprofessional/NES

We continue to recruit for the following positions for the 2018-2019

1. Special Education Teacher/Intensive Needs/Paraprofessional/NES/NBHS
2. Behavior Specialist/NES

PERSONNEL PROJECTS

Human Resources continues to work on personnel projects including certified staff file check, to review Alaska Teacher certification expiration dates and assure compliance with Alaska Department of Education & Early Development Teacher Certification. November is also the month to follow up with administrators doing certified evaluations that are due end of October. This is the non-tenured staff first due date. Multiple reports/requests to outside agencies are done to include employee scatter gram requests for both certified and classified staff for NEA Alaska, and miscellaneous data research requests. These are employee reports that come from NPS HR. Plans for Substitute Teacher workshops are underway. I, along with two certified teachers conduct a Substitute Teacher Workshop for the community in effort to recruit more substitute teachers for the district. Providing information about becoming a substitute, classroom management, instructional methods, and how to be successful substitute teacher. Giving real life experiences in a day as a teacher.

EMPLOYEE BENEFITS

No update.

STAFF RECOGNITION/EMPLOYEE ACTIVITIES/FUNCTIONS

There are no employee functions/activities planned in the next month.

I am happy to answer any questions the board or anyone may have of me.

Quyanna.

Respectfully submitted.

Cynthia Gray

SCHOOL BOARD COMMUNICATION

Title: Nome Public Schools FY 2020 Budget Process and Timeline

Date: November 13, 2018

Administrator: Bill Schildbach

Attachments: Nome Public Schools FY 2020 Budget Process and Timeline

Action Needed

For Discussion

Information

Other

BACKGROUND INFORMATION

The Nome Public Schools School Board, in accordance with BP 3100 shall establish a schedule for the budget adoption process in accordance with legal time requirements. The FY2020 Budget Process and Timeline are attached.

ADMINISTRATIVE RECOMMENDATION

The administration recommends approval of the Nome Public Schools FY 2020 Budget Process and Timeline.

Sample Motion - I make a motion to approve the Nome Public Schools FY 2020 Budget Process and Timeline.



Nome Public Schools

PO Box 131~Nome, Alaska 99762
Phone: (907) 443-2231~Fax: (907) 443-5144

FY 2020 BUDGET PROCESS AND TIMELINE

Budget Process, Timeline, Revenue Presentation, Board Sets Education & Fiscal Priorities For the District in Accordance with their Strategic Plan

BP 3100 - BUDGET – The district budget shall be prepared annually from the best possible estimates of revenues and expenditures. The Superintendent or designee shall determine the manner in which the budget shall be prepared and shall schedule the budget adoption process in accordance with legal time requirements. A public hearing shall be held prior to the adoption of the budget or a revised budget.

**FY 2020 1st Draft Budget presented to the Board at regular meeting
February 12, 2019**

**FY 2020 2nd Draft Budget presented to the Board at work session
February 26, 2019**

**FY 2020 3rd Draft presented to the Board at regular meeting
March 5, 2019**

**FY 2020 4th Draft and Final Budget revisions presented to the Board at regular meeting
April 9, 2019**

**FY 2020 Budget Adoption at work session
April 23, 2019**

SCHOOL BOARD COMMUNICATION

Title: Nome Public Schools FY 2018 Budget Audit Acceptance

Date: November 20, 2018

Administrator: Bill Schildbach

Attachments: Nome Public Schools FY 2018 Audit

Action Needed

For Discussion

Information

Other

BACKGROUND INFORMATION

The Nome Public Schools School Board, in accordance with AS 14.14.050 , shall provide for an audit of all school accounts.

AS 14.14.050. Annual Audit.

(a) The school board in each school district shall, before October 1 of each year, provide for an audit of all school accounts for the school year ending the preceding June 30. To make the audit the school board shall contract with a public accountant who has no personal interest, direct or indirect, in the fiscal affairs of the district. One certified copy of the audit shall be filed with the commissioner and one certified copy shall be posted in a public place at the principal administrative office of the district.

(b) The audit shall conform in form to requirements established by the commissioner. The commissioner shall withhold all payments of state funds after November 15 to a school district that fails to file a certified copy of the audit with the department.

(c) The commissioner may provide for a reaudit or an audit check in a school district if in the commissioner's judgment it is necessary to substantiate the reported expenditures.

(d) The school board shall not make the audit if an audit that satisfies the requirements of this section and that is filed and posted as required by this section is made according to AS [29.35.120](#) .

ADMINISTRATIVE RECOMMENDATION

The administration recommends acceptance of the Nome Public Schools FY 2018 Budget Audit.

Sample Motion - I make a motion to approve the Nome Public Schools FY 2018 Budget Audit.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome, Alaska)

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

Year Ended June 30, 2018

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome, Alaska)

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

Year Ended June 30, 2018

NOME PUBLIC SCHOOLS

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NOME PUBLIC SCHOOLS

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NOME PUBLIC SCHOOLS

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Independent Auditor's Report

Members of the School Board
Nome Public Schools
City of Nome, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nome Public Schools (the District), a component unit of the City of Nome, Alaska, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Nome Public Schools', as of June 30, 2018, and the respective changes in financial position and the respective budgetary comparison for the School Operating Fund and Nome Beltz Apartment Program Special revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note IV - E to the financial statements, in 2018 the District adopted new accounting guidance, *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedules of Net Pension and OPEB Liabilities, and the Pension and OPEB Contributions on pages 47 through 54, be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The information listed in the table of contents as Additional Supplementary Information, which includes Major Governmental Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual– Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues Expenditures and changes in Fund Balances (Deficits), Schedule of Revenues Expenditures and Changes in Fund Balance (deficit) – Budget and Actual – Other Governmental Funds, Schedule of Changes in Assets and Liabilities – Agency Fund, the Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of State Financial Assistance which is presented as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Additional Supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Additional Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2018, on our consideration of the Nome Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matter. The purpose of that report is 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 Nome Public Schools' 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 Nome Public Schools' internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
November 9, 2018

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Statement of Net Position

June 30, 2018

	<u>Governmental Activities</u>
<u>Assets and Deferred Outflows of Resources</u>	
Current assets:	
Cash and cash equivalents	\$ 4,163,933
Accounts receivable	750,402
Inventories	54,969
Prepays	<u>358,737</u>
Total current assets	<u>5,328,041</u>
Long-term assets:	
Depreciable capital assets, net of accumulated depreciation	<u>696,064</u>
Total long-term assets	<u>696,064</u>
Deferred outflows of resources - Pension deferrals	<u>976,118</u>
Total assets and deferred outflows of resources	<u><u>7,000,223</u></u>
<u>Liabilities and Deferred Inflows of Resources</u>	
Current liabilities:	
Accounts payable	154,696
Accrued payroll liabilities	1,083,936
Due to student groups	165,160
Unearned revenue	<u>106,939</u>
Total current liabilities	<u>1,510,731</u>
Noncurrent liabilities:	
Due within one year:	
Loan payable	33,381
Accrued leave	67,158
Due after one year:	
Loan payable	152,354
Net pension liability	<u>8,188,339</u>
Total long-term liabilities	<u>8,441,232</u>
Deferred inflows of resources - Pension deferrals	<u>1,689,730</u>
Total liabilities and deferred inflows of resources	<u>11,641,693</u>
<u>Net Position</u>	
Net investment in capital assets	696,064
Unrestricted	<u>(5,337,534)</u>
Total net position	<u>(4,641,470)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 7,000,223</u>

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Statement of Activities

Year Ended June 30, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Activities</u>
Governmental Activities:				
Instruction	\$ 5,440,847	-	1,322,177	(4,118,670)
Special education instruction	1,007,298	-	189,902	(817,396)
Special education support services - students	138,004	-	82,069	(55,935)
Support services - students	426,065	-	35,177	(390,888)
Support services - instruction	2,815,586	-	257,622	(2,557,964)
School administration	569,399	-	59,777	(509,622)
School administration support services	280,106	-	12,006	(268,100)
District administration	319,418	-	21,548	(297,870)
District administration support services	694,574	-	75,009	(619,565)
Operation and maintenance of plant	2,622,154	204,811	39,946	(2,377,397)
Student activities	307,148	-	11,528	(295,620)
Student transportation- to and from school	496,991	-	449,540	(47,451)
Student transportation- school activities	22,649	-	22,649	-
Community services	20,919	-	19,919	(1,000)
Food service	855,825	63,887	632,849	(159,089)
Total Governmental Activities	\$ 16,016,983	268,698	3,231,718	(12,516,567)
General revenues:				
City appropriations				\$ 2,500,000
State sources				8,615,595
Federal sources				148,923
E-rate				1,699,930
Other				309,585
Capital assets transferred to the City				(783,585)
Total general revenues				12,490,448
Change in net position				(26,119)
Net position, beginning of year, as previously stated				(2,590,343)
Cumulative effect of a correction of error and change in accounting principle				(2,025,008)
Net position, beginning of year, as restated				(4,615,351)
Net position, end of year				\$ (4,641,470)

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Balance Sheet - Governmental Funds

June 30, 2018

	<u>School Operating Fund</u>	<u>Nome Beltz Apartments Special Revenue Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and investments	\$ 4,163,933	-	-	4,163,933
Accounts receivable	354,749	-	395,653	750,402
Due from other funds	423,145	960,807	1,196,696	2,580,648
Inventory	54,969	-	-	54,969
Prepays	358,737	-	-	358,737
Total assets	<u>5,355,533</u>	<u>960,807</u>	<u>1,592,349</u>	<u>7,908,689</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	142,296	11,679	721	154,696
Accrued payroll liabilities	1,083,936	-	-	1,083,936
Unearned revenue	18,986	1,470	86,483	106,939
Due to other funds	2,157,503	-	423,145	2,580,648
Due to student activities	165,160	-	-	165,160
Total liabilities	<u>3,567,881</u>	<u>13,149</u>	<u>510,349</u>	<u>4,091,379</u>
Fund balances:				
Nonspendable	413,706	-	-	413,706
Restricted	-	-	8,860	8,860
Assigned	-	947,658	1,102,982	2,050,640
Unassigned	1,373,946	-	(29,842)	1,344,104
Total fund balances	<u>1,787,652</u>	<u>947,658</u>	<u>1,082,000</u>	<u>3,817,310</u>
Total liabilities and fund balances	<u>\$ 5,355,533</u>	<u>960,807</u>	<u>1,592,349</u>	<u>7,908,689</u>

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

Year Ended June 30, 2018

Total fund balances of governmental funds	\$	3,817,310
Total net assets reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		696,064
Long-term liabilities are not due and payable in the current period and therefore are not reported as fund liabilities.		
Long-term liabilities reported in these statements consist of:		
Loan Payable	(185,735)	
Accrued leave	<u>(67,158)</u>	(252,893)
Proportionate share of the collective net pension/OPEB liability:		
PERS	(3,611,211)	
TRS	<u>(4,577,128)</u>	(8,188,339)
Deferred inflows and outflows of resources are the result of timing differences in the actuarial report:		
Pension/OPEB related assets in the current fiscal year are presented as deferred outflows of resources.		
PERS	393,751	
TRS	<u>582,367</u>	976,118
Pension/OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources.		
PERS	(586,435)	
TRS	<u>(1,103,295)</u>	<u>(1,689,730)</u>
Net position of governmental activities	\$	<u><u>(4,641,470)</u></u>

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Funds

Year Ended June 30, 2018

	School Operating Fund	Nome Beltz Apartments Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
E-rate	\$ 1,699,930	-	-	1,699,930
Charges for services	-	204,811	63,887	268,698
Other local	309,585	-	80,114	389,699
Intergovernmental:				
State of Alaska	9,340,598	-	762,595	10,103,193
Federal sources	148,923	-	1,586,247	1,735,170
City appropriations	2,500,000	-	-	2,500,000
Total revenues	13,999,036	204,811	2,492,843	16,696,690
Expenditures:				
Current:				
Instruction	5,017,808	-	807,125	5,824,933
Special education instruction	932,063	-	123,730	1,055,793
Special education support services - students	150,597	-	-	150,597
Support services - students	368,655	-	75,749	444,404
Support services - instruction	2,651,637	-	203,958	2,855,595
School administration	603,772	-	2,741	606,513
School administration support services	292,501	-	-	292,501
District administration	320,614	-	855	321,469
District administration support services	655,705	-	67,997	723,702
Operations and maintenance of plant	2,470,299	24,452	211,722	2,706,473
Student activities	314,328	-	280	314,608
Student transportation-to and from school	-	-	497,107	497,107
Student transportation-school activities	-	-	22,649	22,649
Community services	-	-	20,919	20,919
Food service	-	-	852,200	852,200
Debt service	-	39,349	-	39,349
Total expenditures	13,777,979	63,801	2,887,032	16,728,812
Excess (deficiency) of revenues over expenditures	221,057	141,010	(394,189)	(32,122)
Other Financing Sources (Uses)				
Transfers	(203,662)	-	203,662	-
Net change in fund balance	17,395	141,010	(190,527)	(32,122)
Fund balances, beginning of year	1,770,257	806,648	1,272,527	3,849,432
Fund balances, end of year	\$ 1,787,652	947,658	1,082,000	3,817,310

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

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

Year Ended June 30, 2018

Net change in fund balances - total governmental funds \$ (32,122)

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

Governmental funds report capital outlay as expenditures.

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

Depreciation expense	(101,577)	
Acquisition of capital assets	<u>219,558</u>	117,981

Construction in progress should exclude costs of capital assets that will be transferred to another government upon completion, while government funds are shown as expenditures:

Completed construction transferred to the City of Nome		(783,585)
--	--	-----------

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

Change in the unfunded net pension liability:

PERS	1,137,499	
TRS	<u>2,589,411</u>	3,726,910

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

PERS	(943,578)	
TRS	<u>(2,136,800)</u>	(3,080,378)

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. Similarly, payments of principal of long-term debt in the governmental funds, are not reported as expenses in the Statement of Activities.

These are the net changes in long-term liability balances.

Change in loan payable	32,234	
Change in accrued annual leave	<u>(7,159)</u>	<u>25,075</u>

Change in net position of governmental activities \$ (26,119)

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

School Operating Fund

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

Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Local sources	2,954,147	3,247,147	2,009,515	(1,237,632)
Intergovernmental:				
City appropriation	2,500,000	2,500,000	2,500,000	-
State of Alaska	9,234,392	9,234,392	9,340,598	106,206
Federal sources	103,000	103,000	148,923	45,923
Total revenues	<u>14,791,539</u>	<u>15,084,539</u>	<u>13,999,036</u>	<u>(1,085,503)</u>
Expenditures:				
Current:				
Instruction	4,441,803	5,058,008	5,017,808	40,200
Special education instruction	824,444	930,574	932,063	(1,489)
Special education support services - students	151,808	153,668	150,597	3,071
Support services - students	196,029	367,192	368,655	(1,463)
Support services - instruction	3,762,338	4,005,004	2,651,637	1,353,367
School administration	437,936	601,375	603,772	(2,397)
School administration support services	166,327	292,456	292,501	(45)
District administration	271,315	319,486	320,614	(1,128)
District administration support services	664,313	686,872	655,705	31,167
Operations and maintenance of plant	2,847,833	2,543,713	2,470,299	73,414
Student activities	312,307	330,431	314,328	16,103
Total expenditures	<u>14,076,453</u>	<u>15,288,779</u>	<u>13,777,979</u>	<u>1,510,800</u>
Excess (deficiency) of revenues over expenditures	<u>715,086</u>	<u>(204,240)</u>	<u>221,057</u>	<u>425,297</u>
Other Financing Sources (Uses)				
Transfers in	316,729	316,729	-	(316,729)
Transfers out	<u>(200,000)</u>	<u>(203,662)</u>	<u>(203,662)</u>	<u>-</u>
Total transfers	<u>116,729</u>	<u>113,067</u>	<u>(203,662)</u>	<u>(316,729)</u>
Net change in fund balance	<u>\$ 831,815</u>	<u>(91,173)</u>	17,395	<u>108,568</u>
Fund balance, beginning of year			<u>1,770,257</u>	
Fund balance, end of year			<u>\$ 1,787,652</u>	

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Nome Beltz Apartments Program Special Revenue Fund

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

Year Ended June 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - local sources - charges for services	\$ <u>204,811</u>	<u>204,811</u>	<u>-</u>
Expenditures:			
Operations and maintenance of plant	24,452	24,452	-
Debt service	<u>39,349</u>	<u>39,349</u>	<u>-</u>
Total expenditures	<u>63,801</u>	<u>63,801</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u><u>141,010</u></u>	141,010	<u><u>-</u></u>
Fund balance, beginning of year		<u>806,648</u>	
Fund balance, end of year		\$ <u><u>947,658</u></u>	

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Agency Funds

Statement of Fiduciary Assets and Liabilities

June 30, 2018

Assets :

Cash and investments	\$	143,284
Prepaid expenses		358
Due from School Operating Fund		165,160
Total assets		308,802

Liabilities:

Accounts payable		910
Due to student groups		307,892
Total liabilities	\$	308,802

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying financial statements of the Nome Public Schools (hereafter referred to as the 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 body for establishing governmental accounting and financial reporting principles.

The Nome Public Schools is organized under Title 29.43.030 of Alaska Statutes as amended. The City has delegated the administrative responsibility for these functions to the School Board of the Nome Public Schools. Members of the School Board are elected by the public.

The accompanying financial statements include all the activities of the District. On an annual basis, the School Board is required to submit a budget to the City Council for approval for the purpose of appropriating the local contribution. The School Board has the authority over hiring and firing all personnel and manage its financial operation subject to the limitations established by State Law and City Charter. The school board is required to submit annual budget to the City Council for approval, and all bonded indebtedness is through the City.

The School Board does not exercise oversight responsibility over any other entity. No other entity engages in activities which benefit the School District, nor do any special financial relationships exist between the District and any other entity. Therefore, the School District does not have any component units, as defined in Governmental Accounting Standards Board (GASB) Statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the School District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The School District does not presently have any business-type activities.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) 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 operations or capital requirements of a particular function or segment. 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 district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column named "other governmental funds".

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

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

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

The District follows the Uniform Chart of Accounts for School Districts as required by the State of Alaska, Department of Education and Early Development.

The 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 maintains governmental funds 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.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

The District has the following major governmental funds:

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

The *Nome Beltz Apartments* is an apartment complex run by the school 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 to expenditures for specified purposes.

The *Capital Project Funds* account for the revenues and expenditures of state and federally funded acquisitions of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Additionally, the District reports the following fiduciary type:

The *Student Activities Agency Fund* accounts for monies raised by students to finance student clubs and organizations but held by the District as an agent. This fund is used to account for assets that the District held for others in an agency capacity.

The *Games of Chance and Skill Agency Fund* accounts for monies raised through gaming operations. This fund is used to account for assets that the District held for others in an agency capacity.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by or given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

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 which they relate.

Revenues from the City of Nome are recorded as intergovernmental – local source revenue as prescribed by the Uniform Chart of Accounts for School Districts. Revenues are susceptible to accrual and recorded in the year of the appropriation.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

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. 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.

Use of Estimates

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

Indirect Costs

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

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. There are no statutory limitations on the type of investment allowed. The Board does not have a written investment policy.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

3. Inventories and Prepaid Items

Teaching and maintenance supplies are recorded as expenditures when purchased rather than as consumed. Accounting for inventory of heating fuel and food supplies is on the consumption method. The consumption method records the expenditure when consumed rather than when purchased. Inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories are classified as nonspendable fund balance when applicable, which indicates that they do not constitute “available spendable resources.”

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaid items. The prepaid items recorded in the governmental fund types do not reflect current available resources and, thus, are classified as nonspendable fund balance in the fund financial statements.

4. Capital Assets

The City owns all school buildings and land and certain other building fixtures and equipment which are provided to the School District without charge. The value of these assets are not accounted for by the District and are not included in the capital assets of the District.

Capital assets used in governmental fund types of the District are recorded in the government-wide financial statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Capital assets are defined as assets with an initial, individual cost greater than \$5,000 and have an estimated life greater than one year. Capital assets in the government-wide financial statements are depreciated on the straight-line method. Interest incurred during construction is not capitalized on government-wide financial statements.

	<u>Life in Years</u>
Buildings	20
Vehicles, machinery and equipment	5-12

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

5. Unearned Revenue

Amounts received, which are restricted as to use and have not been expended, or items for which services have not yet been rendered are shown as unearned revenue.

6. Deferred Inflows and Deferred Outflows of Resources

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

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

7. 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.

8. Compensated Absences

Permanent 12-month classified employees earn and accrue annual leave. Unused annual leave is accrued utilizing current salary cost. All regular employees accrue sick leave, which is available for use while remaining in a permanent position. Employees' unused sick and personal leave balances are carried forward and can be used during subsequent years unless limited by personnel contracts. Classified staff is eligible for limited sick leave compensation payouts at 50% of the balance if they meet certain minimum balance amounts. Accrued leave and related changes are recorded only in the government-wide financial statements.

Vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure in the Fund Financial Statements. Amounts not expected to be liquidated within one year are reported as a long term liability in the Government-Wide Financial Statements.

9. Pensions and OPEB

For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB and pension/OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/from PERS and TRS's fiduciary net position have been determined on the same basis as they are reported by PERS and TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

10. 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.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

- Restricted net position – consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted – all other net position is reported in this category.

11. Fund Balances

In the fund financial statements fund balance components include five classifications of fund balances based on constraints imposed on the use of these resources.

Nonspendable fund balances – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained. Nonspendable amounts will be determined before all other classifications and consist of a fund balance equal to the value of inventory balances and prepaid items.

Restricted fund balances – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, or through enabling legislation. Restricted fund balances are comprised of restricted grant funds from external sources in governmental funds.

Committed fund balances – includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision making authority (School Board). Commitments will only be used for specific purposes pursuant to a formal action of the School Board. Committed fund balance consists of statutory impact aid and school board designated capital commitments.

Assigned fund balances – includes amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The School Board delegates to the Superintendent or his designee the authority to assign amounts to be used for specific purposes.

Unassigned fund balances – includes the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts have been restricted, committed, or assigned.

Prioritization of fund balance use – when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the District to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the District that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

Special revenue funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than capital projects.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting. Unexpended balances of grants from state and federal governments lapse at June 30.

The adopted School Operating Fund budget is submitted to the City of Nome for approval of the 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.

The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. Both the original and final revised and approved budget are presented in the budgetary comparison statement. The final revised and approved budget is presented in the additional supplementary information. Expenditure authority for the School Operating Fund is limited to the total approved budget and functional areas of expenditures are not to be overspent.

Annual budgets for the Special Revenue Funds with primarily local revenue sources or those with state or federal revenue sources that do not require budgetary reporting follow the same guidelines as the School Operating Fund as noted in the preceding paragraph.

Annual budgets for the Special Revenue Funds are prepared in connection with the application for the special programs' award 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.

Project budgets are adopted for Capital Project funds based on the lives of the construction projects. Expenditure authority is limited to the actual combined revenue and transfers from other funds.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2018 expenditures exceeded appropriations in the following funds:

Special Revenue Funds:

Pupil Transportation	\$	50,126
Carl Perkins		720
Imagination Library		1,221
Verna Mickelson Scholarship Program		1,000

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

The following functions had expenditures in excess of appropriations in the School Operating Fund:

Special education instruction	\$	(1,489)
Support services - students		(1,463)
School administration		(2,397)
School administration support services		(45)
District administration		(1,128)

Excess expenditures were financed by additional current year revenues, available fund balance and current and future operating transfers from the School Operating Fund.

C. Deficit Equity

The following fund had deficit balances as of June 30, 2018:

Capital Project Fund:		
NBHS Partial Roof Replacement	\$	(29,842)

These deficits are anticipated to be recovered from future activity or transfers from the School Operating Fund.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

All deposits are carried at cost plus accrued interest.

The District bank balances are insured by federal depository insurance to a maximum of \$250,000. Any amount in excess of FDIC limits is collateralized with securities held by the District's agent in the District's name.

Custodial Credit Risk – Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District. At June 30, 2018, the District has a Tri-Party agreement which provides coverage for the cash balance. At June 30, 2018, the District's cash and cash equivalents were fully insured and collateralized.

B. Receivables

Receivables as of year end for the government's individual major funds and non-major funds are as follows:

		School Operating Fund	Other Governmental Fund	Total
Grants	\$	-	391,559	391,559
Other		354,749	4,094	358,843
		<u>354,749</u>	<u>395,653</u>	<u>750,402</u>
			<u>71</u>	

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

C. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance <u>As Restated</u>	<u>Increase</u>	<u>Decreases</u>	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Improvements	\$ 664,541	-	-	664,541
Equipment	<u>1,121,737</u>	<u>113,816</u>	-	<u>1,235,553</u>
Total capital assets being depreciated	<u>1,786,278</u>	<u>113,816</u>	-	<u>1,900,094</u>
Less accumulated depreciation for:				
Improvements	434,771	33,227	-	467,998
Equipment	<u>667,682</u>	<u>68,350</u>	-	<u>736,032</u>
Total accumulated depreciation	<u>1,102,453</u>	<u>101,577</u>	-	<u>1,204,000</u>
Net capital assets, being depreciated	<u>\$ 683,825</u>	<u>12,239</u>	-	<u>696,064</u>

Depreciation expense was charged to governmental functions as follows:

District administration	\$ 11,415
Food service	4,728
Instruction	9,248
Operation and maintenance of plant	<u>76,186</u>
Total	<u>101,577</u>

D. Assets to be Contributed

The following are assets to be contributed to the City for the year end June 30, 2018:

	Beginning Balance, <u>as Restated</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance
Capital improvements	\$ <u>677,842</u>	<u>105,743</u>	<u>783,585</u>	<u>-</u>

E. Interfund Receivables and Payables and Transfers

The composition of interfund balances at June 30, 2018 is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>	<u>Amount</u>
Nome Beltz Apartments	School Operating Fund	960,807
Other Governmental Funds	School Operating Fund	1,196,696
School Operating Fund	Other Governmental Funds	<u>423,145</u>
	72	\$ <u>2,580,648</u>

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The composition of interfund transfers at June 30, 2018 is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>	<u>Amount</u>
Pupil Transportation	School Operating Fund	53,662
Food Service	School Operating Fund	150,000
	\$	<u>203,662</u>

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.

F. General Long-Term Liabilities

During 2003, the District entered into a loan agreement with the City of Nome for the purpose of renovating the Nome-Beltz Apartments. Under the terms of the loan, the School could borrow, on an actual cost reimbursable basis, an amount not to exceed \$565,400. The note is due in monthly installments of \$3,279 per month including interest at 3.5% for the first five years. Repayment terms and interest rates will be adjusted every five years to reflect 75% of the prime rate.

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Renovation loan	217,969	-	(32,234)	185,735	33,381
Accrued leave	59,999	32,565	(25,406)	67,158	67,158
	<u>277,968</u>	<u>32,565</u>	<u>(57,640)</u>	<u>252,893</u>	<u>100,539</u>

Annual debt service requirements to maturity for the loan follow:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 33,381	5,969	39,349
2020	34,568	4,781	39,349
2021	35,797	3,552	39,349
2022	37,070	2,279	39,349
2023	38,563	786	39,349
2024	6,356	204	6,560
Total	<u>\$ 185,735</u>	<u>17,570</u>	<u>203,305</u>

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G. Fund Balances

Detailed information related to amounts committed and assigned fund balance at June 30, 2018 are as follows:

	School Operating Fund	Nome Beltz Apartments Special Revenue Fund	Other Governmental Fund	Total
Nonspendable:				
Inventory	\$ 54,969	-	-	54,969
Prepays	358,737	-	-	358,737
	<u>\$ 413,706</u>	<u>-</u>	<u>-</u>	<u>413,706</u>
Restricted for:				
Albro Gregory Scholarship	\$ -	-	6,874	6,874
Verna Mickelson Scholarship	-	-	1,986	1,986
	<u>\$ -</u>	<u>-</u>	<u>8,860</u>	<u>8,860</u>
Assigned for:				
Nome Beltz Apartments	\$ -	947,658	-	947,658
General Capital Projects	-	-	577,736	577,736
Pupil Transportation	-	-	381,795	381,795
Food Service	-	-	71,262	71,262
Inupiaq Immersion Program	-	-	72,189	72,189
	<u>\$ -</u>	<u>947,658</u>	<u>1,102,982</u>	<u>2,050,640</u>
Unassigned:				
School Operating Fund	\$ 1,373,946	-	-	1,373,946
NBHS Partial Roof Replacement	-	-	(29,842)	(29,842)
	<u>\$ 1,373,946</u>	<u>-</u>	<u>(29,842)</u>	<u>1,344,104</u>

IV. OTHER INFORMATION

A. Contingent Liabilities

Amounts received or receivable from grants or agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the School Operating Fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

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B. Employee Retirement Systems and Plans

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

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

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

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

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

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Other Postemployment Benefit Plans (OPEB)

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. Membership in the plan consisted of the following at June 30, 2017 (latest available report):

Membership	PERS	TRS
Active plan members	19,442	4,937
Participating employers	155	57

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). Membership in the plan consisted of the following at June 30, 2017 (latest report available):

Membership	PERS	TRS
Inactive plan members or beneficiaries currently receiving benefits	34,310	12,701
Inactive plan members entitled to but not yet receiving benefits	5,799	2,846
Active plan members	14,956	4,937
Total plan membership	55,065	20,484

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. Membership in the plan consists of the following at June 30, 2017 (latest available report):

Membership	PERS	TRS
Inactive plan members or beneficiaries currently receiving benefits	5	4
Inactive plan members entitled to but not yet receiving benefits	831	443
Inactive plan members not entitled to benefits	10,466	2,011
Active plan members	19,442	4,937
Total plan membership	30,744	7,395

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Healthcare Reimbursement Arrangement Plan

The Healthcare Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Membership in the plan consists of the following at June 30, 2017 (latest available report):

Membership	PERS	TRS
Inactive plan members or beneficiaries currently receiving benefits	7	3
Inactive plan members entitled to but not yet receiving benefits	829	444
Inactive plan members not entitled to benefits	10,466	2,011
Active plan members	19,442	4,937
Total plan membership	30,744	7,395

Investments

The Board is the investment oversight authority of the system’s investments. As the fiduciary, the Board has the statutory 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.

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

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual weighted rate of return, net of investment expense for the year ended June 30, 2017 (latest available report) for the DB Plan for PERS and TRS is 12.99% and 13.04%, for the ARHCT is 12.69% and 12.58%, for the Occupational Death and Disability Plan is 11.97% and 12.03%, and for the Retiree Medical Plan is 11.93% and 11.80%, 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>.

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

Plan Description. The School 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>.

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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 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 155 employers participating in PERS, including the State of Alaska and 154 political subdivisions and public organizations.

The DB Plan's membership consisted of the following at June 30, 2017 (latest available report):

Inactive plan members or beneficiaries currently receiving benefits	34,310
Inactive plan members entitled to but not receiving benefits	5,799
Active plan members	<u>14,956</u>
Total DB plan membership	<u>55,065</u>

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

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

Post Retirement Pension Adjustments. Post retirement pension adjustments (PRPAs) are granted annually to eligible benefit recipients when the consumer price index (CPI) increases during the preceding calendar year. PRPAs are calculated by multiplying the recipient's base benefit, including past PRPAs, times:

- (a) 75% of the CPI increase in the preceding calendar year or 9%, whichever is less, if the recipient is at least 65 or on PERS disability; or
- (b) 50% of the CPI increase in the preceding calendar year or 6%, whichever is less, if the recipient is at least 60, or has been receiving benefits for at least five years.

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Ad hoc PRPAs, up to a maximum of 4%, may be granted to eligible recipients who first entered the PERS before July 1, 1986, if the CPI increases and the financial condition of the fund will permit an increase. In a year where an ad hoc PRPA is granted, eligible recipients will receive the higher of the two calculations.

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

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

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 Administrator. For fiscal year 2018 the past service rate is 15.28%.

Employee Contribution Rate. The District PERS active members are required to contribute 6.75% (5.25% pension costs and 1.50% OPEB) and if elected, non-teacher school district employees are required to contribute 9.60% (7.47% pension and 2.13% OPEB) of their annual covered salary.

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

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, this rate is statutorily capped at 22% (17.12% pension costs and 4.88% OPEB) of eligible wages, subject to the salary floor, and other termination costs as described above. This 22% rate is calculated on all PERS participating wages, including those wages attributable to employees in the defined benefit plan.

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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. This rate is 25.01% (19.46% pension and 5.55% OPEB). Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This will result in lower ARM Board Rates in future years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. As a result, the On-behalf Contribution Rate for 2018 is 3.01% (75.54% pension and 24.46% OPEB). 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 an 8% pension discount rate.

Employer contributions for the year ended June 30, 2018, were:

Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$ 229,523	68,866	298,389

Public Employees Retirement Plans

For the year ended June 30, 2018 the State of Alaska contributed \$40,230 (75.54% pension cost) and \$13,296 (24.46% OPEB cost) on-behalf of the District, which has been recorded in the fund financial statement 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, 2017 to a total of \$121,626, to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2018, the District reported liabilities 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, the related State support, and the total portion of the net pension and OPEB liabilities that was associated with the District were as follows:

Defined Benefit:	Pension
District's proportionate share of the net pension liability	\$ 3,110,761
State's proportionate share of the net pension liability	1,157,693
Total	\$ 4,268,454

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		OPEB
District's proportionate share of the ARHCT OPEB liability	\$	508,539
State's proportionate share of the ARHCT OPEB liability		189,262
Total	\$	697,801

Defined Contribution:

District's proportionate share of the ODD OPEB liability	\$	(12,789)
District's proportionate share of the RMP OPEB liability		4,700
Total	\$	(8,089)

Total District's share of net pension and OPEB liabilities \$ 3,611,211

The net pension and OPEB liabilities were measured as of June 30, 2017, and the total pension and OPEB liabilities used to calculate the net pension and OPEB liabilities were determined by an actuarial valuation as of that date. The District's proportion of the net pension and OPEB liabilities were based on the present value of contributions for FY2019 through FY2039, as determined by projections based on the June 30, 2017 valuation. At June 30, 2018, the District's proportion of the pension liability was 0.0602%, which is a decrease of 0.0103% from June 30, 2017. At June 30, 2018, the District's proportion of the OPEB ARHCT, ODD and RMP OPEB liabilities were 0.0602%, 0.0901%, and 0.0901%, respectively, which represent a decrease of 0.0105%, 0.0172%, and 0.0172%, respectively, from June 30, 2017.

Based on the measurement date of June 30, 2017, the District recognized pension and OPEB expense of \$(43,508) and \$85,103 for the year ended June 30, 2018. At June 30, 2018, 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	\$ -	(55,928)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	83,441	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(273,335)
District contributions subsequent to the measurement date	229,523	-
Total	\$ 312,964	(329,263)

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	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(27,424)
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(159,253)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(65,584)
District contributions subsequent to the measurement date	68,866	-
Total	\$ 68,866	(252,261)
	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Contribution:		
Differences between expected and actual experience	\$ -	(377)
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(799)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,652	-
District contributions subsequent to the measurement date	1,381	-
Total	\$ 3,033	(1,176)
	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(37)
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(2,284)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(1,414)
District contributions subsequent to the measurement date	8,888	-
Total	\$ 8,888	(3,735)

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\$229,523 and \$79,135 is reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension and OPEB liabilities in the year ended June 30, 2019, 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
2018	\$ (323,442)	(91,485)	(42)	(750)
2019	86,888	(81,150)	(42)	(750)
2020	39,005	(39,813)	(42)	(750)
2021	(48,273)	(39,813)	(42)	(750)
2022	-	-	157	(179)
Thereafter	-	-	487	(556)
Total	\$ <u>(245,822)</u>	<u>(252,261)</u>	<u>476</u>	<u>(3,735)</u>

For the year ended June 30, 2018, the District recognized (\$382,302) and (\$36,407) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Actuarial Assumptions: The total pension and OPEB liabilities in the June 30, 2017 (latest available) actuarial valuation was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. These assumptions were the result of an experience study performed as of June 30, 2013.

Investment return / discount rate	8% per year (geometric), compounded annually, net of expenses
Salary scale	Inflation – 3.12% per year Productivity – 0.50% per year
Payroll growth	3.62% per year (inflation + productivity)
Total inflation	Total inflation as measured by the Consumer Price Index for urban and clerical workers from Anchorage is assumed to increase 3.12% annually.
Mortality (Pre-termination)	Based upon 2010-2013 actual mortality experience. 60% of male rates and 65% of female rates of post termination mortality rates. Deaths are assumed to be occupational 70% of the time for peace officers, and firefighters, 50% of the time for others.
Mortality (Post-termination)	96% of all rates of the RP-2000 combined mortality table, 2000 base year projected to 2018.
Total turnover	Based upon the 2010-2013 actual withdrawal experience.

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Disability	Incidence rates based on 2010-2013 actual experience. Post-disability mortality in accordance with the RP-2000 Disabled Retiree Mortality Table. Disabilities are assumed to be occupational 70% of the time for peace officers / firefighters, 50% of the time for others.
Retirement	Retirement rates based upon the 2010-2013 actual experience. Deferred vested members are assumed to retire at their earliest unreduced retirement date for others. For peace officers/firefighters, Tier 1 deferred vested members are assumed to retire at age 55 and Tiers 2 and 3 deferred vested members are assumed to retire at age 60.
Marriage and age difference	Wives are assumed to be three years younger than husbands. For others, 75% of male members and 70% of female members are assumed to be married. For peace officers/firefighters, 85% of male members and 60% female members are assumed to be married.
Healthcare cost trend rates	Pre-65 medical: 8.8% grading down to 4.4% Post-65 Medical: 5.8% grading down to 4.0% Prescription drugs: 5.4% grading down to 4.0%

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:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	8.83%
Global Ex- U.S. Equity	7.79%
Intermediate Treasuries	1.29%
Opportunistic	4.76%
Real Assets	4.94%
Absolute Return	4.76%
Private Equity	12.02%
Cash Equivalents	0.63%

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities is 8.00%. The projection of the cash flows used to determine the discount rate assumed that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension and OPEB plans fiduciary net pension and OPEB 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.

Sensitivity of the Net Pension and OPEB Liabilities to Changes in the Discount Rate: The following presents the net pension liability of the plan calculated using the discount rate of 8%, as well as what the Plans' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate:

		1% Decrease	Current Rate	1% Increase
		<u>(7%)</u>	<u>(8%)</u>	<u>(9%)</u>
Net pension liability	\$	<u>4,086,272</u>	<u>3,110,761</u>	<u>2,286,980</u>
Net OPEB ARHCT liability	\$	<u>1,088,327</u>	<u>508,539</u>	<u>20,858</u>
Net OPEB ODD liability	\$	<u>(11,545)</u>	<u>(12,789)</u>	<u>(13,805)</u>
Net OPEB RMP liability	\$	<u>22,020</u>	<u>4,700</u>	<u>(8,824)</u>

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates. The following present the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability 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
		<u></u>	<u></u>	<u></u>
Net OPEB ARHCT liability	\$	<u>(56,411)</u>	<u>508,539</u>	<u>1,187,745</u>
Net OPEB ODD liability		<u>N/A</u>	<u>(12,789)</u>	<u>N/A</u>
Net OPEB RMP liability		<u>(11,635)</u>	<u>4,700</u>	<u>26,587</u>

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

Plan Description and Funding Requirements. School 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% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 1.03% for the retiree medical plan (DB), 0.16% for occupational and death and disability benefits (DB) and 3% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is 22%.

Currently there are 155 employers participating in the defined contribution plan, including the State of Alaska. At June 30, 2017 (latest available report), membership in the DC plan consisted of 1,735 peace officers and firefighters and 19,532 of other members.

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Notes to the Basic Financial Statements

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The School District contributed \$88,567 for the year ended June 30, 2018.

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

Plan Description. The School District participates in the Teacher's 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 Board. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for TRS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at <http://doa.alaska.gov/dr/trs>

The DB Plan's membership consisted of the following at June 30, 2017 (latest available report):

Inactive plan members or beneficiaries currently receiving benefits	12,701
Inactive plan members entitled to but not receiving benefits	2,846
Active plan members	<u>4,937</u>
Total DB plan membership	<u>20,484</u>

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.

NOME PUBLIC SCHOOLS
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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.

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 TRS Administrator.

Employee Contribution Rate. The District's active TRS members are required to contribute 8.65% (5.79% pension costs and 2.86% OPEB) and non-teacher school district employees (if elected) are required to contribute 9.60% (6.42% pension and 3.18% OPEB) of their annual covered salary.

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

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, this rate is statutorily capped at 12.56% (8.40% pension costs and 4.16% OPEB) of eligible wages, subject to the salary floor, and other termination costs as described above. This 12.56% rate is calculated on all 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. This rate is 26.78% (17.91% pension and 8.87% OPEB). Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This will result in lower ARM Board Rates in future years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute on on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. The On-behalf Contribution Rate for 2018 is 14.22% (8.43% pension and 11.57% OPEB). On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures. ⁸⁷

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Notes to the Basic Financial Statements

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 an 8% pension and OPEB discount rate.

Employer contributions for the year ended June 30, 2018, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	219,437	95,188	314,625

Teachers Retirement Plans

For the year ended June 30, 2018 the State of Alaska contributed \$509,704 (75.54% pension cost) and \$162,043 (24.46% OPEB cost) on-behalf of the District, which has been recorded in the fund financial statement 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 to a total of \$681,136, to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2018, the District reported a liabilities 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, the related State support, and the total portion of the net pension and OPEB liabilities that was associated with the District were as follows:

	Pension
Defined Benefit:	
District's proportionate share of the net pension liability	\$ 4,245,734
State's proportionate share of the net pension liability	7,412,751
Total	\$ 11,658,485
	OPEB
District's proportionate share of the ARHCT OPEB liability	\$ 384,039
State's proportionate share of the ARHCT OPEB liability	674,032
Total	\$ 1,058,071
Defined Contribution:	
District's proportionate share of the ODD OPEB liability	\$ (21,484)
District's proportionate share of the RMP OPEB liability	(31,161)
Total	\$ (52,645)
Total District's share of net pension and OPEB liabilities	\$ 4,577,128

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Notes to the Basic Financial Statements

The net pension and OPEB liabilities were measured as of June 30, 2017, and the total pension and OPEB liabilities used to calculate the net pension and OPEB liabilities were determined by an actuarial valuation as of that date. The District's proportion of the net pension and OPEB liabilities were based on the present value of contributions for FY2019 through FY2039, as determined by projections based on the June 30, 2017 valuation. At June 30, 2018, the District's proportion of the pension liability was 0.2095%, which is a decrease of 0.0686% from June 30, 2017. At June 30, 2018, the District's proportion of the OPEB ARCHT, ODD, and RMP OPEB liabilities were 0.2088%, 0.6574%, and 0.6574%, respectively, which represent an decrease of 0.0685%, 0.0629%, and 0.0629%, respectively, from June 30, 2017.

Based on the measurement date of June 30, 2017, the District recognized pension expense of \$682,266 and OPEB expense of \$85,130 for the year ended June 30, 2018. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pensions	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	(70,810)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	194,115	-
Changes in proportion and differences between District contributions and proportionate share of contributions	46,462	(693,202)
District contribution subsequent to the measurement date	<u>219,437</u>	<u>-</u>
Total	<u>\$ 460,014</u>	<u>(764,012)</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(49,781)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(206,388)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(75,908)
District contribution subsequent to the measurement date	<u>95,188</u>	<u>-</u>
Total	<u>\$ 95,188</u>	<u>(332,077)</u>

NOME PUBLIC SCHOOLS
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Notes to the Basic Financial Statements

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Contribution:		
Differences between expected and actual experience	\$ -	(89)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(815)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,776	-
District contribution subsequent to the measurement date	-	-
Total	\$ 1,776	(904)
	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(12)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(6,290)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,486	-
District contribution subsequent to the measurement date	23,903	-
Total	\$ 25,389	(6,302)

NOME PUBLIC SCHOOLS
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Notes to the Basic Financial Statements

\$219,437 and \$119,091 reported as deferred outflows of resources related to pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2018	\$ (682,588)	(141,375)	(28)	(1,419)
2019	175,192	(87,508)	(28)	(1,419)
2020	84,336	(51,597)	(28)	(1,419)
2021	(100,375)	(51,597)	(28)	(1,419)
2022	-	-	176	154
Thereafter	-	-	808	706
Total	\$ <u>(523,435)</u>	<u>(332,077)</u>	<u>872</u>	<u>(4,816)</u>

For the year ended June 30, 2018, the District recognized \$(265,090) and \$(53,880) of pension and OPEB amortization of the deferred outflows and inflows of resources, respectively.

Actuarial Assumptions: The total pension and OPEB liabilities in the June 30, 2017 (latest available) actuarial valuation was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017. These assumptions were the result of an experience study performed as of June 30, 2013.

Investment return / discount rate	8% per year (geometric), compounded annually, net of expenses
Salary scale	Inflation – 3.12% per year Productivity – 0.50% per year
Payroll growth	3.62% per year (inflation + productivity)
Total inflation	Total inflation as measured by the Consumer Price Index for urban and clerical workers from Anchorage is assumed to increase 3.12% annually.
Mortality (Pre-termination)	Based upon 2010-2013 actual mortality experience. 68% of male rates and 60% of female rates of post termination mortality rates. Deaths are assumed to be occupational 15% of the time.
Mortality (Post-termination)	94% of male and 97% of female rates of the RP-2000 combined mortality table, 2000 base year projected to 2018.

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Notes to the Basic Financial Statements

Total turnover	Based upon the 2010-2013 actual withdrawal experience.
Disability	Incidence rates based on 2010-2013 actual experience. Post-disability mortality in accordance with the RP-2000 Disabled Retiree Mortality Table. Disabilities are assumed to be occupational 15% of the time.
Retirement	Retirement rates based upon the 2010-2013 actual experience, ranging from 2% to 100% based on age.
Marriage and age difference	Wives are assumed to be three years younger than husbands. 85% of male members and 75% of female members are assumed to be married at termination from active service.
Healthcare trend rates	Pre 65 medical: 8.8% grading down to 4.4% Post 65 medical: 5.8% grading down to 4.0% Prescription drugs: 5.4% grading down to 4.0%

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 and OPEB 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:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	8.83%
Global Ex – U.S. Equity	7.79%
Intermediate Treasuries	1.29%
Opportunistic	4.76%
Real Assets	4.94%
Absolute Return	4.76%
Private Equity	12.02%
Cash equivalents	0.63%

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Notes to the Basic Financial Statements

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities was 8%. The projection of the cash flows used to determine the discount rate assumed that employer and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension and OPEB plan's fiduciary net pension and OPEB was 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 was applied to all periods of projected benefit payments to determine the total pension AND OPEB liabilities.

Sensitivity of the Net Pension and OPEB Liabilities to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities of the Plan calculated using the discount rate of 8%, as well as what the Plans' net pension and OPEB liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate:

	1% Decrease (7%)	Current Rate (8%)	1% Increase (9%)
Net pension liability	\$ 5,984,885	4,245,734	2,784,659
Net OPEB ARHCT	\$ 1,170,273	384,039	(268,312)
Net OPEB ODD	\$ (21,589)	(21,484)	(21,431)
Net OPEB RMP	\$ 13,358	(31,161)	(64,984)

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates. The following present the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability 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	\$ (357,999)	384,039	1,286,466
Net OPEB ODD	\$ N/A	(21,484)	N/A
Net OPEB RMP	\$ (71,728)	(31,161)	24,955

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

Plan Description and Funding Requirements. School 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% of gross eligible compensation. State statutes require the employer to contribute 7% of employees' eligible compensation. Additionally, employers are required to contribute to other post-employment benefits (DB): 0.91% for the retiree medical plan, 0% for occupational death and disability, and 3% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Plan members are 100% vested with their contributions.

NOME PUBLIC SCHOOLS
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Notes to the Basic Financial Statements

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 School District contributed \$277,970 for the year ended June 30, 2018.

D. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damage, (e) workers compensation, and (f) medical/dental/vision costs for employees. The District participates in the Alaska Public Entity Insurance (APEI), which covers property and contents, torts, general and auto liability, school leader's errors and omissions, and workers compensation. APEI is a public entity risk pool which reinsures risk above certain levels, thereby relieving the members of the need for additional assessments. The Association's bylaws provide for the assessment of supplemental contributions from members in the event that losses and expenses for any coverage year exceed the annual contributions and income earned on such contributions for the year. The Association made no supplemental assessments during the year ended June 30, 2018.

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

Health Insurance

The District maintains a health and medical benefit program, which covers all full time employees. The District has retained a major portion of the risk for this plan and, accordingly, is liable for any employee health claims that are approved for payment. Stop-loss coverage limits were \$35,000 for individual claims and \$1,000,000 for aggregate claims. Health and medical insurance expenditures were \$1,744,551 for the year ended June 30, 2018, and consisted of paid claims, stop-loss premiums, and administrative fees.

Accruals were made based upon estimates of the health claims at year end including claims incurred but not reported. Such accruals were accounted for in the General (School Operating) Fund and are included in "Accrued payroll and payroll liabilities." Total estimated liability at June 30, 2018 amounted to \$591,362. Changes in the claims liability amount were:

Fiscal Year	Beginning Liability	Claims Paid	Claim Expenditures	Ending Liability
2018	\$ -	836,906	1,428,268	591,362

NOME PUBLIC SCHOOLS
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Notes to the Basic Financial Statements

E. Change in accounting Principal and Correction of an Error

As discussed in Note IV-B to the financial statements, the district participates in the Alaska Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS). In 2018, the District adopted the provisions of GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which, among other accounting and reporting criteria, requires the District to recognize its proportional share of the Net other postemployment benefit plans (OPEB) Liability (and related deferred inflow/outflow accounts), as of the beginning of the District's fiscal year.

In previous year the District carried capital assets improvements to be transferred as part of its own capital assets. These assets belonged to the City of Nome and were capitalized by the City on Nome in previous years. The cost basis of improvement that should have been transferred in previous years is \$722,137 with accumulated depreciation taken of \$60,210 for net prior period adjustment of \$661,927

As a result of the implementation of these statements and a correction of an error, the District has recorded an opening balance adjustment to increase liabilities, decrease capital assets, and to decrease opening net position as follows:

Governmental Activities:

Opening net position, as originally presented	\$ (2,590,343)
Change in accounting principle adjustment	(1,363,081)
Correction of an error adjustment	<u>(661,927)</u>
Opening net position, as restated	\$ <u>(4,615,351)</u>

F. Subsequent Event

The District received notice on June 18, 2018 from the State of Alaska, Department of Administration, Division of Retirement and Benefits that Forfeitures from the defined contribution plan for the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) can be offset against future contributions effective July 1, 2018. The District has \$122,608 in PERS and \$125,433 in TRS to be used against future contributions.

As of July 1, 2018 the district has entered into their FY19 insurance plan which now includes a \$800,000 stop loss limit for one individual, although all other individuals remain at a stop loss limit of \$35,000. Additional claims for this one individual could lead to significantly higher claim payments from the district during the following fiscal year.

G. Subsequent Accounting Pronouncements

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

- GASB 83 – *Certain Retirement Obligations*. Effective for fiscal years beginning after June 15, 2018.
- GASB 84 – *Fiduciary Activities*. Effective for fiscal years beginning after December 15, 2018.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Notes to the Basic Financial Statements

- GASB 87 – *Leases*. Effective for fiscal years beginning after December 15, 2019.
- GASB 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. Effective for fiscal years beginning after June 15, 2018.

Statements 83 and 88, are not expected to have any significant impact on the financial statements of the District.

GASB Statement No. 84, the objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets

GASB Statement No. 87, the objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

REQUIRED SUPPLEMENTARY INFORMATION

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

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

Public Employees' Retirement System (PERS)

June 30, 2018

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 Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0442%	\$ 2,063,075	\$ 1,988,775	\$ 4,051,850	\$ 1,984,403	104%	62.37%
2016	0.0756%	\$ 3,664,413	\$ 984,525	\$ 4,648,938	\$ 1,902,337	193%	63.96%
2017	0.0705%	\$ 3,942,606	\$ 498,163	\$ 4,440,769	\$ 1,794,827	220%	59.55%
2018	0.0602%	\$ 3,110,761	\$ 1,157,693	\$ 4,268,454	\$ 1,729,430	180%	63.37%

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Notes to Schedule:

1. Information presented for 2018 is based upon Plan measurement date June 30, 2017.
2. Measurement is one year prior to fiscal year end for all years presented.
3. In fiscal year 2017 the District implemented GASB 82, which required a retroactive change in covered payroll.
4. This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

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

Public Employees' Retirement System (PERS)

June 30, 2018

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 Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	99
Alaska Retiree Healthcare Trust Plan (ARHCT):								
2018	0.0602%	\$ 508,539	\$ 189,262	\$ 697,801	\$ 1,729,430	29.41%	89.68%	
Occupational Death and Disability (ODD):								
2018	0.0901%	\$ (12,789)	\$ -	\$ (12,789)	\$ 934,491	-1.37%	212.97%	
Retiree Medical Plan (RMP):								
2018	0.0901%	\$ 4,700	\$ -	\$ 4,700	\$ 934,491	0.50%	93.98%	

Notes to Schedule:

- Information presented for 2018 is based upon Plan measurement date June 30, 2017.
- Measurement is one year prior to fiscal year end for all years presented.
- This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

Schedule of the District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2018

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 164,943	\$ (164,943)	\$ -	\$ 1,902,337	8.67%
2016	\$ 173,815	\$ (173,815)	\$ -	\$ 1,794,827	9.68%
2017	\$ 191,409	\$ (191,409)	\$ -	\$ 1,729,430	11.07%
2018	\$ 229,523	\$ (229,523)	\$ -	\$ 1,755,118	13.08%

Notes to schedule

1. Valuation date: June 30, 2017, which was rolled forward to June 30, 2018.

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

Methods and assumptions used to determine contribution rates:

3. Actuarial cost method: Entry Age Normal - level percentage of payroll.

4. Amortization method: Level dollar, closed.

5. Amortization period: 25 years, as a level of percentage of payroll.

6. Equivalent single amortization period: 17 years.

7. Asset valuation method: The actuarial asset value was reinitialized to equal fair value of assets as of June 30, 2014. Beginning in FY2015, the assets value method recognizes 20% of the gain or loss each year, for a period of 5 years, all assets are valued at fair value.

8. Inflation: 3.12% per annum.

9. Salary increases: Ranges from 9.66% to 4.92% based on service for Peace Officer/Firefighter. Ranges from 8.55% to 4.34% based on age and service for All Others.

10. Investment rate of return: 8%, net of pension plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.

11. Retirement age: An age-related assumption is used for participants not yet receiving payments.

12. Mortality: Pre-termination mortality rates were based upon the 2010-2013 actual mortality experience 60% of male and 65% of female post-termination rates. Deaths are assumed to be occupational 70% of the time for Peace Officers / Firefighters, 50% of the time for Others, 96% of all rates of the RP - 2000 Table Base Year projected to 2018 with projected scale BB.

13. In fiscal year 2017 the District implemented GASB 82, which required a retroactive change in covered payroll.

14. This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

15. In fiscal year 2018 the District included pension DBUL into the contractually required contribution. This will be a prospective change.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

Schedule of the District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2018

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 68,866	\$ (68,866)	\$ -	\$ 1,755,118	3.92%
Occupational Death and Disability (ODD):					
2018	\$ 1,381	\$ (1,381)	\$ -	\$ 865,682	0.16%
Retiree Medical Plan (RMP):					
2018	\$ 8,888	\$ (8,888)	\$ -	\$ 865,682	1.03%

Notes to schedule

1. Valuation date: June 30, 2017, which was rolled forward to June 30, 2018.
 2. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.
- Methods and assumptions used to determine contribution rates:
3. Actuarial cost method: Entry Age Normal - level percentage of payroll.
 4. Amortization method: Level dollar, closed.
 5. Amortization period: 25 years, as a level of percentage of payroll.
 6. Equivalent single amortization period: 17 years.
 7. Asset valuation method: The actuarial asset value was reinitialized to equal fair value of assets as of June 30, 2014. Beginning in FY2015, the assets value method recognizes 20% of the gain or loss each year, for a period of 5 years, all assets are valued at fair value.
 8. Inflation: 3.12% per annum.
 9. Salary increases: Ranges from 9.66% to 4.92% based on service for Peace Officer/Firefighter. Ranges from 8.55% to
 10. Investment rate of return: 8%, net of OPEB plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
 11. Retirement age: An age-related assumption is used for participants not yet receiving payments.
 12. Mortality: Pre-termination mortality rates were based upon the 2010-2013 actual mortality experience 60% of male and 65% of female post-termination rates. Deaths are assumed to be occupational 70% of the time for Peace Officers / Firefighters, 50% of the time for Others, 96% of all rates of the RP - 2000 Table Base Year projected to 2018 with projected scale BB.
 13. This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

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

Teachers' Retirement System (TRS)

June 30, 2018

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 Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0832%	\$ 2,495,425	\$ 16,050,603	\$ 18,546,028	\$ 4,673,662	53.39%	55.70%
2016	0.2151%	\$ 4,001,658	\$ 6,393,592	\$ 10,395,250	\$ 4,976,332	80.41%	73.82%
2017	0.2781%	\$ 6,350,471	\$ 7,551,671	\$ 13,902,142	\$ 4,673,662	135.88%	68.40%
2018	0.2095%	\$ 4,245,734	\$ 7,412,751	\$ 11,658,485	\$ 4,700,743	90.32%	72.39%

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Notes to Schedule:

1. Information presented for 2018 is based upon Plan measurement date June 30, 2017.
2. Measurement is one year prior to fiscal year end for all years presented.
3. In fiscal year 2017 the District implemented GASB 82, which required a retroactive change in covered payroll.
4. This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

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

Teachers' Retirement System (TRS)

June 30, 2018

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 Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.2088%	\$ 384,039	\$ 674,032	\$ 1,058,071	\$ 4,700,743	8.17%	93.75%
Occupational Death and Disability (ODD):							
2018	0.6574%	\$ (21,484)	\$ -	\$ (21,484)	\$ 2,219,745	-0.97%	1342.59%
Retiree Medical Plan (RMP):							
2018	0.6574%	\$ (31,161)	\$ -	\$ (31,161)	\$ 2,219,745	-1.40%	118.16%

Notes to Schedule:

- Information presented for 2018 is based upon Plan measurement date June 30, 2017.
- Measurement is one year prior to fiscal year end for all years presented.
- This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

Schedule of the District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2018

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 197,303	\$ (197,303)	\$ -	\$ 4,976,332	3.96%
2016	\$ 180,778	\$ (180,778)	\$ -	\$ 4,673,662	3.87%
2017	\$ 200,341	\$ (200,341)	\$ -	\$ 4,700,743	4.26%
2018	\$ 219,437	\$ (219,437)	\$ -	\$ 4,501,282	4.87%

Notes to schedule

- Valuation date: June 30, 2017, which was rolled forward to June 30, 2018.
- Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry Age Normal - level percentage of payroll.
- Amortization method: Level dollar, closed.
- Amortization period: 25 years, as a level of percentage of payroll.
- Equivalent single amortization period: 17 years.
- Asset valuation method: The actuarial asset value was reinitialized to equal fair value of assets as of June 30, 2014. Beginning in FY2015, the assets value method recognizes 20% of the gain or loss each year, for a period of 5 years, all assets are valued at fair value.
- Inflation: 3.12% per annum.
- Salary increases: Ranges from 8.11% to 3.87% based on years of service.
- Investment rate of return: 8%, net of pension plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
- Retirement age: An age-related assumption is used for participants not yet receiving payments.
- Mortality: Pre-termination mortality rates were based upon the 2010-2013 actual mortality experience 68% of male and 60% of female post-termination rates. Deaths are assumed to be occupational 15% of the time, 94% of male and 97% of female rates of the RP - 2000 Table Base Year projected to 2018 with projected scale BB with a 3-year setback for males and a 4-year setback for females.
- In fiscal year 2017 the District implemented GASB 82, which required a retroactive change in covered payroll.
- This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.
- In fiscal year 2018 the District included pension DBUL into the contractually required contribution. This will be a prospective change.

NOME PUBLIC SCHOOLS
(A Component Unit of City of Nome)

Schedule of the District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2018

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 95,188	\$ (95,188)	\$ -	\$ 4,501,282	2.11%
Occupational Death and Disability (ODD):					
2018	\$ -	\$ -	\$ -	\$ 2,630,796	0.00%
Retiree Medical Plan (RMP):					
2018	\$ 23,903	\$ (23,903)	\$ -	\$ 2,630,796	0.91%

Notes to schedule

1. Valuation date: June 30, 2017, which was rolled forward to June 30, 2018.
2. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

3. Actuarial cost method: Entry Age Normal - level percentage of payroll.
4. Amortization method: Level dollar, closed.
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7. Asset valuation method: The actuarial asset value was reinitialized to equal fair value of assets as of June 30, 2014. Beginning in FY2015, the assets value method recognizes 20% of the gain or loss each year, for a period of 5 years, all assets are valued at fair value.
8. Inflation: 3.12% per annum.
9. Salary increases: Ranges from 8.11% to 3.87% based on years of service.
10. Investment rate of return: 8%, net of OPEB plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
11. Retirement age: An age-related assumption is used for participants not yet receiving payments.
12. Mortality: Pre-termination mortality rates were based upon the 2010-2013 actual mortality experience 68% of male and 60% of female post-termination rates. Deaths are assumed to be occupational 15% of the time, 94% of male and 97% of female rates of the RP - 2000 Table Base Year projected to 2018 with projected scale BB with a 3-year setback for males and a 4-year setback for females.
13. This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

ADDITIONAL SUPPLEMENTARY INFORMATION

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

School Operating Fund

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

Year Ended June 30, 2018

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
E-rate	\$ 2,954,147	1,699,930	(1,254,217)
Other local	293,000	309,585	16,585
Total local sources	<u>3,247,147</u>	<u>2,009,515</u>	<u>(1,237,632)</u>
Intergovernmental-			
City of Nome direct appropriation	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>
State of Alaska:			
Foundation program	8,472,862	8,474,729	1,867
Quality schools	26,064	26,064	-
Other state revenue	165,580	114,802	(50,778)
On-behalf TRS	525,765	671,747	145,982
On-behalf PERS	44,121	53,256	9,135
Total State of Alaska	<u>9,234,392</u>	<u>9,340,598</u>	<u>106,206</u>
Federal sources			
Direct sources-Impact Aid	<u>103,000</u>	<u>148,923</u>	<u>45,923</u>
Total revenues	<u>15,084,539</u>	<u>13,999,036</u>	<u>(1,085,503)</u>
Expenditures:			
Instruction:			
Certificated salaries	2,792,256	2,772,997	19,259
Non-certificated salaries	235,822	235,820	2
Employee benefits	1,737,091	1,754,303	(17,212)
Transpiration allowance	43,348	41,628	1,720
Professional and technical services	9,328	8,618	710
Staff travel	2,278	2,278	-
Student travel	838	837	1
Utility services	3,172	3,170	2
Other purchased services	26,087	14,633	11,454
Supplies, materials and media	144,375	130,083	14,292
Tuition and stipends	10,109	10,086	23
Other	53,304	43,355	9,949
Total instruction	<u>5,058,008</u>	<u>5,017,808</u>	<u>40,200</u>

(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

School Operating Fund

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

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Special education instruction:			
Certificated salaries	\$ 351,521	351,519	2
Non-certificated salaries	198,933	197,874	1,059
Employee benefits	370,679	374,180	(3,501)
Transpiration allowance	645	638	7
Staff travel	943	943	-
Supplies, materials and media	7,853	6,909	944
Total special education instruction	<u>930,574</u>	<u>932,063</u>	<u>(1,489)</u>
Special education support services - students:			
Certificated salaries	102,309	102,309	-
Employee benefits	50,760	47,689	3,071
Staff travel	599	599	-
Total special education support services - students	<u>153,668</u>	<u>150,597</u>	<u>3,071</u>
Support services - students:			
Certificated salaries	109,935	109,935	-
Non-certificated salaries	103,233	103,232	1
Employee benefits	125,163	126,628	(1,465)
Transpiration allowance	335	334	1
Professional and technical services	28,000	28,000	-
Other purchased services	101	101	-
Other	425	425	-
Total support services - students	<u>367,192</u>	<u>368,655</u>	<u>(1,463)</u>
Support services - instruction:			
Certificated salaries	185,373	185,372	1
Non-certificated salaries	193,841	193,832	9
Employee benefits	237,427	256,864	(19,437)
Transpiration allowance	400	400	-
Professional and technical services	11,601	11,601	-
Staff travel	9,969	9,968	1
Utility services	3,278,652	1,906,116	1,372,536
Other purchased services	381	378	3
Supplies, materials and media	62,160	61,913	247
Other	25,200	25,193	7
Total support services - instruction	<u>4,005,004</u>	<u>2,651,637</u>	<u>1,353,367</u>

(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

School Operating Fund

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

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
School administration:			
Certificated salaries	\$ 388,063	388,062	1
Employee benefits	206,700	209,238	(2,538)
Transpiration allowance	280	279	1
Other purchased services	3,988	3,892	96
Staff travel	107	107	-
Supplies, materials and media	1,252	1,209	43
Other	985	985	-
Total school administration	<u>601,375</u>	<u>603,772</u>	<u>(2,397)</u>
School administration support services:			
Non-certificated salaries	165,040	165,037	3
Employee benefits	115,604	115,664	(60)
Other purchased services	2,464	2,463	1
Supplies, materials and media	5,813	5,802	11
Other	3,535	3,535	-
Total school administration support services	<u>292,456</u>	<u>292,501</u>	<u>(45)</u>
District administration:			
Certificated salaries	140,798	140,798	-
Employee benefits	69,379	70,240	(861)
Professional and technical services	53,127	53,126	1
Staff travel	20,359	20,455	(96)
Other purchased services	2,561	2,560	1
Supplies, materials and media	2,417	2,416	1
Other	30,845	31,019	(174)
Total district administration	<u>319,486</u>	<u>320,614</u>	<u>(1,128)</u>
District administration support services:			
Non-certificated salaries	241,228	241,227	1
Employee benefits	170,645	171,236	(591)
Professional and technical services	224,142	205,846	18,296
Staff travel	13,040	13,067	(27)
Other purchased services	10,528	10,527	1
Insurance and bond premiums	47,003	47,003	-
Supplies, materials and media	7,116	7,115	1
Other	2,960	8,201	(5,241)
Indirect cost recovery	(29,790)	(48,517)	18,727
Total district administration support services	<u>686,872</u>	<u>655,705</u>	<u>31,167</u>

(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

School Operating Fund

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

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Operations and maintenance of plant:			
Non-certificated salaries	543,930	543,930	-
Employee benefits	316,547	317,629	(1,082)
Staff travel	62	62	-
Utility services	523,968	78,879	445,089
Energy	488,046	841,325	(353,279)
Other purchased services	568,540	568,540	-
Insurance and bond premiums	93,378	93,378	-
Supplies, materials and media	9,202	26,506	(17,304)
Other	40	50	(10)
Total operations and maintenance of plant	2,543,713	2,470,299	73,414
Student activities:			
Certificated salaries	76,497	76,497	-
Non-certificated salaries	11,475	11,475	-
Employee benefits	32,043	25,075	6,968
Professional and technical services	7,780	7,777	3
Staff travel	7,830	7,411	419
Student travel	154,843	150,184	4,659
Other purchased services	24,433	24,113	320
Supplies, materials and media	13,775	10,041	3,734
Other	1,755	1,755	-
Total student activities	330,431	314,328	16,103
Total expenditures	15,288,779	13,777,979	1,510,800
Excess (deficiency) of revenues over expenditures	(204,240)	221,057	425,297
Other Financing Sources (Uses)			
Transfers in	316,729	-	(316,729)
Transfers out:			
Food services	(150,000)	(150,000)	-
Pupil transportation	(53,662)	(53,662)	-
Total Transfers	113,067	(203,662)	(316,729)
Net change in fund balance	\$ (91,173)	17,395	108,568
Fund balance, beginning of year		1,770,257	
Fund balance, end of year		\$ 1,787,652	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Nome Beltz Apartments Program Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - local sources - charges for services	\$ 204,811	204,811	-
Expenditures:			
Operations and maintenance of plant:			
Utility services	23,066	23,066	-
Supplies, materials and media	1,386	1,386	-
Total operations and maintenance of plant	<u>24,452</u>	<u>24,452</u>	<u>-</u>
Debt service:			
Interest on long-term debt	7,115	7,115	-
Redemption of principal on long-term debt	32,234	32,234	-
Total debt service	<u>39,349</u>	<u>39,349</u>	<u>-</u>
Total expenditures	<u>63,801</u>	<u>63,801</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>141,010</u>	141,010	<u>-</u>
Fund balance, beginning of year		<u>806,648</u>	
Fund balance, end of year		\$ <u>947,658</u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

Combining Balance Sheet

June 30, 2018

Special Revenue Funds								
	Pupil Transportation	Artists in Schools	CRESEL AASB	Youth in Detention	Early Learning Pre-K	Food Service	Nutritional Alaskan Foods for Schools	
Assets:								
Accounts receivable	\$ -	-	853	-	100,814	2,542	-	112
Due from other funds	381,795	769	-	57,084	-	68,720	14,986	
Total assets	<u>381,795</u>	<u>769</u>	<u>853</u>	<u>57,084</u>	<u>100,814</u>	<u>71,262</u>	<u>14,986</u>	
<u>Liabilities and Fund Balances</u>								
Liabilities:								
Accounts payable	-	-	-	276	-	-	-	
Due to other funds	-	-	853	-	100,814	-	-	
Unearned revenue	-	769	-	56,808	-	-	14,986	
Total liabilities	<u>-</u>	<u>769</u>	<u>853</u>	<u>57,084</u>	<u>100,814</u>	<u>-</u>	<u>14,986</u>	
Fund balances:								
Restricted	-	-	-	-	-	-	-	
Assigned	381,795	-	-	-	-	71,262	-	
Total fund balances	<u>381,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,262</u>	<u>-</u>	
Total liabilities and fund balances	<u>\$ 381,795</u>	<u>769</u>	<u>853</u>	<u>57,084</u>	<u>100,814</u>	<u>71,262</u>	<u>14,986</u>	

(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

Combining Balance Sheet, Continued

	Special Revenue Funds								
	Title VI-B IDEA	Title I-A Consolidated Admin Pool	Preschool Disabled	Title ID	Title II-A	Title I-A Basic	Title I-C Migrant Education	Migrant Book Program	
<u>Assets</u>									
Accounts receivable	\$ 52,403	30,466	417	2,034	2,497	67,526	23,653	2,347	113
Due from other funds	-	-	-	-	-	-	-	-	
Total assets	<u>52,403</u>	<u>30,466</u>	<u>417</u>	<u>2,034</u>	<u>2,497</u>	<u>67,526</u>	<u>23,653</u>	<u>2,347</u>	
<u>Liabilities and Fund Balances</u>									
Liabilities:									
Accounts payable	-	-	-	-	-	445	-	-	
Due to other funds	52,403	30,466	417	2,034	2,497	67,081	23,653	2,347	
Unearned revenue	-	-	-	-	-	-	-	-	
Total liabilities	<u>52,403</u>	<u>30,466</u>	<u>417</u>	<u>2,034</u>	<u>2,497</u>	<u>67,526</u>	<u>23,653</u>	<u>2,347</u>	
Fund balances:									
Restricted	-	-	-	-	-	-	-	-	
Assigned	-	-	-	-	-	-	-	-	
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total liabilities and fund balances	\$ <u>52,403</u>	<u>30,466</u>	<u>417</u>	<u>2,034</u>	<u>2,497</u>	<u>67,526</u>	<u>23,653</u>	<u>2,347</u>	

(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

Combining Balance Sheet, Continued

	Special Revenue Funds						
	Migrant Education Parent Advisory Council	Carl Perkins	Safe Children's Act	REAP- RLIS	Indian Education	Johnson O'Malley	
<u>Assets</u>							
Accounts receivable	\$ 2,601	21,670	-	834	84,996	-	
Due from other funds	-	-	439	-	-	14,118	
Total assets	<u>2,601</u>	<u>21,670</u>	<u>439</u>	<u>834</u>	<u>84,996</u>	<u>14,118</u>	
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Accounts payable	-	-	-	-	-	-	
Due to other funds	2,601	21,670	-	834	84,996	637	
Unearned revenue	-	-	439	-	-	13,481	
Total liabilities	<u>2,601</u>	<u>21,670</u>	<u>439</u>	<u>834</u>	<u>84,996</u>	<u>14,118</u>	
Fund balances:							
Restricted	-	-	-	-	-	-	
Assigned	-	-	-	-	-	-	
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total liabilities and fund balances	<u>\$ 2,601</u>	<u>21,670</u>	<u>439</u>	<u>834</u>	<u>84,996</u>	<u>14,118</u>	114

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

Combining Balance Sheet

June 30, 2018

	Special Revenue Funds			Total Special Revenue Funds	Capital Project Funds		Total Capital Project Funds	Total Other Governmental Funds
	Inupiaq Immersion Program	Albro Gregory Scholarship	Verna Mickelson Scholarship		General Capital Projects	NBHS Partial Roof Replacement		
Assets:								
Accounts receivable	\$ -	-	-	395,653	-	-	-	395,653
Due from other funds	72,189	6,874	1,986	618,960	577,736	-	577,736	1,196,696
Total assets	<u>72,189</u>	<u>6,874</u>	<u>1,986</u>	<u>1,014,613</u>	<u>577,736</u>	<u>-</u>	<u>577,736</u>	<u>1,592,349</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	-	-	-	721	-	-	-	721
Due to other funds	-	-	-	393,303	-	29,842	29,842	423,145
Unearned revenue	-	-	-	86,483	-	-	-	86,483
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,507</u>	<u>-</u>	<u>29,842</u>	<u>29,842</u>	<u>510,349</u>
Fund balances:								
Restricted	-	6,874	1,986	8,860	-	-	-	8,860
Assigned	72,189	-	-	525,246	577,736	-	577,736	1,102,982
Unassigned	-	-	-	-	-	(29,842)	(29,842)	(29,842)
Total fund balances	<u>72,189</u>	<u>6,874</u>	<u>1,986</u>	<u>534,106</u>	<u>577,736</u>	<u>(29,842)</u>	<u>547,894</u>	<u>1,082,000</u>
Total liabilities and fund balances	<u>\$ 72,189</u>	<u>6,874</u>	<u>1,986</u>	<u>1,014,613</u>	<u>577,736</u>	<u>-</u>	<u>577,736</u>	<u>1,592,349</u>

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2018

	Special Revenue Funds							
	Pupil Transportation	Artists in Schools	CRESEL - AASB	Youth in Detention	Staff Development	Early Learning Pre-K	Food Service	Fresh Fruits and Vegetables
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	-	-	-	63,887	-
Other	-	-	-	-	-	-	5,983	-
Intergovernmental:								
State of Alaska	472,140	2,400	-	51,688	11,339	223,678	-	-
Federal sources:								
Passed through	-	100	15,888	-	-	-	606,168	19,630
Direct	-	-	-	-	-	-	-	-
Total revenues	<u>472,140</u>	<u>2,500</u>	<u>15,888</u>	<u>51,688</u>	<u>11,339</u>	<u>223,678</u>	<u>676,038</u>	<u>19,630</u>
Expenditures:								
Instruction	-	2,500	-	49,172	-	196,266	-	-
Special education instruction	-	-	-	2,441	-	-	-	-
Support services - students	-	-	-	-	11,339	-	-	-
Support services - instruction	-	-	-	-	-	12,723	-	-
School administration	-	-	-	75	-	-	-	-
District administration	-	-	-	-	-	-	-	-
District administration support services	-	-	-	-	-	14,689	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	280	-	-	-	-	-	-	-
Student transportation-to and from school	497,107	-	-	-	-	-	-	-
Student transportation-school activities	22,649	-	-	-	-	-	-	-
Community services	-	-	15,888	-	-	-	-	-
Food service	-	-	-	-	-	-	832,570	19,630
Total expenditures	<u>520,036</u>	<u>2,500</u>	<u>15,888</u>	<u>51,688</u>	<u>11,339</u>	<u>223,678</u>	<u>832,570</u>	<u>19,630</u>
Excess (deficiency) of revenues over expenditures	(47,896)	-	-	-	-	-	(156,532)	-
Other Financing Sources (Uses)								
Transfers in (out)	<u>53,662</u>	-	-	-	-	-	150,000	-
Net change in fund balances	5,766	-	-	-	-	-	(6,532)	-
Fund balances, beginning of year	<u>376,029</u>	-	-	-	-	-	<u>77,794</u>	-
Fund balances, end of year	<u>\$ 381,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,262</u>	<u>-</u>

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(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

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

Special Revenue Funds								
	Title VI-B IDEA	Title I-A Consolidated Admin Pool	Preschool Disabled	Title I-D	Title II-A	Title I-A Basic Program	Title I-C Migrant Education	Migrant Book Program
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
State of Alaska	-	-	-	-	-	-	-	-
Federal sources:								
Passed through	195,935	82,063	1,383	14,763	43,334	222,793	62,934	4,868
Direct	-	-	-	-	-	-	-	-
Total revenues	<u>195,935</u>	<u>82,063</u>	<u>1,383</u>	<u>14,763</u>	<u>43,334</u>	<u>222,793</u>	<u>62,934</u>	<u>4,868</u>
Expenditures:								
Instruction	-	-	-	14,073	-	163,952	45,249	4,868
Special education instruction	119,971	-	1,318	-	-	-	-	-
Support services - students	64,312	-	-	-	-	-	98	-
Support services - instruction	2,500	82,063	-	-	38,644	47,579	11,329	-
School administration	-	-	-	-	2,666	-	-	-
District administration	-	-	-	-	-	855	-	-
District administration support services	9,152	-	65	690	2,024	10,407	6,258	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation-to and from school	-	-	-	-	-	-	-	-
Student transportation-school activities	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-
Total expenditures	<u>195,935</u>	<u>82,063</u>	<u>1,383</u>	<u>14,763</u>	<u>43,334</u>	<u>222,793</u>	<u>62,934</u>	<u>4,868</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other Financing Sources (Uses)								
Transfers in-out	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

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

	Special Revenue Funds							
	Migrant Education Parent Advisory Council	Carl Perkins	Safe Children's Act	Educator's Rising	REAP- RLIS	Indian Education	Johnson O'Malley	Imagination Library
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	-	-	-	-	-
Other	-	721	-	-	-	-	-	1,221
Intergovernmental:								
State of Alaska	-	-	1,350	-	-	-	-	-
Federal sources:								
Passed through	4,031	20,949	-	5,048	-	-	17,458	-
Direct	-	-	-	-	13,825	255,077	-	-
Total revenues	<u>4,031</u>	<u>21,670</u>	<u>1,350</u>	<u>5,048</u>	<u>13,825</u>	<u>255,077</u>	<u>17,458</u>	<u>1,221</u>
Expenditures:								
Instruction	-	20,691	1,350	-	13,179	243,162	12,571	1,221
Special education instruction	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	-	-	-	5,048	-	-	4,072	-
School administration	-	-	-	-	-	-	-	-
District administration	-	-	-	-	-	-	-	-
District administration support services	-	979	-	-	646	11,915	815	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation-to and from school	-	-	-	-	-	-	-	-
Student transportation-school activities	-	-	-	-	-	-	-	-
Community services	4,031	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-
Total expenditures	<u>4,031</u>	<u>21,670</u>	<u>1,350</u>	<u>5,048</u>	<u>13,825</u>	<u>255,077</u>	<u>17,458</u>	<u>1,221</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other Financing Sources (Uses)								
Transfers in-out	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-
Fund balances, end of year	\$ -	-	-	-	-	-	-	-

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(continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Other Governmental Funds

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

	Special Revenue Funds			Total Special Revenue Funds	Capital Project Funds		Total Capital Project Funds	Total Other Governmental Funds
	Inupiaq Immersion Program	Albro Gregory Scholarship	Verna Mickelson Scholarship		General Capital Projects	NBHS Partial Roof Replacement		
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	63,887	-	-	-	63,887
Other	72,189	-	-	80,114	-	-	-	80,114
Intergovernmental:								
State of Alaska	-	-	-	762,595	-	-	-	762,595
Federal sources:								
Passed through	-	-	-	1,317,345	-	-	-	1,317,345
Direct	-	-	-	268,902	-	-	-	268,902
Total revenues	<u>72,189</u>	<u>-</u>	<u>-</u>	<u>2,492,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,492,843</u>
Expenditures:								
Instruction	-	-	-	768,254	38,871	-	38,871	807,125
Special education instruction	-	-	-	123,730	-	-	-	123,730
Support services - students	-	-	-	75,749	-	-	-	75,749
Support services - instruction	-	-	-	203,958	-	-	-	203,958
School administration	-	-	-	2,741	-	-	-	2,741
District administration	-	-	-	855	-	-	-	855
District administration support services	-	-	-	57,640	10,357	-	10,357	67,997
Operations and maintenance of plant	-	-	-	-	204,461	7,261	211,722	211,722
Student activities	-	-	-	280	-	-	-	280
Student transportation-to and from school	-	-	-	497,107	-	-	-	497,107
Student transportation-school activities	-	-	-	22,649	-	-	-	22,649
Community services	-	-	1,000	20,919	-	-	-	20,919
Food service	-	-	-	852,200	-	-	-	852,200
Total expenditures	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>2,626,082</u>	<u>253,689</u>	<u>7,261</u>	<u>260,950</u>	<u>2,887,032</u>
Excess (deficiency) of revenues over expenditures	72,189	-	(1,000)	(133,239)	(253,689)	(7,261)	(260,950)	(394,189)
Other Financing Sources:								
Transfers in	-	-	-	203,662	-	-	-	203,662
Fund balances, beginning of year	-	6,874	2,986	463,683	831,425	(22,581)	808,844	1,272,527
Fund balances, end of year	<u>\$ 72,189</u>	<u>6,874</u>	<u>1,986</u>	<u>534,106</u>	<u>577,736</u>	<u>(29,842)</u>	<u>547,894</u>	<u>1,082,000</u>

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Pupil Transportation Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ <u>472,140</u>	<u>472,140</u>	<u>-</u>
Expenditures:			
Student Activities-			
Other purchased services	<u>-</u>	<u>280</u>	<u>(280)</u>
Student transportation-to and from school-			
Other purchased services	<u>469,910</u>	<u>497,107</u>	<u>(27,197)</u>
Student transportation-school activities:			
Non-certificated salaries	-	1,524	(1,524)
Employee benefits	-	825	(825)
Other purchased services	<u>-</u>	<u>20,300</u>	<u>(20,300)</u>
Total transportation-school activities	<u>-</u>	<u>22,649</u>	<u>(22,649)</u>
Total expenses	<u>469,910</u>	<u>520,036</u>	<u>(50,126)</u>
Excess (deficiency) of revenues over expenditures	2,230	(47,896)	(50,126)
Other financing sources-			
Transfers In-From General Fund	<u>50,000</u>	<u>53,662</u>	<u>(3,662)</u>
Net change in fund balance	\$ <u><u>52,230</u></u>	<u>5,766</u>	<u><u>(53,788)</u></u>
Fund balance, beginning of year		<u>376,029</u>	
Fund balance, end of year		\$ <u><u>381,795</u></u>	

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Artists in Schools Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental -			
Federal sources passed through			
Alaska State Council on the Arts	\$ 100	100	-
State of Alaska	2,934	2,400	(534)
Total revenues	<u>3,034</u>	<u>2,500</u>	<u>(534)</u>
Expenditures:			
Instruction-			
Professional and technical services	<u>3,034</u>	<u>2,500</u>	<u>534</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	-	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

CRESEL-AASB Program Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - Federal-passed through AASB	\$ <u>50,000</u>	<u>15,888</u>	<u>(34,112)</u>
Expenditures:			
Community services:			
Non-certificated salaries	30,854	4,396	26,458
Employee benefits	8,000	391	7,609
Staff travel	5,573	4,035	1,538
Supplies, materials and media	5,573	-	5,573
Other expenses	-	7,066	(7,066)
Total community services	<u>50,000</u>	<u>15,888</u>	<u>34,112</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Youth in Detention Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 91,358	51,688	(39,670)
Expenditures:			
Instruction:			
Certificated salaries	30,513	11,946	18,567
Non-certificated salaries	21,874	21,873	1
Employee benefits	11,964	11,959	5
Staff travel	7	6	1
Other purchased services	102	101	1
Other expenses	500	500	-
Professional and technical	-	2,003	(2,003)
Supplies, materials and media	23,878	784	23,094
Total instruction	88,838	49,172	39,666
Special education instruction:			
Certificated salaries	1,768	1,767	1
Employee benefits	676	674	2
Total special education instruction	2,444	2,441	3
School administration-			
Other purchased services	76	75	1
Total expenses	91,358	51,688	39,670
Excess of revenues over expenditures	-	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Staff Development Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - State of Alaska	\$ <u>17,578</u>	<u>11,339</u>	<u>(6,239)</u>
Expenditures:			
Support services - students - Staff travel	<u>17,578</u>	<u>11,339</u>	<u>6,239</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Early Learning Pre-K Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues -Intergovernmental			
State of Alaska	\$ 223,678	223,678	-
Expenditures:			
Instruction:			
Certificated salaries	137,871	137,647	224
Non-certificated salaries	582	1,110	(528)
Employee benefits	40,997	38,282	2,715
Transpiration allowance	2,300	1,847	453
Supplies, materials and media	16,979	17,380	(401)
Total instruction	<u>198,729</u>	<u>196,266</u>	<u>2,463</u>
Support services -instruction:			
Certificated salaries	9,230	9,227	3
Employee benefits	-	2,283	(2,283)
Staff travel	1,005	1,005	-
Other expenses	210	208	2
Total support services - instruction	<u>10,445</u>	<u>12,723</u>	<u>(2,278)</u>
District administration support services:			
Non-certificated salaries	2,418	1,890	528
Employee benefits	528	1,245	(717)
Supplies, materials and media	1,110	1,106	4
Indirect cost	10,448	10,448	-
Total district administration support services	<u>14,504</u>	<u>14,689</u>	<u>(185)</u>
Total expenditures	<u>223,678</u>	<u>223,678</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Food Service Program Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:	\$ -	5,983	5,983
Charges for services			
Other	78,000	63,887	(14,113)
Total local sources	78,000	69,870	(8,130)
Intergovernmental - Federal sources:			
Passed through the State of Alaska-			
Food service reimbursement	655,000	606,168	(48,832)
Total revenues	733,000	676,038	(56,962)
Expenditures:			
Food service:			
Non-certificated salaries	-	14,539	(14,539)
Employee benefits	-	8,529	(8,529)
Other purchased services	843,000	772,455	70,545
Supplies, materials and media	40,000	37,047	2,953
Total expenditures	883,000	832,570	50,430
Excess (deficiency) of revenues over expenditures	(150,000)	(156,532)	(6,532)
Other financing sources-			
Transfers in - General Fund	150,000	150,000	-
Net change in fund balance	\$ -	(6,532)	(6,532)
Fund balance, beginning of year		77,794	
Fund balance, end of year		\$ 71,262	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Fresh Fruits and Vegetables Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ <u>19,630</u>	<u>19,630</u>	<u>-</u>
Expenditures: Food services- Supplies, materials and media	<u>19,630</u>	<u>19,630</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Title VI-B IDEA Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ 237,231	195,935	(41,296)
Expenditures:			
Special education instruction:			
Professional and technical services	99,600	87,084	12,516
Other purchased services	15,500	250	15,250
Staff travel	4,500	5,368	(868)
Student travel	1,500	-	1,500
Other expense	2,500	4,824	(2,324)
Supplies, materials and media	43,550	22,445	21,105
Total special education instruction	<u>167,150</u>	<u>119,971</u>	<u>47,179</u>
Special education support services-students:			
Non-certificated salaries	42,075	37,043	5,032
Employee benefits	15,000	27,269	(12,269)
Total special education support services-students	<u>57,075</u>	<u>64,312</u>	<u>(7,237)</u>
Support services instruction:			
Non-certificated salaries	1,925	1,925	-
Employee benefits	-	575	(575)
Total support services instruction	<u>1,925</u>	<u>2,500</u>	<u>(575)</u>
District administration support services- Indirect costs	<u>11,081</u>	<u>9,152</u>	<u>1,929</u>
Total expenditures	<u>237,231</u>	<u>195,935</u>	<u>41,296</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	-	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Title I-A Consolidated Admin Pool Program Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental:			
Federal sources passed through the State of Alaska	\$ <u>82,063</u>	<u>82,063</u>	<u>-</u>
Expenditures:			
Support services - instruction:			
Certificated salaries	59,880	61,105	(1,225)
Employee benefits	17,600	17,511	89
Staff travel	<u>4,583</u>	<u>3,447</u>	<u>1,136</u>
Total expenditures	<u>82,063</u>	<u>82,063</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	-	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Preschool Disabled Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ <u>3,820</u>	<u>1,383</u>	<u>(2,437)</u>
Expenditures:			
Special education instruction:			
Other purchased services	922	922	-
Supplies, materials and media	<u>2,720</u>	<u>396</u>	<u>2,324</u>
Total special education instruction	<u>3,642</u>	<u>1,318</u>	<u>2,324</u>
District administration support services- Indirect costs	<u>178</u>	<u>65</u>	<u>113</u>
Total expenditures	<u>3,820</u>	<u>1,383</u>	<u>2,437</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Title I-D Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ 14,763	14,763	-
Expenditures:			
Instruction:			
Certificated salaries	2,551	2,551	-
Non-certificated salaries	5,500	5,501	(1)
Employee benefits	3,808	3,851	(43)
Supplies, materials and media	2,214	2,170	44
Total instruction	<u>14,073</u>	<u>14,073</u>	<u>-</u>
District administration support services- Indirect costs	<u>690</u>	<u>690</u>	<u>-</u>
Total expenditures	<u>14,763</u>	<u>14,763</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year	\$	<u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Title II-A Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ 45,343	43,334	(2,009)
Expenditures:			
Support services -instruction:			
Certificated salaries	3,000	2,000	1,000
Employee benefits	750	50	700
Professional and technical services	18,884	18,884	-
Staff travel	17,820	16,556	1,264
Supplies, materials and media	831	1,154	(323)
Total support services - instruction	41,285	38,644	2,641
School administration-			
Staff travel	1,391	2,666	(1,275)
District administration support services-			
Indirect costs	2,667	2,024	643
Total expenditures	45,343	43,334	2,009
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Title I-A Basic Program Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	222,793	222,793	-
Expenditures:			
Instruction:			
Certificated salaries	73,904	73,714	190
Non-certificated salaries	37,941	34,853	3,088
Employee benefits	52,460	51,278	1,182
Transportation allowance	400	324	76
Staff travel	831	830	1
Supplies, materials and media	4,000	2,953	1,047
Total instruction	169,536	163,952	5,584
Support services-instruction:			
Certificated salaries	1,681	1,681	-
Employee benefits	42	41	1
Staff travel	40,231	45,057	(4,826)
Other expenses	800	800	-
Total support services-instruction	42,754	47,579	(4,825)
District administration - Staff travel	-	855	(855)
District administration support services - Indirect costs	10,503	10,407	96
Total expenditures	222,793	222,793	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Title I-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through the State of Alaska	\$ 70,177	62,934	(7,243)
Expenditures:			
Instruction:			
Certificated salaries	6,000	5,500	500
Employee benefits	2,606	1,134	1,472
Tuition-students and stipends	33,000	33,470	(470)
Supplies, materials and media	5,146	5,145	1
Total instruction	46,752	45,249	1,503
Support services - students -			
Staff travel	98	98	-
Support services-instruction:			
Non-certificated salaries	6,698	7,052	(354)
Employee benefits	3,705	4,004	(299)
Staff travel	136	136	-
Supplies, materials and media	-	137	(137)
Total support services-instruction	10,539	11,329	(790)
District administration support services:			
Non-certificated salaries	4,494	4,494	-
Employee benefits	1,900	388	1,512
Indirect costs	6,394	1,376	5,018
Total district administration support services	12,788	6,258	6,530
Total expenditures	70,177	62,934	7,243
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Migrant Book Program Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ <u>5,000</u>	<u>4,868</u>	<u>(132)</u>
Expenditures:			
Instruction:			
Certificated salaries	1,650	1,650	-
Employee benefits	160	159	1
Supplies, materials and media	<u>3,190</u>	<u>3,059</u>	<u>131</u>
Total expenditures	<u>5,000</u>	<u>4,868</u>	<u>132</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Migrant Education, Parent Advisory Council Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - Federal sources passed through the State of Alaska	\$ <u>5,500</u>	<u>4,031</u>	<u>(1,469)</u>
Expenditures: Community services- Staff travel	<u>5,500</u>	<u>4,031</u>	<u>1,469</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Carl Perkins Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues -			
Intergovernmental -			
Federal sources passed through the State of Alaska	\$ 20,950	20,949	(1)
Other local sources	-	721	721
Total revenues	<u>20,950</u>	<u>21,670</u>	<u>720</u>
Expenditures:			
Instruction:			
Student travel	1,250	1,304	(54)
Other purchased services	6,800	6,957	(157)
Supplies, materials and media	11,920	12,430	(510)
Total instruction	<u>19,970</u>	<u>20,691</u>	<u>(721)</u>
District administration support services - Indirect costs	<u>980</u>	<u>979</u>	<u>1</u>
Total expenditures	<u>20,950</u>	<u>21,670</u>	<u>(720)</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year	\$	<u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Safe Children's Act Program Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues -Intergovernmental			
State of Alaska	\$ 1,350	1,350	-
Expenditures:			
Instruction-			
Supplies, materials and media	1,350	1,350	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Educator's Rising Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues - Intergovernmental - Federal sources passed through University of Alaska Fairbanks	\$ <u>7,520</u>	<u>5,048</u>	<u>(2,472)</u>
Expenditures:			
Support services-instruction:			
Staff travel	7,520	1,630	5,890
Student travel	<u>-</u>	<u>3,418</u>	<u>(3,418)</u>
Total expenditures	<u>7,520</u>	<u>5,048</u>	<u>2,472</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

REAP-RLIS Education Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues-Intergovernmental			
Federal sources-Direct	\$ 13,825	13,825	-
Expenditures:			
Instruction:			
Non-certificated salaries	9,467	9,293	174
Employee benefits	783	782	1
Supplies, materials, media	3,106	3,104	2
Total instruction	13,356	13,179	177
District administration support services- Indirect costs	469	646	(177)
Total expenditures	13,825	13,825	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Indian Education Special Revenue Fund

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

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues- Intergovernmental - Federal sources - Direct	\$ <u>255,077</u>	<u>255,077</u>	<u>-</u>
Expenditures:			
Instruction:			
Certificated salaries	191,719	191,719	-
Employee benefits	51,083	51,083	-
Transportation allowance	<u>360</u>	<u>360</u>	<u>-</u>
Total instruction	<u>243,162</u>	<u>243,162</u>	<u>-</u>
District administration support services - Indirect costs	<u>11,915</u>	<u>11,915</u>	<u>-</u>
Total expenditures	<u>255,077</u>	<u>255,077</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Johnson O'Malley Special Revenue Fund

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

Year Ended June 30, 2018

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental -			
Federal sources passed through local entity	\$ 30,938	17,458	(13,480)
Expenditures:			
Instruction-			
Non-certificated salaries	1,488	-	1,488
Professional and technical services	6,600	-	6,600
Supplies, materials and media	14,801	12,571	2,230
Total instruction	22,889	12,571	10,318
Support services - instruction:			
Supplies, materials and media	733	733	-
Staff travel	4,300	3,339	961
Other expenses	1,500	-	1,500
Total support services instruction	6,533	4,072	2,461
District administration support services-			
Indirect costs	1,516	815	701
Total expenditures	30,938	17,458	13,480
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Imagination Library Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2018

	<u>Actual</u>
Revenues:	
Local sources - other	\$ <u>1,221</u>
Expenditures:	
Instruction- Supplies, materials and media	<u>1,221</u>
Excess of revenues over expenditures	-
Fund balance, beginning of year	<u>-</u>
Fund balance, end of year	\$ <u><u>-</u></u>

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Inupiaq Immersion Program Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2018

	<u>Actual</u>
Revenues:	
Local sources - other	\$ <u>72,189</u>
Expenditures	<u>-</u>
Excess of revenues over expenditures	72,189
Fund balance, beginning of year	<u>-</u>
Fund balance, end of year	\$ <u><u>72,189</u></u>

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Verna Mickelson Scholarship Program Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2018

	<u>Actual</u>
Revenues	\$ <u>-</u>
Expenditures:	
Community services-	
Other expenditures	<u>1,000</u>
Excess of revenues over expenditures	(1,000)
Fund balance, beginning of year	<u>2,986</u>
Fund balance, end of year	\$ <u><u>1,986</u></u>

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

General Capital Projects Capital Project Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance

Year Ended June 30, 2018

	<u>Actual</u>
Revenues -	
local revenues - other	\$ <u> -</u>
Expenditures:	
Instruction-	
Equipment	<u> 38,871</u>
District administration support services	
Equipment	<u> 10,357</u>
Operations and maintenance of plant:	
Professional and technical services	28,060
Equipment	169,583
Supplies, materials, media	<u> 6,818</u>
Total operations and maintenance of plant	<u> 204,461</u>
Total expenditures	<u> 253,689</u>
Excess of revenues over expenditures	(253,689)
Fund balance, beginning of year	\$ <u> 831,425</u>
Fund balance, end of year	<u> 577,736</u>

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

NBHS Partial Roof Replacement Capital Project Fund

Schedule of Revenues, Expenditures, and Changes
 in Fund Balance

Year Ended June 30, 2018

	<u>Actual</u>
Revenues -	
Other local revenues	\$ <u>-</u>
Expenditures:	
Operations and maintenance of plant-	
Professional and technical services	<u>7,261</u>
Excess of revenues over expenditures	(7,261)
Fund balance, beginning of year	<u>(22,581)</u>
Fund balance, end of year	\$ <u><u>(29,842)</u></u>

NOME PUBLIC SCHOOLS
 (A Component Unit of the City of Nome)

Games of Chance and Skill Agency Fund

Schedule of Changes in Assets and Liabilities

June 30, 2018

		<u>Beginning Balance</u>	<u>Additions</u>	<u>Decreases</u>	<u>Ending Balance</u>
Assets					
Cash and investments	\$	<u>16,497</u>	<u>7</u>	<u>329</u>	<u>16,175</u>
Liabilities					
Due to student groups	\$	<u>16,497</u>	<u>7</u>	<u>329</u>	<u>16,175</u>

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Student Activity Agency Fund

Schedule of Changes in Assets and Liabilities

June 30, 2018

	Beginning Balance	Increases	Decreases	Ending Balance
Assets				
Cash and investments	\$ 231,694	197,094	301,679	127,109
Prepaid Expenses	-	358	-	358
Due from School Operating Fund	-	165,160	-	165,160
	<u>231,694</u>	<u>362,612</u>	<u>301,679</u>	<u>292,627</u>
Liabilities				
Accounts Payable	-	910	-	910
Due to student groups				
High school:				
ACSA -- Action	\$ 1,335	-	-	1,335
ACSA - Class of 2021 DC Trip	-	482	-	482
ACSA -- DC Ticket Account	3,783	24	40	3,767
ACSA -- Student Council	5,498	1,499	1,308	5,689
ACSA -- 8th Grade Class of 2018 DC Trip	8,292	17,571	25,863	-
ACSA -- 8th Grade Class of 2019 DC Trip	242	1,193	-	1,435
ACSA -- 8th Grade Class of 2020 DC Trip	1,292	2,169	-	3,461
Aviation Program	-	28,945	13,943	15,002
Booster Club	4,839	-	-	4,839
Bowling League	494	-	-	494
Boys Varsity Basketball	4,422	17,366	9,543	12,245
Breakfast Snack	142	-	-	142
Bridge Club *NEW*	-	4,890	1,486	3,404
Class of 2017	-	45	-	45
Class of 2018	6,145	2,395	8,695	(155)
Class of 2019	-	10,910	6,508	4,402
Counselor's Office	407	-	-	407
Cross Country	-	13,059	4,753	8,306
Culinary Club	601	1,102	523	1,180
Culture Club *NEW*	-	1,009	-	1,009
Drama Club	2,689	1,373	1,875	2,187
Girls Varsity Basketball	2,759	21,153	17,505	6,407
Gym Banners	11,992	4,500	11,359	5,133
Honor Society	332	-	(175)	507
HS Student Council	1,806	100	421	1,485
Jr. High Basketball Tournament	2,572	-	-	2,572
Jr. High Boys Basketball	1,951	13,098	5,563	9,486
Jr. High Girls Basketball	-	200	-	200
Jr. High Student Council	3,609	461	405	3,665
Jr. High Volleyball	2,653	3,178	2,684	3,147

(Continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Student Activity Agency Fund

Schedule of Changes in Assets and Liabilities, continued

	Beginning Balance	Increases	Decreases	Ending Balance
Liabilities, continued				
Due to student groups, continued:				
High school, continued:				
Jr. High Wrestling	\$ 7,373	4,553	5,401	6,525
JV Boys Basketball	1,259	1,000	-	2,259
JV Girls Basketball	2,154	-	-	2,154
Let Us Buy - Student Store	599	2,596	1,251	1,944
Music/Choir	1,713	20,873	16,080	6,506
Nanook News	25	-	60	(35)
Native Youth Leadership NNYLO	5,766	3,609	4,156	5,219
Native Youth Olympics NYO	4,987	13,182	9,078	9,091
NB Activities	-	72	25	47
NB Class of 2019	2,160	7,200	9,360	-
NBHS Athletics	4,910	-	-	4,910
NBHS Close Up/DC Trip	5,001	49,383	50,492	3,892
Norton Sound Shootout	4,585	-	-	4,585
NSEDC - ACSA DC Trip	-	5,000	5,000	-
NSEDC - Cross Country	-	750	-	750
NSEDC - Jr. High Girls Basketball	-	2,500	2,232	268
NSEDC - Ski Bundles	-	6,000	6,000	-
NYO Junior Account	3,010	-	-	3,010
Resource Center -- Library	4,103	60	2,705	1,458
Skills USA VICA	16,167	4,187	88	20,266
Spirit Committee	885	-	178	707
Student Career Exploration Trips	-	8,368	8,368	-
Subway Showdown	(85)	10,202	3,928	6,189
Suicide, Alcohol and/or Substance Abuse Prevention	2,308	-	-	2,308
Swim Team	931	1,600	2,236	295
Varsity Cheerleading	5,584	11,747	11,275	6,056
Varsity Volleyball	33,617	31,345	21,649	43,313
Varsity Wrestling	11,583	9,433	4,965	16,051
Yearbook	4,288	3,534	5,460	2,362
You Are Not Alone Club	364	-	-	364
Youth Dance Group	-	250	-	250
Total High School	\$ 191,142	344,166	282,286	253,022

(Continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Student Activity Agency Fund

Schedule of Changes in Assets and Liabilities, continued

	Beginning Balance	Increases	Decreases	Ending Balance
Liabilities, continued				
Due to student groups, continued:				
Elementary School:				
Lisa's Leepers - Lego Robotics	\$ 9,740	-	-	9,740
NES Cross Country	175	-	-	175
NES Library Club	16,856	11,884	12,160	16,580
NES Student Council	663	-	-	663
NES Wrestling	1,162	5,601	1,147	5,616
NES Youth Activities	2,462	-	-	2,462
Nome Elementary General Activities	9,244	51	-	9,295
Ski Team	250	-	-	250
Youth Basketball	-	-	6,086	(6,086)
Total Elementary School	<u>\$ 40,552</u>	<u>17,536</u>	<u>19,393</u>	<u>38,695</u>
Total Due to Student Groups	<u>\$ 231,694</u>	<u>361,702</u>	<u>301,679</u>	<u>291,717</u>
Total Due to Student Groups and Liabilities	<u>\$ 231,694</u>	<u>362,612</u>	<u>301,679</u>	<u>292,627</u>

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2018

<u>Grant Title</u>	<u>Grant Number</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>Total Grant Award</u>	<u>Federal Share of Expenditures</u>
U.S. Department of Education:				
Direct programs:				
Impact Aid	11-AK-2016-0501	84.041	\$ 26,520	26,520
Impact Aid	11-AK-2018-0501	84.041	122,403	122,403
Total CFDA 84.041			<u>148,923</u>	<u>148,923</u>
Indian Education	S060A170518	84.060	<u>255,077</u>	<u>255,077</u>
REAP-RLIS	S358C170005	84.358	<u>13,825</u>	<u>13,825</u>
Passed through the State of Alaska, Department of Education and Early Development:				
Title II-A	IP 18.NPSD.01	84.367	43,334	43,334
Title II-A	IP 18.NPSD.01	84.367	12,500	12,500
Total CFDA 84.367			<u>55,834</u>	<u>55,834</u>
Title VI-B IDEA	SE 18.NPSD.01	84.027	237,232	195,935
Preschool Disabled	SE 18.NPSD.01	84.173	3,820	1,383
Total Special Education Cluster			<u>241,052</u>	<u>197,318</u>
Carl Perkins	EK 18.NPSD.01	84.048	<u>20,950</u>	<u>20,949</u>
Title IA Basic	IP 18.NPSD.01	84.010	222,793	222,793
Title IA Basic	IP 18.NPSD.01	84.010	40,263	40,263
Total CFDA 84.010			<u>263,056</u>	<u>263,056</u>
Title IV-A	IP 18.NPSD.01	84.424	<u>10,000</u>	<u>10,000</u>
Title I-D	IP 18.NPSD.01	84.013	<u>14,763</u>	<u>14,763</u>
Title IC Migrant Education	IP 18.NPSD.01	84.011	65,357	62,934
Title IC	IP 18.NPSD.01	84.011	19,300	19,300
Migrant Book	MB 18.NPSD.01	84.011	5,000	4,868
Migrant, Parent Advisory Council	MB 18.NPSD.02	84.011	5,500	4,031
Total CFDA 84.011			<u>95,157</u>	<u>91,133</u>
Passed through:				
Association of Alaska School Board - CRESEL	U411C150085	84.411	<u>50,000</u>	<u>15,888</u>
University of Alaska Fairbanks - Educators Rising	S356A150061	84.356	<u>7,520</u>	<u>5,048</u>
Total Department of Education			<u>1,176,157</u>	<u>1,091,814</u>

(Continued)

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Schedule of Expenditures of Federal Awards, Continued

<u>Grant Title</u>	<u>Grant Number</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>Total Grant Award</u>	<u>Federal Share of Expenditures</u>
U.S. Department of the Interior:				
Passed through Kawerak, Inc.:				
Johnson O'Malley	FY18	15.130	<u>30,938</u>	<u>17,458</u>
U.S. Department of Agriculture:				
Passed through the State of Alaska,				
Department of Education and Early Development:				
National School Breakfast Program	MS 18.NPSD.01	10.553	213,105	192,615
National School Lunch Program	MS 18.NPSD.01	10.555	<u>425,639</u>	<u>387,012</u>
Total Child Nutrition Cluster			<u>638,744</u>	<u>579,627</u>
Fresh Fruit and Vegetable Program	FF 18.NPSD.01	10.582	3,700	3,700
Fresh Fruit and Vegetable Program	FF 18.NPSD.02	10.582	<u>19,345</u>	<u>15,930</u>
Total CFDA 10.582			<u>23,045</u>	<u>19,630</u>
Commodity Supplemental Food Program	FY18	10.565	<u>23,016</u>	<u>23,016</u>
Food Distribution Admin Fee Reimbursement	FD 18.NPSD.01	10.560	<u>3,525</u>	<u>3,525</u>
Total Department of Agriculture			<u>688,330</u>	<u>625,798</u>
National Endowment for the Arts				
Passed through Alaska State Council on the Arts-				
Artists in Schools	FY18A150016	45.025	<u>100</u>	<u>100</u>
Total Expenditures of Federal Awards			<u>\$ 1,895,525</u>	<u>1,735,170</u>

See accompanying notes to the Schedule

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome, Alaska)

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2018

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Nome Public Schools under programs of the federal government for the year ended June 30, 2018. 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 Nome Public Schools, it is not intended to and does not present the basic financial statements of Nome Public Schools.

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. Nome Public Schools has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Passed Through Awards

No amounts were passed through to subrecipients.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Schedule of State Financial Assistance

Year Ended June 30, 2018

<u>Grant Title</u>	<u>Grant Number</u>	<u>Grant Award</u>	<u>Eligible Expenditures</u>
State of Alaska, Department of Education and Early Development:			
Direct:			
# Foundation	None	\$ 8,474,729	8,474,729
Quality Schools	None	26,064	26,064
# Student Transportation	None	472,140	472,140
Alaska Safe Children's Act	SC 18.NPSD.01	600	161
Alaska Safe Children's Act	SC 17.NPSD.01	2,989	1,189
Broadband Assistance Grant (BAG)	None	165,580	114,802
Youth in Detention	EY 18 NPSD 01	91,358	51,688
# Early Learning Pre-K	PK 18 NPSD 01	223,678	223,678
Staff Development	None	11,339	11,339
Total Department of Education and Early Development		9,468,477	9,375,790
State of Alaska, Department of Administration:			
Direct:			
# On-behalf TRS	None	671,747	671,747
On-behalf PERS	None	53,256	53,256
Total State of Alaska, Department of Administration		725,003	725,003
Alaska Council on the Arts			
Direct -			
Artists in Schools	FY18A150016	2,934	2,400
Total state financial assistance		\$ 10,196,414	10,103,193

See accompanying notes to schedule.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome, Alaska)

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2018

Note 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Nome Public Schools under programs of the State of Alaska for the year ended June 30, 2018. 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 Nome Public Schools, it is not intended to and does not present the basic financial statements of Nome Public Schools.

Note 2. Summary of Significant Accounting Policies

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

Note 3. Subrecipients

No state funds were passed through to Subrecipients.

Note 4. Major Programs

denotes a major program for compliance audit purposes.

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
Nome Public Schools
Nome, 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 Nome Public Schools, a component unit of the City of Nome, Alaska, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Nome Public School's basic financial statements, and have issued our report thereon dated November 9, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Nome Public School's internal control over financial reporting (internal control) to determine the 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 Nome Public School's internal control. Accordingly, we do not express an opinion on the effectiveness of Nome Public School'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying federal schedule of findings and questioned costs as Finding 2018-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Nome Public School'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 determination of financial statement amounts. 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*.

Nome Public Schools Response to Finding

Nome Public Schools response to the finding identified in our audit is described in the accompanying federal schedule of findings and questioned costs and corrective action plan. The District's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Anchorage, Alaska
November 9, 2018

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

Independent Auditor's Report

Members of the School Board
Nome Public Schools
Nome, Alaska

Report on Compliance for Each Major Federal Program

We have audited Nome Public Schools' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Nome Public Schools' major federal programs for the year ended June 30, 2018. Nome Public Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Nome Public Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Nome Public Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Nome Public Schools' compliance.

Opinion on Each Major Federal Program

In our opinion, Nome Public Schools, 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, 2018. 159

Report on Internal Control over Compliance

Management of Nome Public Schools, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Nome Public Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Nome Public Schools' 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 a 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.

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

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
November 9, 2018

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome, Alaska)

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2018

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited 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 identified? X Yes No
Significant deficiency 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 identified? Yes X No
Significant deficiency 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 federal programs: 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:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.041	Impact Aid
84.060	Indian Education

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

Auditee qualified as low-risk auditee? X Yes No

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome, Alaska)

Federal Schedule of Findings and Questioned Costs, Continued

Section II – Financial Statement Findings

Finding 2018-001
Material Weakness

Internal Control Over Capital Assets

- Condition:** During our audit procedures performed over capital assets we identified three improvement projects with a combined net value of \$661,927 that were included in the District's capital asset schedule that should have been transferred to the City of Nome in previous years.
- Criteria:** Internal controls should be in place that enable management to determine the capital projects that should be transferred to the City on Nome when projects completed.
- Context:** We noted improvements of \$661,927 during our work over the capital asset schedule that should have been transferred to City of Nome in previous years.
- Cause:** Lack of internal control and communication with the City of Nome to ensure the proper transfer of capital assets.
- Effect:** The government-wide financial statements had an overstatement of capital assets of \$661,927.
- Recommendation:** We recommend that District's management have a clear line of communication with the City of Nome to ensure assets that need to be transferred to the City at the end of the year are completed. Management should implement controls over capital assets to ensure only District owned assets are capitalized and depreciated.
- Management Response:** Management concurs with this finding. See Corrective Action Plan.

Section III – Federal Award Findings and Questioned Costs

Nome Public Schools did not have any findings related to federal awards.

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

Independent Auditor's Report

Members of the School Board
Nome Public Schools
Nome, Alaska

Report on Compliance for Each Major State Program

We have audited Nome Public Schools compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of Nome Public Schools major State programs for the year ended June 30, 2018. Nome Public Schools major State programs are identified in the accompanying Schedule of State Financial Assistance.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Nome Public Schools' major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Nome Public Schools compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Nome Public Schools' compliance.

Opinion on Each Major State Program

In our opinion, Nome Public Schools 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 state programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of Nome Public Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Nome Public Schools internal control over compliance with the types of requirements that could have a direct and material effect on each major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with *the State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Nome Public Schools 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.



Anchorage, Alaska
November 9, 2018

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2018

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes No

Significant deficiency(ies) identified?

Yes None reported

Noncompliance material to financial statements noted?

Yes No

State Awards

Internal control over major programs:

Material weakness(es) identified?

Yes No

Significant deficiency(ies) identified?

Yes None reported

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

Unmodified

Dollar threshold used to distinguish a state major program:

\$ 200,000

Section II – Financial Statement Findings

The Nome Public Schools did not have any findings related to the financial statements.

Section III – State Award Findings and Questioned Costs

The Nome Public Schools did not have any findings related to the state awards.

NOME PUBLIC SCHOOLS

Box 131, Nome, Alaska 99762 * Fax (907) 443-5144 * Telephone (907) 443-2231



Corrective Action Plan

June 30, 2018

Financial Statement Findings

Finding 2018-001

Internal Control Over Capital Assets

Name of Contact Person: Genevieve Hollins, Contracted CFO

Corrective Action Plan: The District will ensure that completed improvements to school buildings are transferred to the City of Nome each year via communication with the City. The District will not retain any completed school building improvements on its capital asset schedule.

Proposed Completion Date: November 9, 2018.

Report on Statement of Compliance with AS 14.14.020 and Other State Requirements

Independent Auditor's Report

Members of the School Board
Nome Public Schools
Nome, Alaska

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Nome Public Schools (District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 9, 2018.

Report on Statement of Compliance with AS 14.14.020 and Other State Requirements

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In connection with our audit, nothing came to our attention, which caused us to believe that:

- (a) The statements and schedules of revenues and expenditures of the Special Revenue Funds do not present fairly the allowable funds expended within the limits of the project budgets.

Members of the School Board
Nome Public Schools

- (b) Nome Public Schools has not complied with the *Uniform Chart of Accounts* for school districts as required by the State of Alaska, Department of Education and Early Development.
- (c) Nome Public Schools has not complied with the bonding requirements of AS 14.14.020.
- (d) Nome Public Schools' financial statements do not reflect the minimum accounting and reporting requirements of the Department of Education and Early Development.

However, it should be noted that our audit was not directed primarily toward obtaining knowledge of noncompliance with the foregoing requirements.

Purpose of this Report

This report is intended solely to describe the scope of our testing of compliance with AS 14.14.020 and other State requirements and the results of that testing, and not to provide an opinion on compliance with AS 14.14.020 and other State requirements. Accordingly, this communication is not suitable for any other purpose.



Anchorage, Alaska
November 9, 2018

Report on Statement of Compliance with AS 14.17.505

Independent Auditor's Report

Members of the School Board
Nome Public Schools
Nome, Alaska

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Nome Public Schools (District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 9, 2018.

Report on Statement of Compliance with AS 14.17.505

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation.

In connection with our audit, as presented in the Statement of Compliance with AS 14.17.505, nothing came to our attention that caused us to believe that the Nome Public Schools had failed to comply with the accumulated fund balance restriction in AS 14.17.505 as interpreted by the State of Alaska, Department of Education and Early Development. However, it should be noted that our audit was not directed primarily toward obtaining knowledge of noncompliance with such requirements.

Members of the School Board
Nome Public Schools

Purpose of this Report

This report is intended solely to describe the scope of our testing of compliance with AS 14.17.505 and the results of that testing, and not to provide an opinion on compliance with AS 14.17.505. Accordingly, this communication is not suitable for any other purpose.

Altman, Rogers & Co.

Anchorage, Alaska
November 9, 2018

Nome Public Schools
(A Component Unit of the City of Nome)
Statement of Compliance AS 14.17.505
Year Ended June 30, 2018

	General Fund		
	Reserved	Unreserved	Total
Reserved:			
Inventory	\$ 54,969	-	54,969
Impact Aid	122,403	-	122,403
Prepays	358,737	-	358,737
Unreserved:			
Undesignated	-	1,251,543	1,251,543
	\$ 536,109	1,251,543	1,787,652

Unreserved fund balance as a percentage of
current year expenditures:

$$\frac{\text{Unreserved fund balance}}{\text{Current year expenditures}} = \frac{1,251,543}{13,777,979} = \underline{\underline{9.08\%}}$$

This Statement of Compliance is prepared in accordance with the regulations specified in AS.14.17.505 which is another basis of accounting other than generally accepted accounting principles.

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Letter to the Governing Board

Year Ended June 30, 2018

NOME PUBLIC SCHOOLS
(A Component Unit of the City of Nome)

Letter to the Governing Board

Year Ended June 30, 2018

November 9, 2018

Members of the Board
Nome Public Schools
City of Nome, Alaska

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Nome Public Schools (the District), a component unit of the City of Nome, Alaska, for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the District's basic financial statements. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, Title 2.U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 15, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Nome Public Schools are described in Note 1 to the Financial Statements. As discussed in Note I-D to the financial statements, in 2018 the School District adopted new accounting guidance, *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Our opinion is not modified with respect to this matter. We noted no transactions entered into by Nome Public Schools during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

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

All Opinion Units:

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

Management's estimate of health and medical insurance liability is based on claims paid for the year and a three month estimate of the insurance liability. We evaluated the key factors and assumptions used to develop the health and medical liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Government-wide Opinion Unit:

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

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

Financial Statement Disclosures

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 9, 2018.

Management Consultations with Other Independent Accountants

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

Internal Control Matters

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

Accounting Assistance

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

Other Matters

We applied certain limited procedures to Schedules of Proportionate Share of Net Pension/OPEB Liability and Contributions for the Public Employees’ Retirement System and the Teachers’ Retirement System, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

Major Issues Discussed with Management Prior to Retention

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

Restriction on Use

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

Altman, Rogers & Co.

Anchorage, Alaska