

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

Year Ended June 30, 2025

*Altman, Rogers
& Co.* | CERTIFIED
PUBLIC
ACCOUNTANTS

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

Year Ended June 30, 2025

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

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Independent Auditor's Report

Members of the School Board
Kodiak Island Borough School District
Kodiak, Alaska

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Kodiak Island Borough School District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

Change in Accounting Principle

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

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kodiak Island Borough School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kodiak Island Borough School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule, Schedules of the District's Proportionate Share of the Net Pension and OPEB Liabilities (Assets) and Contributions for the Public Employees' Retirement System and the Teachers' Retirement System, and Notes to Required Supplementary Information on pages 43-55, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2024, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The Balance Sheets – General Fund and Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund, for the year ended June 30, 2024, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2024 Balance Sheets – General Fund and Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Members of the School Board
Kodiak Island Borough School District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2025 on our consideration of the Kodiak Island Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kodiak Island Borough School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kodiak Island Borough School District's internal control over financial reporting and compliance.

Oitman, Rogers & Co.

Anchorage, Alaska
November 25, 2025

BASIC FINANCIAL STATEMENTS

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Statement of Net Position

June 30, 2025

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| <u>Assets and Deferred Outflows of Resources</u> | |
| Assets: | |
| Current: | |
| Due from Kodiak Island Borough | \$ 15,002,000 |
| Accounts receivable | 1,379,610 |
| Inventory | 453,075 |
| Prepays | 704 |
| Total current | <u>16,835,389</u> |
| Non-current: | |
| Capital assets, net | 628,844 |
| Net OPEB assets | 14,447,203 |
| Total non-current | <u>15,076,047</u> |
| Deferred outflows of resources - pension and OPEB deferrals | <u>3,268,858</u> |
| Total assets and deferred outflows of resources | <u>\$ 35,180,294</u> |
| <u>Liabilities, Deferred Inflows of Resources, and Net Position</u> | |
| Liabilities: | |
| Current: | |
| Accounts payable | 634,015 |
| Accrued payroll liabilities | 2,897,322 |
| Employee insurance premium refund due within one year | 42,654 |
| Unearned revenues | 192,842 |
| Total current | <u>3,766,833</u> |
| Non-current: | |
| Compensated absences | 1,610,396 |
| Net pension liabilities | 27,523,665 |
| Total non-current | <u>29,134,061</u> |
| Deferred inflows of resources - pension and OPEB deferrals | <u>574,952</u> |
| Total liabilities and deferred inflows of resources | <u>33,475,846</u> |
| Net position: | |
| Net investment in capital assets | 628,844 |
| Restricted - student activities | 862,757 |
| Unrestricted | 212,847 |
| Total net position | <u>\$ 1,704,448</u> |

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Statement of Activities

Year Ended June 30, 2025

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|--|----------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities: | | | | | |
| Instruction | \$ 21,972,000 | 52,873 | 3,974,660 | - | (17,944,467) |
| Special education instruction | 9,151,130 | - | 1,578,182 | - | (7,572,948) |
| Special education support services – students | 2,947,264 | - | 422,888 | - | (2,524,376) |
| Support services - students | 2,760,591 | - | 374,163 | - | (2,386,428) |
| Support services - instruction | 5,406,272 | - | 710,652 | - | (4,695,620) |
| School administration | 2,034,072 | - | 308,900 | - | (1,725,172) |
| School administration support services | 1,139,419 | - | 116,267 | - | (1,023,152) |
| District administration | 2,099,148 | - | 500,587 | - | (1,598,561) |
| District administration support services | 2,597,959 | - | 502,099 | - | (2,095,860) |
| Operations and maintenance of plant | 7,109,776 | - | 176,615 | 91,557 | (6,841,604) |
| Student activities | 1,511,062 | - | 578,549 | - | (932,513) |
| Student transportation - to and from school | 2,167,351 | - | 1,823,069 | - | (344,282) |
| Food services | 1,669,529 | 165,454 | 961,060 | - | (543,015) |
| Total governmental activities | \$ 62,565,573 | 218,327 | 12,027,691 | 91,557 | (50,227,998) |
| General revenues: | | | | | |
| Foundation | | | | \$ 26,042,426 | |
| Quality schools | | | | 85,684 | |
| E-rate | | | | 1,862,543 | |
| Federal Impact Aid | | | | 2,377,462 | |
| Department of Defense | | | | 166,941 | |
| Appropriation from Kodiak Island Borough | | | | 12,316,558 | |
| Dividend raffle | | | | 9,802 | |
| House Bill 268 | | | | 3,641,584 | |
| Other | | | | 39,013 | |
| Total general revenues | | | | 46,542,013 | |
| Change in net position | | | | | (3,685,985) |
| Net position, beginning of year, as previously stated | | | | | 6,484,340 |
| Change in accounting principle | | | | | (1,093,907) |
| Net position, beginning of year, as restated | | | | | 5,390,433 |
| Net position, end of year | | | | | \$ 1,704,448 |

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Balance Sheet – Governmental Funds

June 30, 2025

| <u>Assets</u> | General Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|--------------------------------|--------------------------------|
| Due from: | | | |
| Kodiak Island Borough | \$ 15,002,000 | - | 15,002,000 |
| Other funds | 1,339,454 | 2,593,537 | 3,932,991 |
| Accounts receivable | 100,778 | 1,278,832 | 1,379,610 |
| Inventory | 262,539 | 190,536 | 453,075 |
| Prepays | 704 | - | 704 |
| Total assets | \$ 16,705,475 | 4,062,905 | 20,768,380 |
| <u>Liabilities and Fund Balances</u> | | | |
| Liabilities: | | | |
| Accounts payable | 563,740 | 70,275 | 634,015 |
| Accrued payroll liabilities | 2,752,751 | 144,571 | 2,897,322 |
| Due to other funds | 2,593,537 | 1,339,454 | 3,932,991 |
| Unearned revenue | 3,500 | 189,342 | 192,842 |
| Total liabilities | 5,913,528 | 1,743,642 | 7,657,170 |
| Fund balances: | | | |
| Nonspendable: | | | |
| Inventory | 262,539 | 190,536 | 453,075 |
| Prepays | 704 | - | 704 |
| Restricted - student activities | - | 862,757 | 862,757 |
| Committed: | | | |
| Pupil transportation | - | 402,709 | 402,709 |
| Construction | - | 1,112,325 | 1,112,325 |
| Homeschool allotment rollover | 20,050 | - | 20,050 |
| Impact Aid | 2,377,462 | - | 2,377,462 |
| Assigned: | | | |
| Encumbrances | 628,199 | - | 628,199 |
| Self-insurance | 1,638,655 | - | 1,638,655 |
| Unassigned | 5,864,338 | (249,064) | 5,615,274 |
| Total fund balances | 10,791,947 | 2,319,263 | 13,111,210 |
| Total liabilities and fund balances | \$ 16,705,475 | 4,062,905 | 20,768,380 |

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Reconciliation of Governmental Funds
 Balance Sheet to Statement of Net Position

June 30, 2025

| | | |
|--|----|---------------------|
| Total fund balance - governmental funds | \$ | 13,111,210 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities, are not financial resources and, therefore, are not reported in the funds. | | 628,844 |
| Long-term liabilities, including compensated absences are not due and payable in the current period and, therefore, are not reported in the funds: | | |
| Compensated absences | \$ | (1,610,396) |
| Employee insurance premium refund | | <u>(42,654)</u> |
| | | (1,653,050) |
| Proportionate share of the collective net OPEB assets: | | |
| PERS | | 5,587,652 |
| TRS | | <u>8,859,551</u> |
| | | 14,447,203 |
| Proportionate share of the collective net pension liabilities: | | |
| PERS | | (12,994,116) |
| TRS | | <u>(14,529,549)</u> |
| | | (27,523,665) |
| Deferred inflows and outflows of resources are the results of timing differences in the actuarial report. | | |
| Deferred outflows of resources: | | |
| PERS | | 1,708,958 |
| TRS | | <u>1,559,900</u> |
| | | 3,268,858 |
| Deferred inflows of resources: | | |
| PERS | | (186,392) |
| TRS | | <u>(388,560)</u> |
| | | (574,952) |
| Net position of governmental activities | \$ | <u>1,704,448</u> |

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

Year Ended June 30, 2025

| | General Fund | Pupil Transportation Special Revenue Fund (Formerly Major) | Impact Aid Construction Capital Project Fund (Formerly Major) | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|--|---|--------------------------------|--------------------------------|
| Revenues: | | | | | |
| Local sources: | | | | | |
| Kodiak Island Borough: | | | | | |
| Appropriations | \$ 11,453,867 | | | - | 11,453,867 |
| In-kind services | 862,691 | | | - | 862,691 |
| E-rate reimbursement | 1,862,543 | | | - | 1,862,543 |
| Charges for services: | | | | | |
| Rentals | 52,873 | | | - | 52,873 |
| Lunch sales | - | | | 165,454 | 165,454 |
| Other local revenue | 39,013 | | | 768,065 | 807,078 |
| Intergovernmental: | | | | | |
| State of Alaska | 32,589,464 | | | 2,885,196 | 35,474,660 |
| Federal sources | 2,544,403 | | | 3,572,449 | 6,116,852 |
| Total revenues | <u>49,404,854</u> | | | <u>7,391,164</u> | <u>56,796,018</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 18,436,928 | | | 1,471,363 | 19,908,291 |
| Special education instruction | 7,568,588 | | | 862,806 | 8,431,394 |
| Special education support services - students | 2,601,302 | | | 42,535 | 2,643,837 |
| Support services - students | 2,400,244 | | | 36,044 | 2,436,288 |
| Support services - instruction | 4,663,004 | | | 657,913 | 5,320,917 |
| School administration | 1,771,707 | | | 2,989 | 1,774,696 |
| School administration support services | 1,003,003 | | | 57,510 | 1,060,513 |
| District administration | 1,639,525 | | | 334,583 | 1,974,108 |
| District administration support services | 2,087,297 | | | 357,114 | 2,444,411 |
| Operations and maintenance of plant | 6,734,288 | | | 5,450 | 6,739,738 |
| Student activities | 917,231 | | | 546,695 | 1,463,926 |
| Student transportation - to and from school | - | | | 2,167,351 | 2,167,351 |
| Food services | 35,487 | | | 1,638,045 | 1,673,532 |
| Construction facilities and acquisition | - | | | 74,515 | 74,515 |
| Total expenditures | <u>49,858,604</u> | | | <u>8,254,913</u> | <u>58,113,517</u> |
| Excess (deficiency) of revenues over expenditures | (453,750) | | | (863,749) | (1,317,499) |
| Other financing sources (uses): | | | | | |
| Transfers in | - | | | 505,205 | 505,205 |
| Transfers out | <u>(505,205)</u> | | | - | <u>(505,205)</u> |
| Net other financing sources (uses) | <u>(505,205)</u> | | | <u>505,205</u> | - |
| Net change in fund balances | (958,955) | | | (358,544) | (1,317,499) |
| Fund balances, beginning of year, as previously reported | <u>11,750,902</u> | <u>746,991</u> | <u>1,050,733</u> | <u>880,083</u> | <u>14,428,709</u> |
| Change within the financial reporting entity (major to nonmajor) | - | (746,991) | (1,050,733) | 1,797,724 | - |
| Fund balances, beginning of year, as adjusted | <u>11,750,902</u> | <u>-</u> | <u>-</u> | <u>2,677,807</u> | <u>14,428,709</u> |
| Fund balances, end of year | <u>\$ 10,791,947</u> | <u>-</u> | <u>-</u> | <u>2,319,263</u> | <u>13,111,210</u> |

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

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

Year Ended June 30, 2025

Net change in fund balances – total governmental funds \$ (1,317,499)

Amounts reported for governmental activities in the statement of activities are different because:

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

| | |
|---|--------------------|
| Compensated absences, net change | \$ 135,147 |
| Employee paid insurance premium refund | (73) |
| Change in unfunded net pension and OPEB assets and liabilities: | |
| PERS | (542,714) |
| TRS | <u>(1,185,329)</u> |
| | (1,592,969) |

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

| | |
|------|------------------|
| PERS | (91,840) |
| TRS | <u>(549,892)</u> |
| | (641,732) |

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

This is the amount by which depreciation exceeded capital outlay in the current period:

| | |
|----------------------|---------------|
| Depreciation expense | (146,184) |
| Capital outlay | <u>12,399</u> |
| | (133,785) |

| | |
|---|-----------------------|
| Change in net position of governmental activities | \$ <u>(3,685,985)</u> |
|---|-----------------------|

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements

June 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Kodiak Island Borough School District (District) operates a public school system under an elected school board, as permitted by Alaska State Statutes 14.14.060 and 29.35.160. The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Kodiak Island Borough (Borough) is required by Alaska Statute, Title 29, Section 33.050, to establish, maintain, and operate a system of public schools on an area-wide basis. The Borough Assembly has delegated the administrative responsibility to the Kodiak Island Borough School Board but has retained budgetary approval powers and ownership of all buildings and property. Accordingly, the School District is a discretely presented component unit of the Kodiak Island Borough.

B. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or 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 government-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."

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the accrual basis, revenues are recorded when transactions occur 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*. Under the modified accrual basis, 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 School 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. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

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

The *General Fund* is the District's primary operating fund. Major revenue sources include the local government's contribution to education, the State of Alaska Public School Foundation Program and other state and federal revenues. Expenditures are authorized in the annual budget and are made for such activities as student instruction, support services, administration, operations and maintenance of plant, and student activities.

The *Pupil Transportation Special Revenue Fund* was reported as a major fund in the prior fiscal year. The fund no longer meets the requirements of a major fund and is reported as a nonmajor fund for the year ended June 30, 2025.

The *Impact Aid Construction Capital Project Fund* was reported as a major fund in the prior fiscal year. The fund no longer meets the requirements of a major fund and is reported as a nonmajor fund for the year ended June 30, 2025.

Additionally, the School District reports the following fund types:

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

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

The District follows the Uniform Chart of Accounts for School Districts as required by the State of Alaska, Department of Education and Early Development. This manual sets guideline for financial reporting and requirements for basic accounting systems, which are uniform throughout Alaska. As a general rule the effect of inter-fund activity has been eliminated from the Government-wide Financial Statements.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

Summarized below are the major sources of revenue and the applicable revenue recognition policies:

Intergovernmental Revenue – State of Alaska Foundation, tuition, pupil transportation, and federal aid for the school lunch program are all recorded in the year to which they relate, including accrual at year end of final payments due within approximately two months after year end. Borough appropriations are recorded as local source revenue in accordance with the Uniform Chart of Accounts for School Districts.

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

Federal Impact Aid funds are recorded in the year to which the entitlement is received.

The United States Department of Agriculture provides commodities and food supplies to the School District. These commodities are recorded as revenue and expenditures as utilized.

Local Revenue – Borough appropriations are recorded on the accrual basis in the amount approved by the Kodiak Island Borough Assembly. The School District records payments of certain expenditures by the Borough at the cost incurred by the Borough. Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

Interest earnings associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenue in the General Fund unless otherwise specified by the funding source in the current fiscal period. All other revenue items are considered to be measurable and available if received within 60 days of year end.

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, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

1. *Due from Kodiak Island Borough, Cash and Cash Equivalents and Investments*

All cash funds of the School District are maintained in the Borough Central Treasury to maximize investment income while minimizing risks of loss of capital and as such are recognized as a receivable from the Borough.

Cash and cash equivalents include cash on hand and demand deposits. As of June 30, 2025, the District did not have any cash balances. The School District requires all deposits to be insured or collateralized. The District holds no investments and as such has no investment policy. There are no statutory limitations on the type of investments allowed.

2. *Short-term Interfund Receivables and Payables*

In the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

Receivables are comprised of amounts due from the federal government, State of Alaska, and other local sources. No receivables are deemed uncollectible and no allowance for uncollectible accounts has been established, accordingly.

3. *Inventories and Prepays*

The consumption method is used to account for the inventory of teaching and maintenance supplies, food inventories and fuel. These inventories are valued at the lower of cost or market, which approximates fair value, using the first-in first-out (FIFO) method. Reported inventories are equally offset by a portion of fund balance classified as nonspendable in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

4. Capital Assets

The Borough has title to and accounts for all land, school buildings, and improvements, which are provided to the School District without charge. Capital assets, which consist of equipment and vehicles, are reported in the Government-wide Financial Statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost when the original cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. The School District uses the straight-line depreciation method over the following estimated useful lives:

| | |
|--|------------|
| Furniture and equipment, including computers | 5-15 years |
| Vehicles | 8-15 years |

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

5. Life Insurance

The School District provides life insurance as a benefit to permanent employees working 15 or more hours per week. The face value of the insurance policy is \$85,000, and the employees are immediately 100% vested. The School District incurred expenditures of \$70,758 during the year ended June 30, 2025 for insurance premiums.

6. Deferred Inflows and Deferred Outflows of Resources

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

7. Unearned Revenues

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

8. *Compensated Absences*

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

9. *Long-term Obligations*

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

10. *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 approximate their fair values due to the short-term nature of these assets and liabilities.

11. *Pensions and Other Post Employment Benefit (OPEB)*

For purposes of measuring the net pension and other post-employment benefit (OPEB) assets and liabilities, 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.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

12. Net Position

Government-wide net position is divided into three components:

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

13. Fund Balance

In the Fund Financial Statements, fund balance includes five classifications as follows:

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

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

Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the School District Board. Commitments may be changed or lifted by the Board taking the same formal action that imposed the constraint originally.

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

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

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year end are reported in assigned fund balances since they do not constitute expenditures or liabilities.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental fund types except capital project funds, which adopt project-length budgets. All annual appropriations lapse at fiscal yearend. Unexpended balances of grants from the state and federal governments for the Special Revenue Funds lapse at June 30 with the exception of certain federal funding.

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

| | |
|--------------------------------|-----------|
| Cafeteria Special Revenue Fund | \$ 78,979 |
|--------------------------------|-----------|

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

The following Special Revenue Fund had a deficit fund balance as of June 30, 2025:

| | |
|--------------------------------|-------------|
| Cafeteria Special Revenue Fund | \$ (58,528) |
|--------------------------------|-------------|

The deficit balance is expected to be covered by future revenues in the fund or through available resources transferred from the General Fund.

III. DETAILED NOTES ON ALL FUNDS

A. Capital Assets

The Borough owns and is responsible for maintaining all land, school buildings and improvements that are provided to the School District without charge. Capital assets, as recorded in the School District's financial records, consist of equipment and vehicles.

The following is a summary of changes in capital assets for the year ended June 30, 2025:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|------------------|-----------------|-------------------|
| Governmental activities: | | | | |
| Capital assets, being depreciated: | | | | |
| Vehicles | \$ 777,889 | - | - | 777,889 |
| Equipment | 2,204,963 | 12,399 | (25,999) | 2,191,363 |
| Total capital assets being depreciated | <u>2,982,852</u> | <u>12,399</u> | <u>(25,999)</u> | <u>2,969,252</u> |
| Less accumulated depreciation for: | | | | |
| Vehicles | 671,123 | 14,446 | - | 685,569 |
| Equipment | 1,549,100 | 131,738 | (25,999) | 1,654,839 |
| Net accumulated depreciation | <u>2,220,223</u> | <u>146,184</u> | <u>(25,999)</u> | <u>2,340,408</u> |
| Total net governmental activities capital assets | <u>\$ 762,629</u> | <u>(133,785)</u> | <u>-</u> | <u>628,844</u> |

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

| | |
|-------------------------------------|-------------------|
| Instruction | \$ 62,620 |
| Special education instruction | 533 |
| Support services – students | 522 |
| Support services – instruction | 6,192 |
| Operations and maintenance of plant | 70,121 |
| Student activities | 5,567 |
| Food services | 629 |
| Total depreciation expense | <u>\$ 146,184</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

B. Long-term Debt

The Borough issues general obligation bonds to provide funds for the acquisition and construction of major capital school facilities. The general obligation bonds are secured by the full faith, credit, and resources of the Borough. The School District is not responsible for payment of this debt. At June 30, 2025, the outstanding balance of general obligation bonds and other debt issued for school construction was \$37,195,000. During the fiscal year ended June 30, 2025, debt service expenditures (principal and interest) incurred by the Borough for school construction general obligation bonds were \$7,558,812.

A summary of general obligation school construction bonds at June 30, 2025, follows:

| Interest | | Issue Date | Final Maturity Date | Bonds | | | |
|-----------|----------|------------|---------------------|---------------|------------|------------|-------------|
| Rate | Date | | | Authorized | Issued | Retired | Outstanding |
| 2.0-5.25% | 4/1-10/1 | 9/16/2015 | 10/1/2035 | 6,210,000 | 6,210,000 | 2,070,000 | 4,140,000 |
| 2.0-5.0% | 4/1-10/1 | 9/16/2015 | 10/1/2025 | 1,780,000 | 1,780,000 | 1,560,000 | 220,000 |
| 2.0-5.0% | 2/1-8/1 | 9/4/2015 | 8/1/2035 | 1,870,000 | 1,870,000 | 640,000 | 1,230,000 |
| 5.0% | 2/1-8/1 | 9/4/2015 | 8/1/2025 | 5,140,000 | 5,140,000 | 4,480,000 | 660,000 |
| 4.0-5.0% | 6/1-12/1 | 11/3/2016 | 12/1/2027 | 4,905,000 | 4,905,000 | 3,175,000 | 1,730,000 |
| 2.7-3.05% | 6/1-12/1 | 11/15/2018 | 12/1/2028 | 550,000 | 550,000 | 315,000 | 235,000 |
| 5.00% | 6/1-12/1 | 7/7/2020 | 12/1/2030 | 345,000 | 345,000 | 115,000 | 230,000 |
| 5.00% | 6/1-12/1 | 6/16/2021 | 12/1/2030 | 1,855,000 | 1,855,000 | 630,000 | 1,225,000 |
| 5.00% | 6/1-12/1 | 6/16/2021 | 12/1/2030 | 4,070,000 | 4,070,000 | 1,400,000 | 2,670,000 |
| .24-2.22% | 6/1-12/1 | 6/16/2021 | 12/1/2032 | 14,535,000 | 14,535,000 | 3,200,000 | 11,335,000 |
| .24-2.35% | 6/1-12/1 | 6/16/2021 | 12/1/2033 | 14,520,000 | 14,520,000 | 1,000,000 | 13,520,000 |
| | | | | \$ 55,780,000 | 55,780,000 | 18,585,000 | 37,195,000 |

During the year ended June 30, 2025, the following changes occurred in long-term liabilities for governmental activities.

| Governmental activities: | Balance | | Reductions | Balance | Due Within One Year |
|--|--------------|-----------|------------|-----------|---------------------|
| | July 1, 2024 | Additions | | | |
| Compensated absences | \$ 1,745,543 | - | (135,147) | 1,610,396 | - |
| Employee paid insurance premium refund | 42,581 | 42,654 | (42,581) | 42,654 | 42,654 |
| Total governmental activities | \$ 1,788,124 | 42,654 | (177,728) | 1,653,050 | 42,654 |

C. Kodiak Island Borough – Annual Appropriation and Central Treasury

An annual appropriation is made by the Borough to the School District in order to provide the School District's General Fund with total resources in a fiscal year equal in amount to the budgeted expenditures, and transfers of the General Fund.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

In addition to the annual appropriation of \$11,453,867 for fiscal year 2025, the Borough provides the School District with general liability and property insurance, the annual independent audit, mental health services, grounds maintenance, building improvements, and data processing services without charge. The cost to the Borough for these services provided to the School District for the year ended June 30, 2025 was \$862,691. The School District accounts for these services as local in-kind service revenue and as general support services and operations and maintenance of plant costs.

All cash received for School District operations is initially received in the Borough's central treasury account and subsequently remitted to the School District on an imprest basis. Earnings on cash investments of the Borough's central treasury account are retained by the Borough. At June 30, 2025, the School District's equity in the Borough's central treasury account totaled \$15,002,000. Refer to the Annual Comprehensive Financial Report of the Borough for further information regarding deposits, investments, and related collateralization.

The School District bank balances are insured by federal depository insurance (FDIC) to a maximum of \$250,000, with following exceptions:

Any amount in excess of FDIC limits is collateralized with securities held by the Kodiak Island Borough's agent in the Borough'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 School District. The School District limits its custodial credit risk in its deposits by requiring all deposits to be fully insured or collateralized. At June 30, 2025, the District's deposits were fully insured and collateralized, which represents the lowest category of risk.

D. Accounts Receivable

Accounts receivable as of year-end for the General Fund and other governmental funds are as follows:

| | \$ | Other | | <u>Total</u> |
|--------------|-----------|----------------|---------------------|------------------|
| | | <u>General</u> | <u>Governmental</u> | |
| | | <u>Fund</u> | <u>Funds</u> | |
| Grants | \$ | - | 1,278,832 | 1,278,832 |
| Other | | 100,778 | - | 100,778 |
| Total | \$ | 100,778 | 1,278,832 | 1,379,610 |

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

E. Interfund Payables and Receivables

Interfund receivables and payables are shown as "due from other funds" and "due to other funds" in each of the individual funds.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

At June 30, 2025, the interfund status of payables and receivables (all current) of the various funds of the School District are as follows:

| Receivable Fund | Payable Fund | Amount |
|--------------------------|--------------------------|---------------------|
| General Fund | Other Governmental Funds | \$ 1,339,454 |
| Other Governmental Funds | General Fund | 2,593,537 |
| | | <u>\$ 3,932,991</u> |

These balances resulted from the time lag between the dates that payments between funds are made. All balances are expected to be settled within the next fiscal year.

| Transfers Out | Transfers In | Amount |
|---------------|--------------------------|------------|
| General Fund | Other Governmental Funds | \$ 505,205 |

Transfers all used to (a) used unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or (b) use unrestricted revenues collected in the General Fund to meet local match requirements on State and Federal grants.

F. Commitments

The District's encumbrances are classified as assigned fund balance in the General Fund. The District had encumbrances of \$628,199 as of June 30, 2025.

IV. OTHER INFORMATION

A. Risk Management

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

The School 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.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

The School District maintains an employee group health plan. The School 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 \$125,000 for individual claims and \$2,000,000 for aggregate claims. Medical, pharmaceutical, dental, and vision claims for the year were \$5,134,968.

Total health insurance expense for the year ending June 30, 2025 was \$5,854,269, and consisted of paid claims, stop-loss premium, and administrative fees.

Accruals were made based upon estimates of the health claims at year end including claims incurred but not reported (IBNR). Such accruals were accounted for in the General (School Operating) Fund and are included in "Accrued payroll liabilities." Total estimated liability at June 30, 2025 amounted to \$261,219. Changes in the claims liability amount for the previous two years were:

| <u>Fiscal Year</u> | <u>Beginning IBNR</u> | <u>Ending IBNR</u> | <u>Change in IBNR</u> |
|--------------------|-----------------------|--------------------|-----------------------|
| 2024 | \$ 490,161 | 379,231 | (110,930) |
| 2025 | \$ 379,231 | 261,219 | (118,012) |

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 Teacher's Retirement System (TRS). In addition to the pension plan, both systems also administer other post-employment benefit (OPEB) plans.

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

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

Plan Memberships

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

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

Other Postemployment Benefit Plans (OPEB)*Alaska Retiree Healthcare Trust Plan (ARHCT)*

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

Occupational Death and Disability Plan (ODD)

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

Retiree Medical Plan (RMP)

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

Health Reimbursement Arrangement Plan (HRA)

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

Investments

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

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

Rate of Return

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

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Notes to Basic Financial Statements, Continued

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

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

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Starting on June 30, 2014, the State of Alaska requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term. Effective June 30, 2018, each future year's unfunded service liability is separately amortized on a level percent of pay basis over 25 years.

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

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

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Notes to Basic Financial Statements, Continued

Termination Costs: If the District decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular District function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The District must pay to have a termination study completed. The purpose of the study is to calculate the District's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The District must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS and TRS Administrator. For the fiscal year 2025, the past service rate for PERS and TRS is 17.88%.

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

| | |
|-----------------------------------|--|
| Inflation | 2.50% per year. |
| Salary Increases | Increases range from 2.85% to 8.50% based on service. |
| Investment return / discount rate | 7.25%, net of expenses based on average inflation of 2.50% and a real return of 4.75%. |
| Mortality | Based upon 2017-2021 actual experience study and applicable tables contained in Pub-2010, projected with MP-2021 generational improvement. |
| Healthcare cost trend rates | Pre-65 medical: 6.4% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Rx/EGWP: 6.9% grading down to 4.5%. Initial trend rates are for FY2025. Ultimate trend rates reached in FY2050. |

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

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Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

| Pensions (DB) | Other Post-Employment Benefits (DB) | Total |
|------------------|--|-----------|
| \$ 1,153,363 | 80,337 | 1,233,700 |

Public Employees' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed \$385,983 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of \$857,768 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

Defined Benefit:

| | Pension |
|---|------------------------------|
| District's proportionate share of the net pension liability | \$ 12,994,116 |
| State's proportionate share of the net pension liability | <u>4,861,206</u> |
| Total | <u><u>\$ 17,855,322</u></u> |
| | OPEB |
| District's proportionate share of the ARHCT OPEB liability (asset) | \$ (5,228,693) |
| State's proportionate share of the ARHCT OPEB liability (asset) | <u>(1,941,923)</u> |
| Total | <u><u>\$ (7,170,616)</u></u> |
| District's proportionate share of the ODD OPEB liability (asset) | <u><u>\$ (185,289)</u></u> |
| District's proportionate share of the RMP OPEB liability (asset) | <u><u>\$ (173,670)</u></u> |
| Total District's share of net pension and OPEB liabilities and assets | <u><u>\$ 7,406,464</u></u> |

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending FY2026 to FY2039, as determined by projections based on the June 30, 2023 valuation.

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

| | June 30, 2024 | June 30, 2023 | |
|---------|---------------|---------------|------------|
| | Measurement | Measurement | Change |
| Pension | 0.23692% | 0.24938% | (0.01246%) |
| OPEB: | | | |
| ARHCT | 0.23744% | 0.24890% | (0.01146%) |
| ODD | 0.31037% | 0.31417% | (0.00380%) |
| RMP | 0.37256% | 0.37630% | (0.00374%) |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of \$2,238,035 and \$518,657, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

| | Pension | |
|---|---|--|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Defined Benefit: | | |
| Differences between expected and actual experience | \$ - | - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 125,088 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | - |
| District contributions subsequent to the measurement date | 1,153,363 | - |
| Total | <u>\$ 1,278,451</u> | <u>-</u> |
| | | |
| | OPEB ARHCT | |
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 2,833 | - |
| Changes of assumptions | 140,382 | - |
| Net difference between projected and actual earnings on OPEB plan investments | 79,623 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 45,272 | - |
| District contributions subsequent to the measurement date | 240 | - |
| Total | <u>\$ 268,350</u> | <u>-</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

| | OPEB ODD | |
|---|---|--|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (43,405) |
| Changes of assumptions | - - | (459) |
| Net difference between projected and actual earnings on OPEB plan investments | 592 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 12,757 | (3,308) |
| District contributions subsequent to the measurement date | <u>17,965</u> | - |
| Total | <u><u>\$ 31,314</u></u> | <u><u>(47,172)</u></u> |
| OPEB RMP | | |
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 4,371 | (19,301) |
| Changes of assumptions | 58,768 | (116,748) |
| Net difference between projected and actual earnings on OPEB plan investments | 2,451 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 3,121 | (3,171) |
| District contributions subsequent to the measurement date | <u>62,132</u> | - |
| Total | <u><u>\$ 130,843</u></u> | <u><u>(139,220)</u></u> |

\$1,153,363 and \$80,337 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, 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 | OPEB | OPEB | OPEB |
|--------------|-------------------|----------------|-----------------|-----------------|
| | June 30, | ARHCT | ODD | RMP |
| 2025 | \$ (348,266) | (105,435) | (10,339) | (24,556) |
| 2026 | 648,356 | 527,375 | (3,758) | 358 |
| 2027 | (95,705) | (84,527) | (7,916) | (25,158) |
| 2028 | (79,297) | (69,303) | (6,380) | (17,806) |
| 2029 | - | - | (3,525) | (9,795) |
| Thereafter | - | - | (1,905) | 6,448 |
| Total | \$ 125,088 | 268,110 | (33,823) | (70,509) |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

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Notes to Basic Financial Statements, Continued

For the year ended June 30, 2025, the District recognized (\$632,081) and \$220,678 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

| | 1% Decrease (6.25%) | Current Rate (7.25%) | 1% Increase (8.25%) |
|--------------------------------|------------------------|-------------------------|------------------------|
| Net pension liability | \$ 17,309,385 | 12,994,116 | 9,342,363 |
| Net OPEB ARHCT (asset) | \$ (3,310,728) | (5,228,693) | (6,842,702) |
| Net OPEB ODD (asset) | \$ (174,039) | (185,289) | (194,107) |
| Net OPEB RMP liability (asset) | \$ 30,084 | (173,670) | (329,405) |

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

| | 1% Decrease | Current Rate | 1% Increase |
|--------------------------------|----------------|--------------|-------------|
| Net OPEB ARHCT (asset) | \$ (7,026,966) | (5,228,693) | (3,092,467) |
| Net OPEB RMP liability (asset) | \$ (349,959) | (173,670) | 62,874 |

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

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

Plan members are 100% vested with their contributions.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

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Notes to Basic Financial Statements, Continued

Members become vested in employers' contributions as follows:

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

The District contributed \$744,404 for the year ended June 30, 2025, which included forfeitures of \$53,567 which have been applied as employer contributions.

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

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

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

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

| Pensions (DB) | Other Post-Employment Benefits (DB) | Total |
|-------------------|--|----------------|
| \$ <u>799,608</u> | <u>96,211</u> | <u>895,819</u> |

Teachers' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed \$2,423,985 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of \$4,035,770 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

| Defined Benefit: | Pension |
|---|------------------------|
| District's proportionate share of the net pension liability | \$ <u>14,529,549</u> |
| State's proportionate share of the net pension liability | <u>24,979,560</u> |
| Total | <u>\$ 39,509,109</u> |
| | |
| OPEB | |
| District's proportionate share of the ARHCT OPEB liability (asset) | \$ <u>(8,130,824)</u> |
| State's proportionate share of the ARHCT OPEB liability (asset) | <u>(13,179,536)</u> |
| Total | <u>\$ (21,310,360)</u> |
| | |
| District's proportionate share of the ODD OPEB liability (asset) | <u>\$ (190,761)</u> |
| | |
| District's proportionate share of the RMP OPEB liability (asset) | <u>\$ (537,966)</u> |
| | |
| Total District's share of net pension and OPEB liabilities and assets | <u>\$ 5,669,998</u> |

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending FY2026 to FY2039, as determined by projections based on the June 30, 2023 valuation.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

| | June 30, 2024 Measurement | June 30, 2023 Measurement | Change |
|---------|------------------------------|------------------------------|------------|
| Pension | 0.78544% | 0.72533% | 0.06011% |
| OPEB: | | | |
| ARHCT | 0.81497% | 0.74571% | 0.06926% |
| ODD | 2.39409% | 2.52166% | (0.12757%) |
| RMP | 2.39245% | 2.52352% | (0.13107%) |

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of \$6,721,234 and (\$22,712), respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

| | Pension | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Defined Benefit: | | |
| Differences between expected and actual experience | \$ - | - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 242,248 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | - |
| District contributions subsequent to the measurement date | | |
| Total | \$ 799,608 | - |
| | \$ 1,041,856 | - |
| | | |
| | OPEB ARHCT | |
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (1,993) |
| Changes of assumptions | 96,008 | - |
| Net difference between projected and actual earnings on OPEB plan investments | 103,015 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | (65,784) |
| District contributions subsequent to the measurement date | | |
| Total | \$ - | - |
| | \$ 199,023 | (67,777) |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

| | OPEB ODD | |
|---|---|--|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | (30,144) |
| Changes of assumptions | - - | (272) |
| Net difference between projected and actual earnings on OPEB plan investments | 809 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 13,099 | (14,363) |
| District contributions subsequent to the measurement date | <u>10,126</u> | - |
| Total | <u><u>\$ 24,034</u></u> | <u><u>(44,779)</u></u> |

| | OPEB RMP | |
|---|---|--|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 75,101 | (36,639) |
| Changes of assumptions | 100,369 | (208,752) |
| Net difference between projected and actual earnings on OPEB plan investments | 7,656 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 25,776 | (30,613) |
| District contributions subsequent to the measurement date | <u>86,085</u> | - |
| Total | <u><u>\$ 294,987</u></u> | <u><u>(276,004)</u></u> |

\$799,608 and \$96,211 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, 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 | | OPEB | OPEB | OPEB |
|--------------|--------------------------|-----------------------|------------------------|------------------------|
| June 30, | Pension | ARHCT | ODD | RMP |
| 2025 | \$ (667,935) | (350,814) | (7,177) | (36,238) |
| 2026 | 1,217,682 | 688,401 | (1,895) | 17,019 |
| 2027 | (166,231) | (113,369) | (6,092) | (27,862) |
| 2028 | (141,268) | (92,972) | (5,721) | (26,338) |
| 2029 | - | - | (5,357) | (6,864) |
| Thereafter | - | - | (4,629) | 13,181 |
| Total | <u><u>\$ 242,248</u></u> | <u><u>131,246</u></u> | <u><u>(30,871)</u></u> | <u><u>(67,102)</u></u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2025, the District recognized \$759,115 and (\$458,269) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

| | 1% Decrease (6.25%) | Current Rate (7.25%) | 1% Increase (8.25%) |
|------------------------|------------------------|-------------------------|------------------------|
| Net pension liability | \$ <u>21,078,478</u> | <u>14,529,549</u> | <u>8,985,831</u> |
| Net OPEB ARHCT (asset) | \$ <u>(5,603,764)</u> | <u>(8,130,824)</u> | <u>(10,245,541)</u> |
| Net OPEB ODD (asset) | \$ <u>(191,383)</u> | <u>(190,761)</u> | <u>(190,378)</u> |
| Net OPEB RMP (asset) | \$ <u>(141,992)</u> | <u>(537,966)</u> | <u>(836,974)</u> |

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

| | 1% Decrease | Current Rate | 1% Increase |
|------------------------|------------------------|--------------------|--------------------|
| Net OPEB ARHCT (asset) | \$ <u>(10,476,423)</u> | <u>(8,130,824)</u> | <u>(5,328,458)</u> |
| Net OPEB RMP (asset) | \$ <u>(873,100)</u> | <u>(537,966)</u> | <u>(84,238)</u> |

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

The District contributed \$1,218,323 for the year ended June 30, 2025, which included forfeitures of \$137,446 which have been applied as employer contributions.

C. Contingent Liabilities

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

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

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

| | Governmental Activities |
|---|----------------------------|
| Net position, beginning of year, as previously stated | |
| June 30, 2024 | \$ 6,484,340 |
| Change in accounting principle: | |
| Compensated absences | (1,093,907) |
| Net position, beginning of year, as restated | <u><u>\$ 5,390,433</u></u> |

E. Subsequent Accounting Pronouncements

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

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Basic Financial Statements, Continued

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

REQUIRED SUPPLEMENTARY INFORMATION

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

Year Ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) | | |
|---|-----------------------|--------------------|----------------------|---|--|--|
| | Original | Final | | | | |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Kodiak Island Borough: | | | | | | |
| Appropriations | \$ 11,666,558 | 11,666,558 | 11,453,867 | (212,691) | | |
| In-kind services | 650,000 | 650,000 | 862,691 | 212,691 | | |
| E-rate reimbursements | 2,000,000 | 2,000,000 | 1,862,543 | (137,457) | | |
| Charges for services - rentals | 26,000 | 26,000 | 52,873 | 26,873 | | |
| Other | 35,000 | 35,000 | 39,013 | 4,013 | | |
| Intergovernmental: | | | | | | |
| State of Alaska | 31,594,589 | 32,638,706 | 32,589,464 | (49,242) | | |
| Federal sources | 2,689,759 | 2,689,759 | 2,544,403 | (145,356) | | |
| Total revenues | <u>48,661,906</u> | <u>49,706,023</u> | <u>49,404,854</u> | <u>(301,169)</u> | | |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | 16,931,919 | 17,083,057 | 18,436,928 | (1,353,871) | | |
| Special education instruction | 6,678,177 | 6,980,225 | 7,568,588 | (588,363) | | |
| Special education support services - students | 5,497,037 | 5,394,311 | 2,601,302 | 2,793,009 | | |
| Support services - students | 2,199,352 | 2,207,768 | 2,400,244 | (192,476) | | |
| Support services - instruction | 4,351,581 | 4,463,988 | 4,663,004 | (199,016) | | |
| School administration | 1,507,362 | 1,509,884 | 1,771,707 | (261,823) | | |
| School administration support services | 1,064,585 | 1,068,168 | 1,003,003 | 65,165 | | |
| District administration | 1,610,058 | 1,746,996 | 1,639,525 | 107,471 | | |
| District administration support services | 2,502,496 | 2,503,657 | 2,087,297 | 416,360 | | |
| Operations and maintenance of plant | 6,622,346 | 7,012,347 | 6,734,288 | 278,059 | | |
| Student activities | 918,955 | 933,136 | 917,231 | 15,905 | | |
| Food services | 27,919 | 27,919 | 35,487 | (7,568) | | |
| Total expenditures | <u>49,911,787</u> | <u>50,931,456</u> | <u>49,858,604</u> | <u>1,072,852</u> | | |
| Excess (deficiency) of revenues over expenditures | (1,249,881) | (1,225,433) | (453,750) | 771,683 | | |
| Other financing sources (uses) - | | | | | | |
| Transfer out | - | (476,826) | (505,205) | (28,379) | | |
| Net change in fund balance | <u>\$ (1,249,881)</u> | <u>(1,702,259)</u> | <u>(958,955)</u> | <u>743,304</u> | | |
| Fund balance, beginning of year | | | 11,750,902 | | | |
| Fund balance, end of year | | | <u>\$ 10,791,947</u> | | | |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

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

Public Employees' Retirement System (PERS)

June 30, 2025

| Year | District's Proportion of the Net Pension Liability | District's Proportionate Share of the Net Pension Liability | State of Alaska Proportionate Share of the Net Pension Liability | Total Net Pension Liability | District's Covered Payroll | District's Proportionate Share of the Net Pension Liability as a Percentage of the Total Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------|--|---|--|-----------------------------|----------------------------|--|--|
| 2016 | 0.2817% | \$ 13,662,854 | \$ 3,658,808 | \$ 17,321,662 | \$ 7,918,552 | 172.54% | 63.96% |
| 2017 | 0.2769% | \$ 15,478,644 | \$ 1,951,139 | \$ 17,429,783 | \$ 9,523,650 | 162.53% | 59.55% |
| 2018 | 0.2513% | \$ 12,989,867 | \$ 4,838,219 | \$ 17,828,086 | \$ 9,889,975 | 131.34% | 63.37% |
| 2019 | 0.2706% | \$ 13,445,876 | \$ 3,891,538 | \$ 17,337,414 | \$ 8,970,723 | 149.89% | 65.19% |
| 2020 | 0.2239% | \$ 12,255,790 | \$ 4,868,084 | \$ 17,123,874 | \$ 7,284,286 | 168.25% | 63.42% |
| 2021 | 0.2163% | \$ 12,768,882 | \$ 5,280,906 | \$ 18,049,788 | \$ 7,818,482 | 163.32% | 61.61% |
| 2022 | 0.2930% | \$ 10,747,864 | \$ 1,455,327 | \$ 12,203,191 | \$ 7,694,214 | 139.69% | 76.46% |
| 2023 | 0.2484% | \$ 12,658,222 | \$ 3,503,210 | \$ 16,161,432 | \$ 8,325,505 | 152.04% | 67.97% |
| 2024 | 0.2494% | \$ 12,931,065 | \$ 4,309,256 | \$ 17,240,321 | \$ 8,213,077 | 157.44% | 68.23% |
| 2025 | 0.2369% | \$ 12,994,116 | \$ 4,861,206 | \$ 17,855,322 | \$ 8,925,468 | 145.58% | 67.81% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

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

Public Employees' Retirement System (PERS)

June 30, 2025

| Year | District's Proportion of the Net OPEB Liability (Asset) | District's Proportionate Share of the Net OPEB Liability (Asset) | State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | Total Net OPEB Liability (Asset) | District's Covered Payroll | District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) |
|--|---|--|---|----------------------------------|----------------------------|---|---|
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | | | |
| 2018 | 0.2513% | \$ 2,122,478 | \$ 791,884 | \$ 2,914,362 | \$ 9,889,975 | 21.46% | 89.68% |
| 2019 | 0.2705% | \$ 2,775,856 | \$ 805,530 | \$ 3,581,386 | \$ 8,970,723 | 30.94% | 88.12% |
| 2020 | 0.2239% | \$ 332,174 | \$ 132,081 | \$ 464,255 | \$ 7,284,286 | 4.56% | 98.13% |
| 2021 | 0.2163% | \$ (979,422) | \$ (406,235) | \$ (1,385,657) | \$ 7,818,482 | -12.53% | 106.15% |
| 2022 | 0.2942% | \$ (7,547,862) | \$ (987,374) | \$ (8,535,236) | \$ 7,694,214 | -98.10% | 135.54% |
| 2023 | 0.2466% | \$ (4,851,732) | \$ (1,386,639) | \$ (6,238,371) | \$ 8,325,505 | -58.28% | 128.51% |
| 2024 | 0.2489% | \$ (5,727,446) | \$ (1,925,275) | \$ (7,652,721) | \$ 8,213,077 | -69.74% | 133.96% |
| 2025 | 0.2374% | \$ (5,228,693) | \$ (1,941,923) | \$ (7,170,616) | \$ 8,925,468 | -58.58% | 130.59% |
| Occupational Death and Disability (ODD): | | | | | | | |
| 2018 | 0.4633% | \$ (65,741) | \$ - | \$ (65,741) | \$ 9,889,975 | -0.66% | 212.97% |
| 2019 | 0.4020% | \$ (78,079) | \$ - | \$ (78,079) | \$ 8,970,723 | -0.87% | 270.62% |
| 2020 | 0.3160% | \$ (76,609) | \$ - | \$ (76,609) | \$ 7,284,286 | -1.05% | 297.43% |
| 2021 | 0.3350% | \$ (91,327) | \$ - | \$ (91,327) | \$ 7,818,482 | -1.17% | 283.80% |
| 2022 | 0.3320% | \$ (146,330) | \$ - | \$ (146,330) | \$ 7,694,214 | -1.90% | 374.22% |
| 2023 | 0.3436% | \$ (150,621) | \$ - | \$ (150,621) | \$ 8,325,505 | -1.81% | 348.80% |
| 2024 | 0.3142% | \$ (161,184) | \$ - | \$ (161,184) | \$ 8,213,077 | -1.96% | 349.24% |
| 2025 | 0.3104% | \$ (185,289) | \$ - | \$ (185,289) | \$ 8,925,468 | -2.08% | 346.81% |
| Retiree Medical Plan (RMP): | | | | | | | |
| 2018 | 0.4633% | \$ 24,162 | \$ - | \$ 24,162 | \$ 2,269,473 | 1.06% | 93.98% |
| 2019 | 0.4020% | \$ 51,156 | \$ - | \$ 51,156 | \$ 2,172,405 | 2.35% | 88.71% |
| 2020 | 0.3971% | \$ 94,990 | \$ - | \$ 94,990 | \$ 2,254,759 | 4.21% | 83.17% |
| 2021 | 0.4181% | \$ 29,659 | \$ - | \$ 29,659 | \$ 2,655,100 | 1.12% | 92.23% |
| 2022 | 0.3909% | \$ (104,932) | \$ - | \$ (104,932) | \$ 2,686,536 | -3.91% | 115.10% |
| 2023 | 0.4044% | \$ (140,438) | \$ - | \$ (140,438) | \$ 2,982,791 | -4.71% | 120.08% |
| 2024 | 0.3763% | \$ (178,685) | \$ - | \$ (178,685) | \$ 3,102,864 | -5.76% | 124.29% |
| 2025 | 0.3726% | \$ (173,670) | \$ - | \$ (173,670) | \$ 3,190,900 | -5.44% | 119.87% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2025

| Year | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | | | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|------|-------------------------------------|---|----------------------------------|----------------------------|----------------------------|--|
| | | Contractually Required Contribution | Contribution Deficiency (Excess) | District's Covered Payroll | | |
| 2016 | \$ 679,881 | \$ (679,881) | \$ - | \$ 9,523,650 | 7.14% | |
| 2017 | \$ 756,346 | \$ (756,346) | \$ - | \$ 9,889,975 | 7.65% | |
| 2018 | \$ 835,963 | \$ (835,963) | \$ - | \$ 8,970,723 | 9.32% | |
| 2019 | \$ 766,823 | \$ (770,029) | \$ (3,206) | \$ 7,284,286 | 10.53% | |
| 2020 | \$ 749,451 | \$ (747,303) | \$ 2,148 | \$ 7,818,482 | 9.59% | |
| 2021 | \$ 871,217 | \$ (861,301) | \$ 9,916 | \$ 7,694,214 | 11.32% | |
| 2022 | \$ 956,756 | \$ (965,615) | \$ (8,859) | \$ 8,325,505 | 11.49% | |
| 2023 | \$ 1,063,554 | \$ (1,060,218) | \$ 3,336 | \$ 8,213,077 | 12.95% | |
| 2024 | \$ 1,168,609 | \$ (1,168,609) | \$ - | \$ 8,925,468 | 13.09% | |
| 2025 | \$ 1,153,363 | \$ (1,153,363) | \$ - | \$ 8,991,382 | 12.83% | |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2025

| Year | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | Contribution Deficiency (Excess) | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|--|-------------------------------------|---|----------------------------------|----------------------------|--|
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | |
| 2018 | \$ 238,411 | \$ (238,411) | \$ - | \$ 8,970,723 | 2.66% |
| 2019 | \$ 276,971 | \$ (276,971) | \$ - | \$ 7,284,286 | 3.80% |
| 2020 | \$ 299,360 | \$ (299,360) | \$ - | \$ 7,818,482 | 3.83% |
| 2021 | \$ 150,125 | \$ (150,125) | \$ - | \$ 7,694,214 | 1.95% |
| 2022 | \$ 121,540 | \$ (121,540) | \$ - | \$ 8,325,505 | 1.46% |
| 2023 | \$ 214 | \$ (214) | \$ - | \$ 8,213,077 | 0.00% |
| 2024 | \$ - | \$ - | \$ - | \$ 8,925,468 | 0.00% |
| 2025 | \$ 240 | \$ (240) | \$ - | \$ 8,991,382 | 0.00% |
| Occupational Death and Disability (ODD): | | | | | |
| 2018 | \$ 7,280 | \$ (7,280) | \$ - | \$ 8,970,723 | 0.08% |
| 2019 | \$ 12,901 | \$ (12,901) | \$ - | \$ 7,284,286 | 0.18% |
| 2020 | \$ 14,692 | \$ (14,692) | \$ - | \$ 7,818,482 | 0.19% |
| 2021 | \$ 17,710 | \$ (17,710) | \$ - | \$ 7,694,214 | 0.23% |
| 2022 | \$ 19,823 | \$ (19,823) | \$ - | \$ 8,325,505 | 0.24% |
| 2023 | \$ 19,245 | \$ (19,245) | \$ - | \$ 8,213,077 | 0.23% |
| 2024 | \$ 21,298 | \$ (21,298) | \$ - | \$ 8,925,468 | 0.24% |
| 2025 | \$ 17,965 | \$ (17,965) | \$ - | \$ 8,991,382 | 0.20% |
| Retiree Medical Plan (RMP): | | | | | |
| 2018 | \$ 46,865 | \$ (46,865) | \$ - | \$ 2,172,405 | 2.16% |
| 2019 | \$ 46,595 | \$ (46,595) | \$ - | \$ 2,254,759 | 2.07% |
| 2020 | \$ 74,589 | \$ (74,589) | \$ - | \$ 2,655,100 | 2.81% |
| 2021 | \$ 72,553 | \$ (72,553) | \$ - | \$ 2,686,536 | 2.70% |
| 2022 | \$ 68,419 | \$ (68,419) | \$ - | \$ 2,982,791 | 2.29% |
| 2023 | \$ 70,565 | \$ (70,565) | \$ - | \$ 3,102,864 | 2.27% |
| 2024 | \$ 71,698 | \$ (71,698) | \$ - | \$ 3,190,900 | 2.25% |
| 2025 | \$ 62,132 | \$ (62,132) | \$ - | \$ 3,383,653 | 1.84% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

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

Teachers' Retirement System (TRS)

June 30, 2025

| Year | District's Proportion of the Net Pension Liability | District's Proportionate Share of the Net Pension Liability | State of Alaska Proportionate Share of the Net Pension Liability | Total Net Pension Liability | District's Covered Payroll | District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------|--|---|--|-----------------------------------|----------------------------------|---|---|
| | | | | | | | |
| 2016 | 0.6508% | \$ 12,107,604 | \$ 19,349,976 | \$ 31,457,580 | \$ 14,578,507 | 83.05% | 73.82% |
| 2017 | 0.7876% | \$ 17,982,410 | \$ 21,371,192 | \$ 39,353,602 | \$ 15,690,902 | 114.60% | 68.40% |
| 2018 | 0.6639% | \$ 13,454,139 | \$ 23,479,868 | \$ 36,934,007 | \$ 17,211,544 | 78.17% | 72.39% |
| 2019 | 0.7929% | \$ 15,178,887 | \$ 22,561,797 | \$ 37,740,684 | \$ 16,064,745 | 94.49% | 74.09% |
| 2020 | 0.7141% | \$ 13,342,927 | \$ 19,790,882 | \$ 33,133,809 | \$ 14,973,726 | 89.11% | 74.68% |
| 2021 | 0.6488% | \$ 13,191,415 | \$ 22,888,335 | \$ 36,079,750 | \$ 15,166,322 | 86.98% | 72.81% |
| 2022 | 1.0170% | \$ 8,095,313 | \$ 6,869,400 | \$ 14,964,713 | \$ 13,976,975 | 57.92% | 89.43% |
| 2023 | 0.8615% | \$ 14,360,958 | \$ 19,139,721 | \$ 33,500,679 | \$ 17,015,096 | 84.40% | 78.33% |
| 2024 | 0.7253% | \$ 12,754,570 | \$ 20,160,948 | \$ 32,915,518 | \$ 17,871,377 | 71.37% | 77.62% |
| 2025 | 0.7854% | \$ 14,529,549 | \$ 24,979,560 | \$ 39,509,109 | \$ 18,301,823 | 79.39% | 77.07% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

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

Teachers' Retirement System (TRS)

June 30, 2025

| Year | District's Proportion of the Net OPEB Liability (Asset) | District's Proportionate Share of the Net OPEB Liability (Asset) | State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | Total Net OPEB Liability (Asset) | District's Covered Payroll | District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) |
|--|---|--|---|----------------------------------|----------------------------|---|---|
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | | | |
| 2018 | 0.6617% | \$ 1,217,106 | \$ 2,134,599 | \$ 3,351,705 | \$ 17,211,544 | 7.07% | 93.75% |
| 2019 | 0.7911% | \$ 2,459,842 | \$ 3,669,710 | \$ 6,129,552 | \$ 16,064,745 | 15.31% | 90.23% |
| 2020 | 0.7130% | \$ (1,089,590) | \$ (1,621,117) | \$ (2,710,707) | \$ 14,973,726 | -7.28% | 105.50% |
| 2021 | 0.6472% | \$ (2,315,224) | \$ (4,034,765) | \$ (6,349,989) | \$ 15,166,322 | -15.27% | 113.78% |
| 2022 | 1.0572% | \$ (12,291,700) | \$ (9,566,508) | \$ (21,858,208) | \$ 13,976,975 | -87.94% | 145.41% |
| 2023 | 0.8794% | \$ (7,707,814) | \$ (9,910,277) | \$ (17,618,091) | \$ 17,015,096 | -45.30% | 134.84% |
| 2024 | 0.7457% | \$ (7,536,442) | \$ (11,373,939) | \$ (18,910,381) | \$ 17,871,377 | -42.17% | 140.49% |
| 2025 | 0.8150% | \$ (8,130,824) | \$ (13,179,536) | \$ (21,310,360) | \$ 18,301,823 | -44.43% | 137.40% |
| Occupational Death and Disability (ODD): | | | | | | | |
| 2018 | 2.7218% | \$ (88,949) | \$ - | \$ (88,949) | \$ 17,211,544 | -0.52% | 1342.59% |
| 2019 | 2.3851% | \$ (83,621) | \$ - | \$ (83,621) | \$ 16,064,745 | -0.52% | 1304.81% |
| 2020 | 2.2577% | \$ (90,782) | \$ - | \$ (90,782) | \$ 14,973,726 | -0.61% | 1409.77% |
| 2021 | 2.1453% | \$ (92,356) | \$ - | \$ (92,356) | \$ 15,166,322 | -0.61% | 931.08% |
| 2022 | 2.2048% | \$ (134,382) | \$ - | \$ (134,382) | \$ 13,976,975 | -0.96% | 1254.36% |
| 2023 | 2.3012% | \$ (138,993) | \$ - | \$ (138,993) | \$ 17,015,096 | -0.82% | 1268.28% |
| 2024 | 2.5217% | \$ (174,474) | \$ - | \$ (174,474) | \$ 17,871,377 | -0.98% | 1410.42% |
| 2025 | 2.3941% | \$ (190,761) | \$ - | \$ (190,761) | \$ 18,301,823 | -1.04% | 1600.56% |
| Retiree Medical Plan (RMP): | | | | | | | |
| 2018 | 2.7218% | \$ (129,014) | \$ - | \$ (129,014) | \$ 7,147,994 | -1.80% | 118.16% |
| 2019 | 2.3851% | \$ (76,275) | \$ - | \$ (76,275) | \$ 6,671,726 | -1.14% | 109.56% |
| 2020 | 2.2562% | \$ (86,547) | \$ - | \$ (86,547) | \$ 7,456,059 | -1.16% | 110.03% |
| 2021 | 2.1528% | \$ (212,371) | \$ - | \$ (212,371) | \$ 7,065,350 | -3.01% | 125.59% |
| 2022 | 2.2005% | \$ (441,853) | \$ - | \$ (441,853) | \$ 5,260,422 | -8.40% | 142.54% |
| 2023 | 2.2970% | \$ (444,839) | \$ - | \$ (444,839) | \$ 8,704,769 | -5.11% | 140.73% |
| 2024 | 2.5235% | \$ (558,985) | \$ - | \$ (558,985) | \$ 9,976,266 | -5.60% | 140.71% |
| 2025 | 2.3925% | \$ (537,966) | \$ - | \$ (537,966) | \$ 10,476,250 | -5.14% | 134.72% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2025

| Year | Contributions | | Relative to the | | Contributions | | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|------|---|---|---|--|---|--|----------------------------------|---|
| | Contractually Required Contribution | Contractually Required Contribution | Contractually Required Contribution | Contribution Deficiency (Excess) | Contractually Required Contribution | Contribution Deficiency (Excess) | | |
| 2016 | \$ 543,048 | \$ (543,048) | \$ - | \$ 15,690,902 | | | | 3.46% |
| 2017 | \$ 610,298 | \$ (610,298) | \$ - | \$ 17,211,544 | | | | 3.55% |
| 2018 | \$ 665,867 | \$ (665,867) | \$ - | \$ 16,064,745 | | | | 4.14% |
| 2019 | \$ 580,504 | \$ (583,204) | \$ (2,700) | \$ 14,973,726 | | | | 3.88% |
| 2020 | \$ 580,908 | \$ (580,410) | \$ 498 | \$ 15,166,322 | | | | 3.83% |
| 2021 | \$ 552,752 | \$ (559,135) | \$ (6,383) | \$ 13,976,975 | | | | 3.95% |
| 2022 | \$ 576,816 | \$ (568,230) | \$ 8,586 | \$ 17,015,096 | | | | 3.39% |
| 2023 | \$ 868,643 | \$ (868,643) | \$ - | \$ 17,871,377 | | | | 4.86% |
| 2024 | \$ 851,330 | \$ (863,129) | \$ (11,799) | \$ 18,301,823 | | | | 4.65% |
| 2025 | \$ 802,702 | \$ (799,608) | \$ 3,094 | \$ 16,832,342 | | | | 4.77% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2025

| Year | Contractually Required Contribution | Contributions Relative to the Contractually Required Contribution | Contribution Deficiency (Excess) | District's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|--|-------------------------------------|---|----------------------------------|----------------------------|--|
| Alaska Retiree Healthcare Trust Plan (ARHCT): | | | | | |
| 2018 | \$ 329,942 | \$ (329,942) | \$ - | \$ 16,064,745 | 2.05% |
| 2019 | \$ 284,367 | \$ (284,367) | \$ - | \$ 14,973,726 | 1.90% |
| 2020 | \$ 327,702 | \$ (327,702) | \$ - | \$ 15,166,322 | 2.16% |
| 2021 | \$ 434,899 | \$ (434,899) | \$ - | \$ 13,976,975 | 3.11% |
| 2022 | \$ 372,641 | \$ (372,641) | \$ - | \$ 17,015,096 | 2.19% |
| 2023 | \$ 29 | \$ (29) | \$ - | \$ 17,871,377 | 0.00% |
| 2024 | \$ - | \$ - | \$ - | \$ 18,301,823 | 0.00% |
| 2025 | \$ - | \$ - | \$ - | \$ 16,832,342 | 0.00% |
| Occupational Death and Disability (ODD): | | | | | |
| 2018 | \$ - | \$ - | \$ - | \$ 16,064,745 | 0.00% |
| 2019 | \$ 7,047 | \$ (7,047) | \$ - | \$ 14,973,726 | 0.05% |
| 2020 | \$ 7,048 | \$ (7,048) | \$ - | \$ 15,166,322 | 0.05% |
| 2021 | \$ 7,981 | \$ (7,981) | \$ - | \$ 13,976,975 | 0.06% |
| 2022 | \$ 9,046 | \$ (9,046) | \$ - | \$ 17,015,096 | 0.05% |
| 2023 | \$ 10,354 | \$ (10,354) | \$ - | \$ 17,871,377 | 0.06% |
| 2024 | \$ 10,646 | \$ (10,646) | \$ - | \$ 18,301,823 | 0.06% |
| 2025 | \$ 10,126 | \$ (10,126) | \$ - | \$ 16,832,342 | 0.06% |
| Retiree Medical Plan (RMP): | | | | | |
| 2018 | \$ 78,014 | \$ (78,014) | \$ - | \$ 6,671,726 | 1.17% |
| 2019 | \$ 69,602 | \$ (69,602) | \$ - | \$ 7,456,059 | 0.93% |
| 2020 | \$ 96,042 | \$ (96,042) | \$ - | \$ 7,065,350 | 1.36% |
| 2021 | \$ 92,784 | \$ (92,784) | \$ - | \$ 5,260,422 | 1.76% |
| 2022 | \$ 93,860 | \$ (93,860) | \$ - | \$ 8,704,769 | 1.08% |
| 2023 | \$ 112,600 | \$ (112,600) | \$ - | \$ 9,976,266 | 1.13% |
| 2024 | \$ 109,117 | \$ (109,117) | \$ - | \$ 10,476,250 | 1.04% |
| 2025 | \$ 86,085 | \$ (86,085) | \$ - | \$ 9,700,026 | 0.89% |

See accompanying notes to Required Supplementary Information.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Required Supplementary Information

June 30, 2025

1. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

Annual budgets are adopted by the School Board for all revenues, expenditures, and interfund transfers of the General Fund. Budgets are prepared and presented on the modified accrual basis of accounting. Pursuant to Alaska Statutes, the adopted General Fund budget is submitted to the Borough Assembly for review and approval. The approved budget is also submitted to the State of Alaska, Department of Education and Early Development, for review to determine compliance with Alaska Statutes and Department regulations.

The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. Expenditure authority for the General Fund is limited to the total approved budget and functional areas of expenditures are not to be overspent. While appropriations lapse at the end of the fiscal year, the succeeding year's budget specifically provides for the reappropriation of year-end encumbrances which have been approved in the fiscal year to which they relate.

Budgets for the various Special Revenue Funds are prepared on a modified accrual basis of accounting in connection with the application for the special program's funding and are reviewed and approved by the School Board. Expenditure authority for Special Revenue Fund programs is limited to actual combined revenues and transfers from other funds. Unexpended balances of grants from State and federal governments for Special Revenue Funds lapse at June 30 with the exception of certain federal programs which lapse at various month ends of July, August, and September.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are reported as assigned fund balances since they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbrances at year end consist of purchase orders of \$628,199 for supplies and materials.

Project budgets are adopted for the various Capital Project Funds based on the lives of the construction projects. Because an annual budget for these funds is not adopted, the Capital Project Funds do not have a presentation of budget to actual expenditures. Expenditure authority is limited to the actual combined revenues, transfers from other funds, and available fund balance within the fund.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Required Supplementary Information, Continued

B. Expenditures in Excess of Appropriations

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

| | Final Budgeted Amounts | Actual Amounts | Variance |
|--------------------------------|------------------------------|-------------------|-------------|
| Instruction | \$ 17,083,057 | 18,436,928 | (1,353,871) |
| Special education instruction | \$ 6,980,225 | 7,568,588 | (588,363) |
| Support services – students | \$ 2,207,768 | 2,400,244 | (192,476) |
| Support services – instruction | \$ 4,463,988 | 4,663,004 | (199,016) |
| School administration | \$ 1,509,884 | 1,771,707 | (261,823) |
| Food services | \$ 27,919 | 35,487 | (7,568) |

Excess of expenditures over appropriations in the General Fund were funded through available fund balance.

2. Public Employees' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Required Supplementary Information, Continued

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

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

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

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

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

3. Teachers' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

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

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

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Notes to Required Supplementary Information, Continued

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

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

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

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

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

SUPPLEMENTARY INFORMATION

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Comparative Balance Sheets – General Fund

June 30, 2025

(With financial information at June 30, 2024)

| | <u>Assets</u> | 2025 | 2024 |
|---|----------------------|-------------------|------|
| Assets: | | | |
| Due from: | | | |
| Kodiak Island Borough | \$ 15,002,000 | 15,364,922 | |
| Other funds | 1,339,454 | 2,130,630 | |
| Receivables | 100,778 | 29,053 | |
| Inventory: | | | |
| Custodial supplies | 191,831 | 178,980 | |
| Fuel | 70,708 | 126,197 | |
| Prepays | 704 | 2,795 | |
| Total assets | \$ 16,705,475 | 17,832,577 | |
| <u>Liabilities and Fund Balance</u> | | | |
| Liabilities: | | | |
| Accounts payable | 563,740 | 401,704 | |
| Accrued payroll liabilities | 2,752,751 | 2,844,293 | |
| Due to other funds | 2,593,537 | 2,834,178 | |
| Unearned revenue | 3,500 | 1,500 | |
| Total liabilities | 5,913,528 | 6,081,675 | |
| Fund balance: | | | |
| Nonspendable: | | | |
| Inventory | 262,539 | 305,177 | |
| Prepays | 704 | 2,795 | |
| Committed: | | | |
| Homeschool allotment rollover | 20,050 | 24,253 | |
| Impact Aid | 2,377,462 | 2,561,183 | |
| Assigned: | | | |
| Encumbrances | 628,199 | 465,111 | |
| Compensated absences | - | 651,636 | |
| Self-insurance | 1,638,655 | 1,652,582 | |
| Unassigned | 5,864,338 | 6,088,165 | |
| Total fund balance | 10,791,947 | 11,750,902 | |
| Total liabilities and fund balance | \$ 16,705,475 | 17,832,577 | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

Year ended June 30, 2025

(With financial information for year ended June 30, 2024)

| | 2025 | | Variance with Final Budget – Positive (Negative) | 2024 |
|---|------------------------------|-------------------|---|-------------------|
| | Final Budgeted Amounts | Actual Amounts | | Actual Amounts |
| Revenues: | | | | |
| Local sources: | | | | |
| Kodiak Island Borough: | | | | |
| Appropriations | \$ 11,666,558 | 11,453,867 | (212,691) | 11,395,431 |
| In-kind services | 650,000 | 862,691 | 212,691 | 809,813 |
| E-rate reimbursement | 2,000,000 | 1,862,543 | (137,457) | 1,965,858 |
| Charges for services - rentals | 26,000 | 52,873 | 26,873 | 37,836 |
| Other | 35,000 | 39,013 | 4,013 | 30,243 |
| Total local sources | <u>14,377,558</u> | <u>14,270,987</u> | <u>(106,571)</u> | <u>14,239,181</u> |
| Intergovernmental: | | | | |
| State of Alaska: | | | | |
| Foundation | 26,041,525 | 26,042,426 | 901 | 26,386,663 |
| Quality schools | 85,684 | 85,684 | - | 87,222 |
| TRS on-behalf | 2,600,914 | 2,423,985 | (176,929) | 2,161,791 |
| PERS on-behalf | 384,345 | 385,983 | 1,638 | 254,394 |
| Other state revenues | 3,526,238 | 3,651,386 | 125,148 | 1,860,370 |
| Total State of Alaska | <u>32,638,706</u> | <u>32,589,464</u> | <u>(49,242)</u> | <u>30,750,440</u> |
| Federal sources passed through the State of Alaska: | | | | |
| Impact aid military | 2,405,992 | 2,299,529 | (106,463) | 3,148,247 |
| Impact aid military – special education | 31,231 | 53,898 | 22,667 | 50,518 |
| Department of Defense | 248,393 | 166,941 | (81,452) | 248,394 |
| Total federal sources passed through the State of Alaska | <u>2,685,616</u> | <u>2,520,368</u> | <u>(165,248)</u> | <u>3,447,159</u> |
| Federal direct sources - Impact aid | 4,143 | 24,035 | 19,892 | 68,274 |
| Total revenues | <u>49,706,023</u> | <u>49,404,854</u> | <u>(301,169)</u> | <u>48,505,054</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Certificated salaries | 9,800,505 | 9,832,127 | (31,622) | 10,291,250 |
| Non-certificated salaries | 1,174,163 | 1,308,219 | (134,056) | 1,300,311 |
| Employee benefits | 4,530,005 | 5,924,788 | (1,394,783) | 6,030,517 |
| Housing allowance/subsidy | 78,000 | 78,340 | (340) | 50,350 |
| Transportation allowance | 53,000 | 100,237 | (47,237) | 59,362 |
| Professional and technical services | 15,879 | 52,688 | (36,809) | 31,686 |
| Staff travel | 16,989 | 6,081 | 10,908 | 14,166 |
| Student travel | 49,906 | 17,342 | 32,564 | 13,634 |
| Utility services | 500 | 43,947 | (43,447) | 40,763 |
| Other purchased services | 58,981 | 33,487 | 25,494 | 40,233 |
| Supplies, materials and media | 1,269,419 | 925,376 | 344,043 | 721,098 |
| Other | 35,710 | 114,296 | (78,586) | 117,214 |
| Equipment | - | - | - | 40,880 |
| Total instruction | <u>17,083,057</u> | <u>18,436,928</u> | <u>(1,353,871)</u> | <u>18,751,464</u> |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

| | 2025 | | Variance with Final Budget – Positive (Negative) | 2024 | |
|--|------------------------------|-------------------|---|-------------------|--|
| | Final Budgeted Amounts | Actual Amounts | | Actual Amounts | |
| Expenditures, continued: | | | | | |
| Current: | | | | | |
| Special education instruction: | | | | | |
| Certificated salaries | \$ 1,962,606 | 1,928,628 | 33,978 | 2,137,503 | |
| Non-certificated salaries | 2,436,983 | 2,564,762 | (127,779) | 2,294,843 | |
| Employee benefits | 2,161,078 | 2,850,429 | (689,351) | 2,314,121 | |
| Transportation allowance | 10 | 10 | - | - | |
| Professional and technical services | 21,887 | 20,770 | 1,117 | 3,285 | |
| Staff travel | 12,582 | 11,288 | 1,294 | 19,830 | |
| Student travel | - | - | - | 36 | |
| Utility services | - | - | - | 1,655 | |
| Other purchased services | 51,762 | 43,191 | 8,571 | 64,830 | |
| Supplies, materials and media | 332,034 | 147,618 | 184,416 | 75,208 | |
| Other | 1,283 | 1,892 | (609) | 120 | |
| Total special education instruction | 6,980,225 | 7,568,588 | (588,363) | 6,911,431 | |
| Special education support services – students: | | | | | |
| Certificated salaries | 1,381,325 | 1,384,568 | (3,243) | 1,522,914 | |
| Non-certificated salaries | 55,159 | 72,039 | (16,880) | 42,791 | |
| Employee benefits | 3,613,640 | 857,161 | 2,756,479 | 790,835 | |
| Transportation allowance | 591 | 3,565 | (2,974) | 234 | |
| Professional and technical services | 295,304 | 230,650 | 64,654 | 301,683 | |
| Staff travel | 27,026 | 27,157 | (131) | 37,926 | |
| Other purchased services | - | - | - | 5,950 | |
| Supplies, materials and media | 21,249 | 26,145 | (4,896) | 10,264 | |
| Other | 17 | 17 | - | - | |
| Total special education support services – students | 5,394,311 | 2,601,302 | 2,793,009 | 2,712,597 | |
| Support services – students: | | | | | |
| Certificated salaries | 867,411 | 867,906 | (495) | 951,195 | |
| Non-certificated salaries | 516,841 | 571,508 | (54,667) | 498,642 | |
| Employee benefits | 773,123 | 916,630 | (143,507) | 868,868 | |
| Transportation allowance | - | 161 | (161) | - | |
| Professional and technical services | 15,155 | 15,840 | (685) | 2,763 | |
| Staff travel | 15,573 | 9,383 | 6,190 | 15,425 | |
| Student travel | - | 8,964 | (8,964) | 540 | |
| Utility services | - | - | - | 14 | |
| Supplies, materials and media | 12,665 | 9,712 | 2,953 | 18,829 | |
| Other | 7,000 | 140 | 6,860 | 1,297 | |
| Total support services – students | 2,207,768 | 2,400,244 | (192,476) | 2,357,573 | |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

| | 2025 | | 2024 | |
|--|------------------------------|-------------------|---|-------------------|
| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget – Positive (Negative) | Actual Amounts |
| Expenditures, continued: | | | | |
| Current: | | | | |
| Support services – instruction: | | | | |
| Certificated salaries | \$ 184,252 | 167,141 | 17,111 | 159,242 |
| Non-certificated salaries | 815,790 | 816,028 | (238) | 740,802 |
| Employee benefits | 586,998 | 668,395 | (81,397) | 608,400 |
| Transportation allowance | - | - | - | 577 |
| Professional and technical services | 97,410 | 56,199 | 41,211 | 79,383 |
| Staff travel | 45,582 | 35,532 | 10,050 | 47,350 |
| Utility services | 2,235,000 | 2,400,075 | (165,075) | 2,644,057 |
| Other purchased services | 118,920 | 7,847 | 111,073 | 15,695 |
| Supplies, materials and media | 379,961 | 508,255 | (128,294) | 447,372 |
| Other | 75 | 3,532 | (3,457) | 8,549 |
| Total support services – instruction | <u>4,463,988</u> | <u>4,663,004</u> | <u>(199,016)</u> | <u>4,751,427</u> |
| School administration: | | | | |
| Certificated salaries | 1,114,540 | 1,154,254 | (39,714) | 1,206,234 |
| Employee benefits | 365,496 | 551,044 | (185,548) | 582,758 |
| Professional and technical services | - | 16,027 | (16,027) | 350 |
| Staff travel | 14,660 | 7,950 | 6,710 | 9,618 |
| Other purchased services | - | 534 | (534) | 104 |
| Supplies, materials and media | 10,255 | 40,585 | (30,330) | 42,722 |
| Other | 4,933 | 1,313 | 3,620 | 909 |
| Total school administration | <u>1,509,884</u> | <u>1,771,707</u> | <u>(261,823)</u> | <u>1,842,695</u> |
| School administration support services: | | | | |
| Non-certificated salaries | 558,619 | 549,897 | 8,722 | 561,556 |
| Employee benefits | 499,266 | 430,688 | 68,578 | 457,254 |
| Transportation allowance | - | - | - | 42 |
| Utility services | - | 526 | (526) | 318 |
| Other purchased services | 500 | 20 | 480 | - |
| Supplies, materials and media | 9,461 | 21,872 | (12,411) | 12,261 |
| Other | 322 | - | 322 | - |
| Total school administration support services | <u>1,068,168</u> | <u>1,003,003</u> | <u>65,165</u> | <u>1,031,431</u> |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

| | 2025 | | 2024 | |
|--|------------------------------|-------------------|---|-------------------|
| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget – Positive (Negative) | Actual Amounts |
| Expenditures, continued: | | | | |
| Current: | | | | |
| District administration: | | | | |
| Certificated salaries | \$ 610,104 | 620,122 | (10,018) | 594,889 |
| Non-certificated salaries | 188,715 | 281,459 | (92,744) | 246,101 |
| Employee benefits | 532,083 | 532,962 | (879) | 449,732 |
| Transportation allowance | - | - | - | 169 |
| Professional and technical services | 276,393 | 43,386 | 233,007 | 54,747 |
| Staff travel | 39,782 | 31,261 | 8,521 | 25,518 |
| Student travel | 7,500 | 8,352 | (852) | 7,373 |
| Utility services | - | 612 | (612) | 518 |
| Other purchased services | 15,677 | 15,610 | 67 | 6,784 |
| Supplies, materials and media | 69,433 | 76,922 | (7,489) | 47,674 |
| Other | 7,309 | 28,839 | (21,530) | 44,156 |
| Total district administration | <u>1,746,996</u> | <u>1,639,525</u> | <u>107,471</u> | <u>1,477,661</u> |
| District administration support services: | | | | |
| Certificated salaries | 130,030 | 134,736 | (4,706) | 130,494 |
| Non-certificated salaries | 1,134,441 | 881,524 | 252,917 | 1,014,358 |
| Employee benefits | 793,447 | 561,366 | 232,081 | 677,308 |
| Professional and technical services | 158,017 | 239,905 | (81,888) | 155,069 |
| Staff travel | 28,706 | 109,734 | (81,028) | 43,741 |
| Student travel | - | - | - | 242 |
| Utility services | 27,537 | 32,695 | (5,158) | 24,913 |
| Other purchased services | 47,162 | 216,163 | (169,001) | 46,353 |
| Insurance and bond premiums | 187,008 | - | 187,008 | 152,160 |
| Supplies, materials and media | 168,409 | 112,312 | 56,097 | 189,125 |
| Other | 8,900 | 8,646 | 254 | 18,598 |
| Less recovery of indirect costs | <u>(180,000)</u> | <u>(209,784)</u> | <u>29,784</u> | <u>(254,637)</u> |
| Total district administration support services | <u>2,503,657</u> | <u>2,087,297</u> | <u>416,360</u> | <u>2,197,724</u> |
| Operations and maintenance of plant: | | | | |
| Certificated salaries | - | - | - | 900 |
| Non-certificated salaries | 1,795,725 | 1,830,234 | (34,509) | 1,695,583 |
| Employee benefits | 1,268,847 | 1,230,557 | 38,290 | 1,164,857 |
| Professional and technical services | 161,500 | 218,739 | (57,239) | 131,573 |
| Staff travel | 38,455 | 36,374 | 2,081 | 25,232 |
| Utility services | 350,996 | 419,244 | (68,248) | 393,105 |
| Energy | 2,049,341 | 1,612,524 | 436,817 | 1,772,905 |
| Other purchased services | 347,823 | 795,609 | (447,786) | 417,561 |
| Insurance and bond premiums | 455,000 | - | 455,000 | 455,788 |
| Supplies, materials and media | 544,660 | 588,642 | (43,982) | 425,965 |
| Other | - | 2,365 | (2,365) | 687 |
| Total operations and maintenance of plant | <u>7,012,347</u> | <u>6,734,288</u> | <u>278,059</u> | <u>6,484,156</u> |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

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

| | 2025 | | | 2024 |
|--|------------------------------|-------------------|---|--------------------|
| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget – Positive (Negative) | Actual Amounts |
| Expenditures, continued: | | | | |
| Current: | | | | |
| Student activities: | | | | |
| Certificated salaries | \$ 165,580 | 149,547 | 16,033 | 154,810 |
| Non-certificated salaries | 268,193 | 299,279 | (31,086) | 293,531 |
| Employee benefits | 97,380 | 54,547 | 42,833 | 55,325 |
| Professional and technical services | 10,781 | 14,264 | (3,483) | 25,264 |
| Staff travel | 5,092 | 3,580 | 1,512 | 5,289 |
| Student travel | 354,277 | 372,435 | (18,158) | 403,744 |
| Other purchased services | - | 2,000 | (2,000) | - |
| Supplies, materials and media | 17,224 | 9,724 | 7,500 | 9,659 |
| Other | 14,609 | 11,855 | 2,754 | 15,465 |
| Total student activities | <u>933,136</u> | <u>917,231</u> | <u>15,905</u> | <u>963,087</u> |
| Food services - | | | | |
| Employee benefits | <u>27,919</u> | <u>35,487</u> | <u>(7,568)</u> | <u>27,945</u> |
| Total expenditures | <u>50,931,456</u> | <u>49,858,604</u> | <u>1,072,852</u> | <u>49,509,191</u> |
| Excess (deficiency) of revenues over expenditures | | | | |
| | (1,225,433) | (453,750) | 771,683 | (1,004,137) |
| Other financing sources (uses): | | | | |
| Transfers out: | | | | |
| Special Revenue Funds: | | | | |
| Cafeteria | - | (454,478) | (454,478) | (5,904) |
| Fresh Fruits and Vegetables | - | (527) | (527) | - |
| Migrant Education Book Program | - | (200) | (200) | - |
| Impact Aid Construction Capital Project Fund | <u>(476,826)</u> | <u>(50,000)</u> | <u>426,826</u> | <u>-</u> |
| Net other financing sources (uses) | <u>(476,826)</u> | <u>(505,205)</u> | <u>(28,379)</u> | <u>(5,904)</u> |
| Net change in fund balance | \$ <u>(1,702,259)</u> | <u>(958,955)</u> | <u>743,304</u> | <u>(1,010,041)</u> |
| Fund balance, beginning of year | | <u>11,750,902</u> | | <u>12,760,943</u> |
| Fund balance, end of year | \$ <u>10,791,947</u> | | | <u>11,750,902</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Balance Sheet – Other Governmental Funds

June 30, 2025

| | Special Revenue Funds | | | | | |
|--|-------------------------|--|--------------------|------------------------------|---------------|-----------------|
| | Pupil Transportation | Broadband Assistance Grant (BAG) | Munaret Project | Alaska Pre- Elementary | Cybersecurity | Cafeteria |
| Assets | | | | | | |
| Due from other funds | \$ 402,709 | 37,882 | 189,334 | - | - | - |
| Accounts receivable | - | - | - | 208,737 | 7,191 | 15,641 |
| Inventory | - | - | - | - | - | 190,536 |
| Total assets | 402,709 | 37,882 | 189,334 | 208,737 | 7,191 | 206,177 |
| <u>Liabilities and Fund Balances</u> | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | - | 37,882 | 425 | 18,516 | - | 307 |
| Accrued payroll | - | - | 16,040 | 22,726 | - | 8,541 |
| Due to other funds | - | - | - | 167,495 | 7,191 | 255,857 |
| Unearned revenue | - | - | 172,869 | - | - | - |
| Total liabilities | - | 37,882 | 189,334 | 208,737 | 7,191 | 264,705 |
| Fund balances: | | | | | | |
| Nonspendable - inventory | - | - | - | - | - | 190,536 |
| Restricted - student activities | - | - | - | - | - | - |
| Committed: | | | | | | |
| Pupil transportation | 402,709 | - | - | - | - | - |
| Construction | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | (249,064) |
| Total fund balances | 402,709 | - | - | - | - | (58,528) |
| Total liabilities and fund balances | \$ 402,709 | 37,882 | 189,334 | 208,737 | 7,191 | 206,177 |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Balance Sheet – Other Governmental Funds, Continued

| <u>Assets</u> | Special Revenue Funds | | | | | |
|--|-----------------------------------|---------------|----------------|--|---------------------------|--------------------------------------|
| | Fresh Fruits and Vegetables | Section 619 | Title VI-B | Comprehensive State Literacy Development | Carl Perkins Secondary | Migrant Education Book Program |
| Due from other funds | \$ - | - | - | - | - | - |
| Accounts receivable | 7,623 | 24,325 | 207,381 | 20,030 | 37,584 | 14,636 |
| Inventory | - | - | - | - | - | - |
| Total assets | 7,623 | 24,325 | 207,381 | 20,030 | 37,584 | 14,636 |
| <u>Liabilities and Fund Balances</u> | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | - | - | - | 1,312 | - | - |
| Accrued payroll | - | - | 1,950 | 842 | - | - |
| Due to other funds | 7,623 | 24,325 | 205,431 | 17,876 | 37,584 | 14,636 |
| Unearned revenue | - | - | - | - | - | - |
| Total liabilities | 7,623 | 24,325 | 207,381 | 20,030 | 37,584 | 14,636 |
| Fund balances: | | | | | | |
| Nonspendable - inventory | - | - | - | - | - | - |
| Restricted - student activities | - | - | - | - | - | - |
| Committed: | | | | | | |
| Pupil transportation | - | - | - | - | - | - |
| Construction | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total fund balances | - | - | - | - | - | - |
| Total liabilities and fund balances | \$ 7,623 | 24,325 | 207,381 | 20,030 | 37,584 | 14,636 |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Balance Sheet – Other Governmental Funds, Continued

| Assets | Special Revenue Funds | | | | | |
|---|-----------------------|--------------------|---|-------------------------|-----------------|-----------------------------|
| | Stronger Connections | School Improvement | Positive Behavioral Intervention Strategies | Consolidated Admin Pool | Title I-A Basic | Title I-C Migrant Education |
| Due from other funds | \$ - | - | - | - | - | - |
| Accounts receivable | 8,168 | 48,594 | 3,522 | 133,426 | 127,042 | 186,320 |
| Inventory | - | - | - | - | - | - |
| Total assets | 8,168 | 48,594 | 3,522 | 133,426 | 127,042 | 186,320 |
| <u>Liabilities and Fund Balances</u> | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | - | - | - | - | - | 496 |
| Accrued payroll | 1,620 | - | - | 23,744 | 24,902 | 17,867 |
| Due to other funds | 6,548 | 48,594 | 3,522 | 109,682 | 102,140 | 167,957 |
| Unearned revenue | - | - | - | - | - | - |
| Total liabilities | 8,168 | 48,594 | 3,522 | 133,426 | 127,042 | 186,320 |
| Fund balances: | | | | | | |
| Nonspendable - inventory | - | - | - | - | - | - |
| Restricted - student activities | - | - | - | - | - | - |
| Committed: | | | | | | |
| Pupil transportation | - | - | - | - | - | - |
| Construction | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total fund balances | - | - | - | - | - | - |
| Total liabilities and fund balances | \$ 8,168 | 48,594 | 3,522 | 133,426 | 127,042 | 186,320 |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Balance Sheet – Other Governmental Funds, Continued

| <u>Assets</u> | Special Revenue Funds | | | | | |
|--|-----------------------------------|---|----------------------------------|---------------------|---------------------|--------------|
| | Title II-A Teacher Training | Title III-A English Language Acquisition (ELA) | Title IV-A Student Support | Hunter Education | Indian Education | RTB AK |
| Due from other funds | \$ - | - | - | 14,283 | - | - |
| Accounts receivable | 57,272 | 35,350 | 21,567 | - | 74,595 | 3,365 |
| Inventory | - | - | - | - | - | - |
| Total assets | 57,272 | 35,350 | 21,567 | 14,283 | 74,595 | 3,365 |
| <u>Liabilities and Fund Balances</u> | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | 2,404 | - | 413 | 970 | - | - |
| Accrued payroll | 3,968 | 9,775 | - | - | 12,344 | 252 |
| Due to other funds | 50,900 | 25,575 | 21,154 | - | 62,251 | 3,113 |
| Unearned revenue | - | - | - | 13,313 | - | - |
| Total liabilities | 57,272 | 35,350 | 21,567 | 14,283 | 74,595 | 3,365 |
| Fund balances: | | | | | | |
| Nonspendable - inventory | - | - | - | - | - | - |
| Restricted - student activities | - | - | - | - | - | - |
| Committed: | | | | | | |
| Pupil transportation | - | - | - | - | - | - |
| Construction | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total fund balances | - | - | - | - | - | - |
| Total liabilities and fund balances | \$ 57,272 | 35,350 | 21,567 | 14,283 | 74,595 | 3,365 |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Balance Sheet – Other Governmental Funds, Continued

| | Special Revenue Funds | | Total Special Revenue Funds | Impact Aid Construction Capital Project Fund | Total Other Governmental Funds |
|--|-----------------------|--------------------|-----------------------------|--|--------------------------------|
| | Kodiak Garden Club | Student Activities | | | |
| <u>Assets</u> | | | | | |
| Due from other funds | \$ 3,160 | 833,844 | 1,481,212 | 1,112,325 | 2,593,537 |
| Accounts receivable | - | 36,463 | 1,278,832 | - | 1,278,832 |
| Inventory | - | - | 190,536 | - | 190,536 |
| Total assets | 3,160 | 870,307 | 2,950,580 | 1,112,325 | 4,062,905 |
| <u>Liabilities and Fund Balances</u> | | | | | |
| Liabilities: | | | | | |
| Accounts payable | - | 7,550 | 70,275 | - | 70,275 |
| Accrued payroll liabilities | - | - | 144,571 | - | 144,571 |
| Due to other funds | - | - | 1,339,454 | - | 1,339,454 |
| Unearned revenue | 3,160 | - | 189,342 | - | 189,342 |
| Total liabilities | 3,160 | 7,550 | 1,743,642 | - | 1,743,642 |
| Fund balances: | | | | | |
| Nonspendable - inventory | - | - | 190,536 | - | 190,536 |
| Restricted - student activities | - | 862,757 | 862,757 | - | 862,757 |
| Committed: | | | | | |
| Pupil transportation | - | - | 402,709 | - | 402,709 |
| Construction | - | - | - | 1,112,325 | 1,112,325 |
| Unassigned | - | - | (249,064) | - | (249,064) |
| Total fund balances | - | 862,757 | 1,206,938 | 1,112,325 | 2,319,263 |
| Total liabilities and fund balances | \$ 3,160 | 870,307 | 2,950,580 | 1,112,325 | 4,062,905 |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Other Governmental Funds

Year Ended June 30, 2025

| | Special Revenue Funds | | | | | |
|---|-----------------------|----------------------------------|-----------------|---|--------------|--------------------|
| | Pupil Transportation | Broadband Assistance Grant (BAG) | Munaret Project | Community Arts and Cultural Partnership | New Visions | Artists in Schools |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Charges for services - lunch sales | \$ - | - | - | - | - | - |
| Other | - | - | 180,677 | 871 | - | 2,537 |
| Intergovernmental: | | | | | | |
| State of Alaska | 1,823,069 | 455,285 | - | - | 2,000 | 3,550 |
| Federal sources | - | - | - | 1,500 | 2,000 | 3,550 |
| Total revenues | <u>1,823,069</u> | <u>455,285</u> | <u>180,677</u> | <u>2,371</u> | <u>4,000</u> | <u>9,637</u> |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | - | - | 1,947 | 1,107 | 3,625 | 2,845 |
| Special education instruction | - | - | - | - | - | - |
| Special education support services - students | - | - | - | - | - | - |
| Support services - students | - | - | - | - | - | - |
| Support services - instruction | - | 455,285 | 14,961 | 1,264 | 375 | 6,792 |
| School administration | - | - | - | - | - | - |
| School administration support services | - | - | - | - | - | - |
| District administration | - | - | 149,308 | - | - | - |
| District administration support services | - | - | 14,461 | - | - | - |
| Operations and maintenance of plant | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - |
| Student transportation - to and from school | 2,167,351 | - | - | - | - | - |
| Food services | - | - | - | - | - | - |
| Construction facilities and acquisition | - | - | - | - | - | - |
| Total expenditures | <u>2,167,351</u> | <u>455,285</u> | <u>180,677</u> | <u>2,371</u> | <u>4,000</u> | <u>9,637</u> |
| Excess (deficiency) of revenues over expenditures | (344,282) | - | - | - | - | - |
| Other financing sources - transfers in | - | - | - | - | - | - |
| Net change in fund balances | (344,282) | - | - | - | - | - |
| Fund balances, beginning of year, as adjusted | 746,991 | - | - | - | - | - |
| Fund balances, end of year | <u>\$ 402,709</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Other Governmental Funds, Continued

| | Special Revenue Funds | | | | | |
|---|------------------------------|---------------|------------------|-----------------------------------|-------------------|---------------|
| | Alaska Pre- Elementary | Cybersecurity | Cafeteria | Fresh Fruits and Vegetables | Farm to School | Section 619 |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Charges for services - lunch sales | \$ - | - | 165,454 | - | - | - |
| Other | - | - | 151 | - | - | - |
| Intergovernmental: | | | | | | |
| State of Alaska | 577,018 | 719 | - | - | - | - |
| Federal sources | - | 6,472 | 894,320 | 66,589 | 1,451 | 27,955 |
| Total revenues | 577,018 | 7,191 | 1,059,925 | 66,589 | 1,451 | 27,955 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | 227,469 | - | - | - | 1,451 | 1,566 |
| Special education instruction | 296,377 | - | - | - | - | 10,989 |
| Special education support services - students | 13,794 | - | - | - | - | 13,618 |
| Support services - students | 18 | - | - | - | - | - |
| Support services - instruction | 325 | - | - | - | - | - |
| School administration | - | - | - | - | - | - |
| School administration support services | 2,246 | - | - | - | - | - |
| District administration | - | - | - | - | - | - |
| District administration support services | 36,789 | 7,191 | - | - | - | 1,782 |
| Operations and maintenance of plant | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | - | - | - | - |
| Food services | - | - | 1,570,929 | 67,116 | - | - |
| Construction facilities and acquisition | - | - | - | - | - | - |
| Total expenditures | 577,018 | 7,191 | 1,570,929 | 67,116 | 1,451 | 27,955 |
| Excess (deficiency) of revenues over expenditures | - | - | (511,004) | (527) | - | - |
| Other financing sources - transfers in | - | - | 454,478 | 527 | - | - |
| Net change in fund balances | - | - | (56,526) | - | - | - |
| Fund balances, beginning of year, as adjusted | - | - | (2,002) | - | - | - |
| Fund balances, end of year | \$ - | - | (58,528) | - | - | - |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Other Governmental Funds, Continued

| | Special Revenue Funds | | | | | |
|---|-----------------------|--|---------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | Title VI-B | Comprehensive State Literacy Development | Carl Perkins Secondary | CTE Skills and Career Camp | Migrant Education Book Program | Stronger Connections |
| | | | | - | - | - |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Charges for services - lunch sales | \$ | - | - | - | - | - |
| Other | | - | - | - | - | - |
| Intergovernmental: | | | | | | |
| State of Alaska | - | - | - | - | - | - |
| Federal sources | 693,605 | 48,762 | 72,706 | 2,490 | 18,984 | 36,513 |
| Total revenues | <u>693,605</u> | <u>48,762</u> | <u>72,706</u> | <u>2,490</u> | <u>18,984</u> | <u>36,513</u> |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | 36,578 | 22,713 | 67,644 | 2,531 | 11,581 | 34,185 |
| Special education instruction | 555,440 | - | - | - | - | - |
| Special education support services - students | 15,123 | - | - | - | - | - |
| Support services - students | - | 1,754 | - | - | 6,192 | - |
| Support services - instruction | 951 | 21,186 | - | - | - | - |
| School administration | - | - | 771 | - | - | - |
| School administration support services | 41,290 | - | - | - | - | - |
| District administration | - | - | 829 | - | - | - |
| District administration support services | 44,223 | 3,109 | 3,462 | 159 | 1,211 | 2,328 |
| Operations and maintenance of plant | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | - | - | - | - |
| Food services | - | - | - | - | - | - |
| Construction facilities and acquisition | - | - | - | - | - | - |
| Total expenditures | <u>693,605</u> | <u>48,762</u> | <u>72,706</u> | <u>2,690</u> | <u>18,984</u> | <u>36,513</u> |
| Excess (deficiency) of revenues over expenditures | - | - | - | (200) | - | - |
| Other financing sources - transfers in | - | - | - | 200 | - | - |
| Net change in fund balances | - | - | - | - | - | - |
| Fund balances, beginning of the year, as adjusted | - | - | - | - | - | - |
| Fund balances, end of year | <u>\$</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Other Governmental Funds, Continued

| | Special Revenue Funds | | | | | |
|---|-----------------------|---|-------------------------|-----------------|-----------------------------|-----------------------------|
| | School Improvement | Positive Behavioral Intervention Strategies | Consolidated Admin Pool | Title I-A Basic | Title I-C Migrant Education | Title II-A Teacher Training |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Charges for services - lunch sales | \$ - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Intergovernmental: | | | | | | |
| State of Alaska | - | - | - | - | - | - |
| Federal sources | 68,538 | 8,706 | 325,667 | 292,684 | 550,359 | 108,903 |
| Total revenues | <u>68,538</u> | <u>8,706</u> | <u>325,667</u> | <u>292,684</u> | <u>550,359</u> | <u>108,903</u> |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | 45,188 | 2,340 | - | 265,874 | 494,776 | 987 |
| Special education instruction | - | - | - | - | - | - |
| Special education support services - students | - | - | - | - | - | - |
| Support services - students | 182 | - | - | 828 | 6,509 | - |
| Support services - instruction | 18,434 | 5,811 | - | 7,321 | - | 100,972 |
| School administration | 364 | - | - | - | - | - |
| School administration support services | - | - | - | - | 13,974 | - |
| District administration | - | - | 177,866 | - | - | - |
| District administration support services | 4,370 | 555 | 147,801 | 18,661 | 35,100 | 6,944 |
| Operations and maintenance of plant | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | - | - | - | - |
| Food services | - | - | - | - | - | - |
| Construction facilities and acquisition | - | - | - | - | - | - |
| Total expenditures | <u>68,538</u> | <u>8,706</u> | <u>325,667</u> | <u>292,684</u> | <u>550,359</u> | <u>108,903</u> |
| Excess (deficiency) of revenues over expenditures | - | - | - | - | - | - |
| Other financing sources - transfers in | - | - | - | - | - | - |
| Net change in fund balances | - | - | - | - | - | - |
| Fund balances, beginning of the year, as adjusted | - | - | - | - | - | - |
| Fund balances, end of year | \$ - | - | - | - | - | - |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Other Governmental Funds, Continued

| | Special Revenue Funds | | | | | |
|---|---|----------------------------------|---------------------|---------------------------|---------------------|---------------------|
| | Title III-A English Language Acquisition (ELA) | Title IV-A Student Support | Hunter Education | Apprenticeship Project | ARPA Homeless II | Indian Education |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Charges for services - lunch sales | \$ - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Intergovernmental: | | | | | | |
| State of Alaska | - | - | 13,555 | 10,000 | - | - |
| Federal sources | 40,830 | 27,142 | - | - | 1,867 | 175,934 |
| Total revenues | <u>40,830</u> | <u>27,142</u> | <u>13,555</u> | <u>10,000</u> | <u>1,867</u> | <u>175,934</u> |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | 38,227 | 1,928 | 3,663 | - | - | 146,693 |
| Special education instruction | - | - | - | - | - | - |
| Special education support services - students | - | - | - | - | - | - |
| Support services - students | - | 12,422 | 3,269 | - | 1,748 | 3,122 |
| Support services - instruction | - | 11,061 | - | 9,793 | - | - |
| School administration | - | - | - | - | - | 1,854 |
| School administration support services | - | - | - | - | - | - |
| District administration | - | - | 6,580 | - | - | - |
| District administration support services | 2,603 | 1,731 | 43 | 207 | 119 | 24,265 |
| Operations and maintenance of plant | - | - | - | - | - | - |
| Student activities | - | - | - | - | - | - |
| Student transportation - to and from school | - | - | - | - | - | - |
| Food services | - | - | - | - | - | - |
| Construction facilities and acquisition | - | - | - | - | - | - |
| Total expenditures | <u>40,830</u> | <u>27,142</u> | <u>13,555</u> | <u>10,000</u> | <u>1,867</u> | <u>175,934</u> |
| Excess (deficiency) of revenues over expenditures | - | - | - | - | - | - |
| Other financing sources - transfers in | - | - | - | - | - | - |
| Net change in fund balances | - | - | - | - | - | - |
| Fund balances, beginning of the year, as adjusted | - | - | - | - | - | - |
| Fund balances, end of year | \$ - | - | - | - | - | - |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Other Governmental Funds, Continued

| | Special Revenue Funds | | | | Total Special Revenue Funds | Impact Aid Construction Capital Project Fund | Total Other Governmental Funds |
|---|-----------------------|----------------------------|--------------------|--------------------|-----------------------------|--|--------------------------------|
| | RTB AK | Kodiak Imagination Library | Kodiak Garden Club | Student Activities | | | |
| Revenues: | | | | | | | |
| Local sources: | | | | | | | |
| Charges for services - lunch sales | \$ - | - | - | - | 165,454 | - | 165,454 |
| Other | - | 5,742 | 17 | 578,070 | 768,065 | - | 768,065 |
| Intergovernmental: | | | | | | | |
| State of Alaska | - | - | - | - | 2,885,196 | - | 2,885,196 |
| Federal sources | 3,365 | - | - | - | 3,480,892 | 91,557 | 3,572,449 |
| Total revenues | 3,365 | 5,742 | 17 | 578,070 | 7,299,607 | 91,557 | 7,391,164 |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | 5,742 | - | 50,703 | 1,471,363 | - | 1,471,363 |
| Special education instruction | - | - | - | - | 862,806 | - | 862,806 |
| Special education support services - students | - | - | - | - | 42,535 | - | 42,535 |
| Support services - students | - | - | - | - | 36,044 | - | 36,044 |
| Support services - instruction | 3,365 | - | 17 | - | 657,913 | - | 657,913 |
| School administration | - | - | - | - | 2,989 | - | 2,989 |
| School administration support services | - | - | - | - | 57,510 | - | 57,510 |
| District administration | - | - | - | - | 334,583 | - | 334,583 |
| District administration support services | - | - | - | - | 357,114 | - | 357,114 |
| Operations and maintenance of plant | - | - | - | - | - | 5,450 | 5,450 |
| Student activities | - | - | - | 546,695 | 546,695 | - | 546,695 |
| Student transportation - to and from school | - | - | - | - | 2,167,351 | - | 2,167,351 |
| Food services | - | - | - | - | 1,638,045 | - | 1,638,045 |
| Construction facilities and acquisition | - | - | - | - | - | 74,515 | 74,515 |
| Total expenditures | 3,365 | 5,742 | 17 | 597,398 | 8,174,948 | 79,965 | 8,254,913 |
| Excess (deficiency) of revenues over expenditures | - | - | - | (19,328) | (875,341) | 11,592 | (863,749) |
| Other financing sources - transfers in | - | - | - | - | 455,205 | 50,000 | 505,205 |
| Net change in fund balances | - | - | - | (19,328) | (420,136) | 61,592 | (358,544) |
| Fund balances, beginning of year, as adjusted | - | - | - | 882,085 | 1,627,074 | 1,050,733 | 2,677,807 |
| Fund balances, end of year | \$ - | - | - | 862,757 | 1,206,938 | 1,112,325 | 2,319,263 |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual - Special Revenue Fund
PUPIL TRANSPORTATION

Year Ended June 30, 2025

| | <u>Final Budgeted Amounts</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget – Positive (Negative)</u> |
|--|---------------------------------------|---------------------------|---|
| Revenues - Intergovernmental - | | | |
| State of Alaska | \$ 1,873,751 | 1,823,069 | (50,682) |
| Expenditures: | | | |
| Current: | | | |
| Student transportation - to and from school: | | | |
| Other purchased services | 2,185,369 | 2,105,018 | 80,351 |
| Supplies, materials and media | 75,000 | 62,333 | 12,667 |
| Total expenditures | <u>2,260,369</u> | <u>2,167,351</u> | <u>93,018</u> |
| Excess (deficiency) of revenues over expenditures | (386,618) | (344,282) | 42,336 |
| Other financing sources - transfers in | <u>386,618</u> | <u>-</u> | <u>386,618</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(344,282)</u> | <u>428,954</u> |
| Fund balance, beginning of year | | <u>746,991</u> | |
| Fund balance, end of year | <u>\$ 402,709</u> | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 BROADBAND ASSISTANCE GRANT (BAG)

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 761,020 | 455,285 | (305,735) |
| Expenditures: | | | |
| Current: | | | |
| Support services - instruction - Utility services | 761,020 | 455,285 | 305,735 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 MUNARTET PROJECT

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|------------------------------|-------------------|--|
| Revenues: | | | |
| Local sources - other local revenues | \$ 180,677 | 180,677 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Employee benefits | 4 | 4 | - |
| Transportation allowance | 185 | 185 | - |
| Supplies, materials and media | 1,758 | 1,758 | - |
| Total instruction | 1,947 | 1,947 | - |
| Support services - instruction: | | | |
| Certificated salaries | 7,611 | 7,611 | - |
| Employee benefits | 2,691 | 2,691 | - |
| Professional and technical services | 813 | 813 | - |
| Staff travel | 3,846 | 3,846 | - |
| Total support services - instruction | 14,961 | 14,961 | - |
| District administration: | | | |
| Certificated salaries | 95,689 | 95,689 | - |
| Employee benefits | 47,857 | 47,857 | - |
| Staff travel | 5,762 | 5,762 | - |
| Total district administration | 149,308 | 149,308 | - |
| District administration support services - | | | |
| Indirect costs | 14,461 | 14,461 | - |
| Total expenditures | <u>180,677</u> | <u>180,677</u> | - |
| Excess of revenues over expenditures | \$ <u> </u> | <u> </u> | <u> </u> |
| Fund balance, beginning of year | | | - |
| Fund balance, end of year | \$ <u> </u> | <u> </u> | - |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 COMMUNITY ARTS AND CULTURAL PARTNERSHIP

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|------------------------------|-------------------|--|
| Revenues: | | | |
| Local sources - other | \$ 871 | 871 | - |
| Intergovernmental - federal sources passed through the State of Alaska | 1,500 | 1,500 | - |
| Total revenues | 2,371 | 2,371 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Professional and technical services | 1,107 | 1,107 | - |
| Support services - instruction - | | | |
| Staff travel | 1,264 | 1,264 | - |
| Total expenditures | 2,371 | 2,371 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 NEW VISIONS

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|------------------------------|-------------------|--|
| Revenues: | | | |
| Intergovernmental: | | | |
| State of Alaska | \$ 2,000 | 2,000 | - |
| Federal sources passed through the | | | |
| State of Alaska | 2,000 | 2,000 | - |
| Total revenues | <u>4,000</u> | <u>4,000</u> | <u>-</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Professional and technical services | <u>4,000</u> | <u>3,625</u> | <u>375</u> |
| Support services - instruction - | | | |
| Professional and technical services | <u>-</u> | <u>375</u> | <u>(375)</u> |
| Total expenditures | <u>4,000</u> | <u>4,000</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | <u>\$ -</u> | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 ARTISTS IN SCHOOLS

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|------------------------------|-------------------|--|
| Revenues: | | | |
| Local sources - | | | |
| Other local revenues | \$ 2,537 | 2,537 | - |
| Intergovernmental: | | | |
| State of Alaska | 3,550 | 3,550 | - |
| Federal sources passed through the | | | |
| State of Alaska | 3,550 | 3,550 | - |
| Total revenues | <u>9,637</u> | <u>9,637</u> | <u>-</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Professional and technical services | <u>9,637</u> | <u>2,845</u> | <u>6,792</u> |
| Support services - instruction - | | | |
| Professional and technical services | <u>-</u> | <u>6,792</u> | <u>(6,792)</u> |
| Total expenditures | <u>9,637</u> | <u>9,637</u> | <u>-</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ <u>-</u> | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 ALASKA PRE-ELEMENTARY

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| State of Alaska | \$ 577,018 | 577,018 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | - | 79,504 | (79,504) |
| Non-certificated salaries | - | 58,938 | (58,938) |
| Employee benefits | - | 71,324 | (71,324) |
| Professional and technical services | - | 165 | (165) |
| Other purchased services | 338 | 320 | 18 |
| Supplies, materials and media | 2,000 | 17,218 | (15,218) |
| Total instruction | <u>2,338</u> | <u>227,469</u> | <u>(225,131)</u> |
| Special education instruction: | | | |
| Certificated salaries | 228,438 | 148,934 | 79,504 |
| Non-certificated salaries | 103,292 | 42,647 | 60,645 |
| Employee benefits | 149,245 | 77,382 | 71,863 |
| Staff travel | 2,668 | 2,343 | 325 |
| Supplies, materials and media | - | 25,071 | (25,071) |
| Total special education instruction | <u>483,643</u> | <u>296,377</u> | <u>187,266</u> |
| Special education support services - students: | | | |
| Professional and technical services | - | 6,078 | (6,078) |
| Supplies, materials and media | 48,005 | 7,716 | 40,289 |
| Total special education support services - students | <u>48,005</u> | <u>13,794</u> | <u>34,211</u> |
| Support services - students - | | | |
| Other purchased services | - | 18 | (18) |
| Support services - instruction: | | | |
| Professional and technical services | 6,243 | - | 6,243 |
| Staff travel | - | 325 | (325) |
| Total support services - instruction | <u>6,243</u> | <u>325</u> | <u>5,918</u> |
| School administration support services: | | | |
| Non-certificated salaries | - | 1,707 | (1,707) |
| Employee benefits | - | 539 | (539) |
| Total school administration support services | <u>-</u> | <u>2,246</u> | <u>(2,246)</u> |
| District administration support services - | | | |
| Indirect costs | 36,789 | 36,789 | - |
| Total expenditures | <u>577,018</u> | <u>577,018</u> | <u>-</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ <u>-</u> | <u>-</u> | <u>-</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
CYBERSECURITY

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental: | | | |
| State of Alaska | \$ 1,381 | 719 | (662) |
| Federal sources passed through the | | | |
| State of Alaska | 12,424 | 6,472 | (5,952) |
| Total revenues | <u>13,805</u> | <u>7,191</u> | <u>(6,614)</u> |
| Expenditures: | | | |
| Current: | | | |
| District administration support services - | | | |
| Supplies, materials and media | <u>13,805</u> | <u>7,191</u> | <u>6,614</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | <u>\$ -</u> | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – Special Revenue Fund –
CAFETERIA

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|------------------------------|-------------------|--|
| Revenues: | | | |
| Local sources: | | | |
| Charges for services - lunch sales | \$ 160,000 | 165,454 | 5,454 |
| Other | 750 | 151 | (599) |
| Total local sources | <u>160,750</u> | <u>165,605</u> | <u>4,855</u> |
| Intergovernmental: | | | |
| Federal sources passed through the State of Alaska: | | | |
| Food services | 858,087 | 764,197 | (93,890) |
| USDA commodities | 50,187 | 130,123 | 79,936 |
| Total federal sources passed through the State of Alaska | <u>908,274</u> | <u>894,320</u> | <u>(13,954)</u> |
| Total revenues | <u>1,069,024</u> | <u>1,059,925</u> | <u>(9,099)</u> |
| Expenditures: | | | |
| Current: | | | |
| Food services: | | | |
| Non-certificated salaries | 442,963 | 434,229 | 8,734 |
| Employee benefits | 409,000 | 419,828 | (10,828) |
| Staff travel | 2,500 | 6,555 | (4,055) |
| Other purchased services | 22,500 | 17,195 | 5,305 |
| Supplies, materials and media | 610,987 | 689,360 | (78,373) |
| Other | 4,000 | 3,762 | 238 |
| Total expenditures | <u>1,491,950</u> | <u>1,570,929</u> | <u>(78,979)</u> |
| Excess (deficiency) of revenues over expenditures | (422,926) | (511,004) | 88,078 |
| Other financing sources - transfers in - | | | |
| General Fund | <u>422,926</u> | <u>454,478</u> | <u>31,552</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(56,526)</u> | <u>56,526</u> |
| Fund balance, beginning of year | | <u>(2,002)</u> | |
| Fund balance, end of year | <u>\$ (58,528)</u> | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 FRESH FRUITS AND VEGETABLES

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 68,859 | 66,589 | (2,270) |
| Expenditures: | | | |
| Current: | | | |
| Food services - | | | |
| Supplies, materials and media | 68,859 | 67,116 | 1,743 |
| Excess (deficiency) of revenues over expenditures | - | (527) | (527) |
| Other financing sources - transfers in - | | | |
| General Fund | - | 527 | 527 |
| Net change in fund balance | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 FARM TO SCHOOL

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - Federal sources passed through the State of Alaska | \$ 1,463 | 1,451 | (12) |
| Expenditures: Current: Instruction - Supplies, materials and media | 1,463 | 1,451 | 12 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 SECTION 619

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 27,955 | 27,955 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Supplies, materials and media | 21,770 | 1,566 | 20,204 |
| Special education instruction: | | | |
| Non-certificated salaries | 2,955 | 2,955 | - |
| Employee benefits | 940 | 940 | - |
| Professional and technical services | 508 | - | 508 |
| Supplies, materials and media | - | 7,094 | (7,094) |
| Total special education instruction | 4,403 | 10,989 | (6,586) |
| Special education support services - students: | | | |
| Professional and technical services | - | 508 | (508) |
| Supplies, materials and media | - | 13,110 | (13,110) |
| Total special education support services - students | - | 13,618 | (13,618) |
| District administration support services - | | | |
| Indirect cost | 1,782 | 1,782 | - |
| Total expenditures | 27,955 | 27,955 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | - |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – Special Revenue Fund –
TITLE VI-B

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 693,605 | 693,605 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Non-certificated salaries | - | 27,956 | (27,956) |
| Employee benefits | - | 8,622 | (8,622) |
| Total instruction | <u>-</u> | <u>36,578</u> | <u>(36,578)</u> |
| Special education instruction: | | | |
| Certificated salaries | 16,521 | 16,521 | - |
| Non-certificated salaries | 308,252 | 248,943 | 59,309 |
| Employee benefits | 249,847 | 231,286 | 18,561 |
| Professional and technical services | 6,501 | - | 6,501 |
| Staff travel | 16,183 | 11,497 | 4,686 |
| Supplies, materials and media | 52,036 | 47,193 | 4,843 |
| Total special education instruction | <u>649,340</u> | <u>555,440</u> | <u>93,900</u> |
| Special education support services - students: | | | |
| Employee benefits | - | 2 | (2) |
| Transportation allowance | 42 | 42 | - |
| Professional and technical services | - | 5,550 | (5,550) |
| Staff travel | - | 4,686 | (4,686) |
| Supplies, materials and media | - | 4,843 | (4,843) |
| Total special education support services - students | <u>42</u> | <u>15,123</u> | <u>(15,081)</u> |
| Support services - instruction - | | | |
| Professional and technical services | - | 951 | (951) |
| School administration support services: | | | |
| Non-certificated salaries | - | 31,353 | (31,353) |
| Employee benefits | - | 9,937 | (9,937) |
| Total school administration support services | <u>-</u> | <u>41,290</u> | <u>(41,290)</u> |
| District administration support services - | | | |
| Indirect costs | <u>44,223</u> | <u>44,223</u> | - |
| Total expenditures | <u>693,605</u> | <u>693,605</u> | - |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
COMPREHENSIVE STATE LITERACY DEVELOPMENT

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 73,020 | 48,762 | (24,258) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | - | 1,472 | (1,472) |
| Employee benefits | - | 213 | (213) |
| Professional and technical services | - | 1,354 | (1,354) |
| Staff travel | - | 5,238 | (5,238) |
| Student travel | 5,659 | 5,659 | - |
| Supplies, materials and media | 11,500 | 8,777 | 2,723 |
| Total instruction | <u>17,159</u> | <u>22,713</u> | <u>(5,554)</u> |
| Support services - students: | | | |
| Certificated salaries | - | 1,294 | (1,294) |
| Employee benefits | - | 460 | (460) |
| Total support services - students | <u>-</u> | <u>1,754</u> | <u>(1,754)</u> |
| Support services - instruction: | | | |
| Certificated salaries | 12,876 | 2,737 | 10,139 |
| Employee benefits | 7,576 | 777 | 6,799 |
| Professional and technical services | 6,550 | 4,779 | 1,771 |
| Staff travel | 24,203 | 11,147 | 13,056 |
| Supplies, materials and media | - | 1,746 | (1,746) |
| Total support services - instruction | <u>51,205</u> | <u>21,186</u> | <u>30,019</u> |
| District administration support services - | | | |
| Indirect costs | <u>4,656</u> | <u>3,109</u> | <u>1,547</u> |
| Total expenditures | <u>73,020</u> | <u>48,762</u> | <u>24,258</u> |
| Excess of revenues over expenditures | \$ <u> -</u> | <u> -</u> | <u> -</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ <u> -</u> | <u> -</u> | <u> -</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 CARL PERKINS SECONDARY

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 72,708 | 72,706 | (2) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Professional and technical services | 10,192 | 10,192 | - |
| Staff travel | 4,934 | 3,332 | 1,602 |
| Supplies, materials and media | 49,353 | 49,353 | - |
| Other | 4,767 | 4,767 | - |
| Total instruction | 69,246 | 67,644 | 1,602 |
| School administration - | | | |
| Staff travel | - | 771 | (771) |
| District administration - | | | |
| Staff travel | - | 829 | (829) |
| District administration support services - | | | |
| Indirect costs | 3,462 | 3,462 | - |
| Total expenditures | 72,708 | 72,706 | 2 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | - |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 CTE SKILLS AND CAREER CAMP

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 2,703 | 2,490 | (213) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Non-certificated salaries | 1,683 | 1,683 | - |
| Employee benefits | 154 | 154 | - |
| Professional and technical services | 394 | 394 | - |
| Other purchased services | 300 | 300 | - |
| Total instruction | 2,531 | 2,531 | - |
| District administration support services - | | | |
| Indirect costs | 172 | 159 | 13 |
| Total expenditures | 2,703 | 2,690 | 13 |
| Excess (deficiency) of revenues over expenditures | - | (200) | (200) |
| Other financing sources - transfers in - | | | |
| General Fund | - | 200 | 200 |
| Net change in fund balance | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 MIGRANT EDUCATION BOOK PROGRAM

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - Federal sources passed through the State of Alaska | \$ 21,100 | 18,984 | (2,116) |
| Expenditures: | | | |
| Current: | | | |
| Instruction - Supplies, materials and media | 11,581 | 11,581 | - |
| Support services - students - Professional and technical services | 8,174 | 6,192 | 1,982 |
| District administration support services - Indirect costs | 1,345 | 1,211 | 134 |
| Total expenditures | 21,100 | 18,984 | 2,116 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 STRONGER CONNECTIONS

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 443,530 | 36,513 | (407,017) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | 21,600 | - | 21,600 |
| Non-certificated salaries | 47,773 | 25,939 | 21,834 |
| Employee benefits | 9,087 | 8,246 | 841 |
| Supplies, materials and media | 5,000 | - | 5,000 |
| Total instruction | 83,460 | 34,185 | 49,275 |
| Support services - students: | | | |
| Certificated salaries | 45,000 | - | 45,000 |
| Employee benefits | 84,869 | - | 84,869 |
| Other purchased services | 10,000 | - | 10,000 |
| Total support services - students | 139,869 | - | 139,869 |
| Support services - instruction: | | | |
| Professional and technical services | 10,000 | - | 10,000 |
| Staff travel | 5,100 | - | 5,100 |
| Total support services - instruction | 15,100 | - | 15,100 |
| District administration support services - | | | |
| Indirect costs | 16,237 | 2,328 | 13,909 |
| Total expenditures | 254,666 | 36,513 | 218,153 |
| Excess of revenues over expenditures | \$ 188,864 | - | (188,864) |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – Special Revenue Fund –
SCHOOL IMPROVEMENT

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 75,000 | 68,538 | (6,462) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | 2,380 | 9,663 | (7,283) |
| Non-certificated salaries | 1,636 | 1,636 | - |
| Employee benefits | 1,704 | 1,704 | - |
| Transportation allowance | 29 | 29 | - |
| Professional and technical services | 2,171 | 2,731 | (560) |
| Student travel | 326 | 326 | - |
| Other purchased services | 1,065 | 1,065 | - |
| Supplies, materials and media | 33,663 | 28,034 | 5,629 |
| Total instruction | <u>42,974</u> | <u>45,188</u> | <u>(2,214)</u> |
| Support services - students - | | | |
| Staff travel | - | 182 | (182) |
| Support services - instruction: | | | |
| Certificated salaries | 7,283 | - | 7,283 |
| Professional and technical services | 2,900 | 2,340 | 560 |
| Staff travel | 11,604 | 11,058 | 546 |
| Utility services | 5,036 | 5,036 | - |
| Supplies, materials and media | 421 | - | 421 |
| Total support services - instruction | <u>27,244</u> | <u>18,434</u> | <u>8,810</u> |
| School administration - | | | |
| Staff travel | - | 364 | (364) |
| District administration support services - | | | |
| Indirect costs | <u>4,782</u> | <u>4,370</u> | <u>412</u> |
| Total expenditures | <u>75,000</u> | <u>68,538</u> | <u>6,462</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 POSITIVE BEHAVIORAL INTERVENTION STRATEGIES

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 10,177 | 8,706 | (1,471) |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Supplies, materials and media | 2,959 | 2,340 | 619 |
| Support services - instruction: | | | |
| Professional and technical services | 2,600 | 1,880 | 720 |
| Staff travel | 3,469 | 3,297 | 172 |
| Supplies, materials and media | 500 | 634 | (134) |
| Total support services - instruction | 6,569 | 5,811 | 758 |
| District administration support services - | | | |
| Indirect costs | 649 | 555 | 94 |
| Total expenditures | 10,177 | 8,706 | 1,471 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | - |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 CONSOLIDATED ADMIN POOL

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 325,667 | 325,667 | - |
| Expenditures: | | | |
| Current: | | | |
| School administration support services - | | | |
| Supplies, materials and media | 4,800 | - | 4,800 |
| District administration: | | | |
| Certificated salaries | 144,612 | 144,612 | - |
| Employee benefits | - | 33,254 | (33,254) |
| Professional and technical services | 450 | - | 450 |
| Staff travel | 4,164 | - | 4,164 |
| Total district administration | 149,226 | 177,866 | (28,640) |
| District administration support services: | | | |
| Non-certificated salaries | 51,312 | 51,312 | - |
| Employee benefits | 99,565 | 66,310 | 33,255 |
| Professional and technical services | - | 450 | (450) |
| Staff travel | - | 4,165 | (4,165) |
| Supplies, materials and media | - | 4,800 | (4,800) |
| Indirect costs | 20,764 | 20,764 | - |
| Total district administration support services | 171,641 | 147,801 | 23,840 |
| Total expenditures | 325,667 | 325,667 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 TITLE I-A BASIC

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 331,602 | 292,684 | (38,918) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | 175,478 | 168,098 | 7,380 |
| Employee benefits | 97,238 | 97,171 | 67 |
| Supplies, materials and media | 27,590 | 605 | 26,985 |
| Total instruction | 300,306 | 265,874 | 34,432 |
| Support services - students: | | | |
| Student travel | 500 | 18 | 482 |
| Supplies, materials and media | 815 | 810 | 5 |
| Total support services - students | 1,315 | 828 | 487 |
| Support services - instruction: | | | |
| Certificated salaries | 900 | 405 | 495 |
| Employee benefits | - | 66 | (66) |
| Professional and technical services | 5,439 | 4,350 | 1,089 |
| Supplies, materials and media | 2,500 | 2,500 | - |
| Total support services - instruction | 8,839 | 7,321 | 1,518 |
| District administration support services - | | | |
| Indirect costs | 21,142 | 18,661 | 2,481 |
| Total expenditures | 331,602 | 292,684 | 38,918 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 TITLE I-C MIGRANT EDUCATION

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 667,283 | 550,359 | (116,924) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | 136,972 | 125,017 | 11,955 |
| Non-certificated salaries | 137,435 | 122,971 | 14,464 |
| Employee benefits | 164,993 | 156,392 | 8,601 |
| Transportation allowance | 370 | - | 370 |
| Professional and technical services | - | 414 | (414) |
| Utility services | 1,500 | 70 | 1,430 |
| Supplies, materials and media | 67,500 | 47,841 | 19,659 |
| Tuition-students and stipends | 9,000 | - | 9,000 |
| Other | 63,600 | 42,071 | 21,529 |
| Total instruction | <u>581,370</u> | <u>494,776</u> | <u>86,594</u> |
| Support services - students: | | | |
| Certificated salaries | 24,990 | - | 24,990 |
| Professional and technical services | 9,400 | 3,038 | 6,362 |
| Staff travel | - | 2,358 | (2,358) |
| Student travel | 2 | - | 2 |
| Other | - | 1,113 | (1,113) |
| Total support services - students | <u>34,392</u> | <u>6,509</u> | <u>27,883</u> |
| Support services - instruction: | | | |
| Employee benefits | 1,000 | - | 1,000 |
| Supplies, materials and media | 1,000 | - | 1,000 |
| Total support services - instruction | <u>2,000</u> | <u>-</u> | <u>2,000</u> |
| School administration support services: | | | |
| Certificated salaries | - | 12,864 | (12,864) |
| Employee benefits | - | 1,110 | (1,110) |
| Total school administration support services | <u>-</u> | <u>13,974</u> | <u>(13,974)</u> |
| District administration - | | | |
| Supplies, materials and media | <u>1,400</u> | <u>-</u> | <u>1,400</u> |
| District administration support services: | | | |
| Non-certificated salaries | 2,000 | - | 2,000 |
| Professional and technical services | 450 | - | 450 |
| Staff travel | 3,700 | - | 3,700 |
| Utility services | - | 10 | (10) |
| Indirect costs | 41,971 | 35,090 | 6,881 |
| Total district administration support services | <u>48,121</u> | <u>35,100</u> | <u>13,021</u> |
| Total expenditures | <u>667,283</u> | <u>550,359</u> | <u>116,924</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, year end | <u>\$ -</u> | <u>-</u> | <u>-</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 TITLE II-A TEACHER TRAINING

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 122,765 | 108,903 | (13,862) |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Supplies, materials and media | - | 987 | (987) |
| Support services - students - | | | |
| Supplies, materials and media | 500 | - | 500 |
| Support services - instruction: | | | |
| Certificated salaries | 51,191 | 43,603 | 7,588 |
| Employee benefits | 13,550 | 12,094 | 1,456 |
| Professional and technical services | 40,229 | 40,229 | - |
| Staff travel | 6,918 | 5,046 | 1,872 |
| Supplies, materials and media | 2,550 | - | 2,550 |
| Total support services - instruction | 114,438 | 100,972 | 13,466 |
| District administration support services - | | | |
| Indirect costs | 7,827 | 6,944 | 883 |
| Total expenditures | 122,765 | 108,903 | 13,862 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 TITLE III-A ENGLISH LANGUAGE ACQUISITION (ELA)

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 42,132 | 40,830 | (1,302) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | 12,740 | 12,510 | 230 |
| Non-certificated salaries | 12,190 | 12,190 | - |
| Employee benefits | 4,916 | 4,916 | - |
| Supplies, materials and media | 9,450 | 8,611 | 839 |
| Total instruction | 39,296 | 38,227 | 1,069 |
| District administration support services - | | | |
| Indirect costs | 2,836 | 2,603 | 233 |
| Total expenditures | 42,132 | 40,830 | 1,302 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 TITLE IV-A STUDENT SUPPORT

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 56,230 | 27,142 | (29,088) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Employee benefits | 198 | - | 198 |
| Professional and technical services | 720 | 619 | 101 |
| Staff travel | 2,760 | - | 2,760 |
| Supplies, materials and media | 3,679 | 1,309 | 2,370 |
| Total instruction | 7,357 | 1,928 | 5,429 |
| Support services - students: | | | |
| Non-certificated salaries | 7,158 | - | 7,158 |
| Employee benefits | 5,000 | - | 5,000 |
| Professional and technical services | 500 | 105 | 395 |
| Staff travel | 1,650 | 799 | 851 |
| Supplies, materials and media | 20,630 | 11,518 | 9,112 |
| Total support services - students | 34,938 | 12,422 | 22,516 |
| Support services - instruction: | | | |
| Certificated salaries | 1,350 | 540 | 810 |
| Employee benefits | - | 79 | (79) |
| Staff travel | - | 2,672 | (2,672) |
| Supplies, materials and media | - | 7,770 | (7,770) |
| Total support services - instruction | 1,350 | 11,061 | (9,711) |
| District administration support services: | | | |
| Supplies, materials and media | 9,000 | - | 9,000 |
| Indirect costs | 3,585 | 1,731 | 1,854 |
| Total district administration support services | 12,585 | 1,731 | 10,854 |
| Total expenditures | 56,230 | 27,142 | 29,088 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | - |
| Fund balance, end of year | \$ - | - | - |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 HUNTER EDUCATION

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 13,555 | 13,555 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction - Supplies, materials and media | 3,663 | 3,663 | - |
| Support services - students - Student travel | 3,269 | 3,269 | - |
| District administration - Employee benefits | 6,580 | 6,580 | - |
| District administration support services: Non-certificated salaries | 19 | 19 | - |
| Employee benefits | 24 | 24 | - |
| Total district administration support services | 43 | 43 | - |
| Total expenditures | 13,555 | 13,555 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | - |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 APPRENTICESHIP PROJECT

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - State of Alaska | \$ 10,000 | 10,000 | - |
| Expenditures: | | | |
| Current: | | | |
| Support services - instruction: | | | |
| Certificated salaries | - | 7,082 | (7,082) |
| Employee benefits | - | 1,239 | (1,239) |
| Staff travel | 10,000 | 1,472 | 8,528 |
| Total support services - instruction | 10,000 | 9,793 | 207 |
| District administration support services - Indirect costs | - | 207 | (207) |
| Total expenditures | 10,000 | 10,000 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual - Special Revenue Fund –
 ARPA HOMELESS II

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|------------------------------|-------------------|---|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through the State of Alaska | \$ 3,000 | 1,867 | (1,133) |
| Expenditures: | | | |
| Current: | | | |
| Support services - students - | | | |
| Staff travel | 2,809 | 1,748 | 1,061 |
| District administration support services - | | | |
| Indirect costs | 191 | 119 | 72 |
| Total expenditures | 3,000 | 1,867 | 1,133 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 INDIAN EDUCATION

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal direct sources | \$ 176,751 | 175,934 | (817) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Certificated salaries | 80,496 | 80,496 | - |
| Employee benefits | 63,019 | 55,675 | 7,344 |
| Transportation allowance | 136 | 136 | - |
| Professional and technical services | 788 | 788 | - |
| Staff travel | 1,004 | 1,004 | - |
| Student travel | 3,122 | - | 3,122 |
| Other purchased services | 275 | 275 | - |
| Supplies, materials and media | 10,173 | 8,319 | 1,854 |
| Total instruction | <u>159,013</u> | <u>146,693</u> | <u>12,320</u> |
| Support services - students - | | | |
| Student travel | - | 3,122 | (3,122) |
| School administration - | | | |
| Supplies, materials and media | - | 1,854 | (1,854) |
| District administration support services: | | | |
| Non-certificated salaries | 5,701 | 5,704 | (3) |
| Employee benefits | - | 7,344 | (7,344) |
| Indirect costs | 12,037 | 11,217 | 820 |
| Total district administration support services | <u>17,738</u> | <u>24,265</u> | <u>(6,527)</u> |
| Total expenditures | <u>176,751</u> | <u>175,934</u> | <u>817</u> |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | - |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 RTB AK

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|------------------------------|-------------------|--|
| Revenues - Intergovernmental - | | | |
| Federal sources passed through other organizations | \$ 39,612 | 3,365 | (36,247) |
| Expenditures: | | | |
| Current: | | | |
| Support services - instruction: | | | |
| Certificated salaries | 39,612 | 2,925 | 36,687 |
| Employee benefits | - | 440 | (440) |
| Total expenditures | <u>39,612</u> | <u>3,365</u> | <u>36,247</u> |
| Excess of revenues over expenditures | \$ <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ <u>-</u> | <u>-</u> | <u>-</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – Special Revenue Fund –
KODIAK IMAGINATION LIBRARY

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|------------------------------|-------------------|--|
| Revenues - local sources - | | | |
| Other | \$ 5,742 | 5,742 | - |
| Expenditures: | | | |
| Current: | | | |
| Instruction - | | | |
| Supplies, materials and media | 5,742 | 5,742 | - |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | - | |
| Fund balance, end of year | \$ - | | |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
 in Fund Balance – Budget and Actual – Special Revenue Fund –
 KODIAK GARDEN CLUB

Year Ended June 30, 2025

| | Final Budgeted Amounts | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--------------------------------------|------------------------------|-------------------|--|
| Revenues - local sources - | | | |
| Other | \$ 3,176 | 17 | (3,159) |
| Expenditures: | | | |
| Current: | | | |
| Support services - instruction - | | | |
| Supplies, materials and media | 3,176 | 17 | 3,159 |
| Excess of revenues over expenditures | \$ - | - | - |
| Fund balance, beginning of year | | | |
| Fund balance, end of year | \$ - | - | - |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Special Revenue Fund –
STUDENT ACTIVITIES

Year Ended June 30, 2025

| | |
|---|-------------------|
| Revenues - local sources - | |
| Other | \$ <u>578,070</u> |
| Expenditures: | |
| Current: | |
| Instruction: | |
| Staff travel | 48,394 |
| Supplies, materials and media | 2,309 |
| Total instruction | <u>50,703</u> |
| Student activities: | |
| Professional and technical services | 40,488 |
| Student travel | 261,465 |
| Other purchased services | 7,495 |
| Supplies, materials and media | 221,117 |
| Other | 16,130 |
| Total student activities | <u>546,695</u> |
| Total expenditures | <u>597,398</u> |
| Excess (deficiency) of revenues over expenditures | (19,328) |
| Fund balance, beginning of year | <u>882,085</u> |
| Fund balance, end of year | \$ <u>862,757</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Impact Aid Construction Capital Project Fund

Year Ended June 30, 2025

| | |
|--|---------------------|
| Revenues - Intergovernmental - | |
| Federal sources passed through the State of Alaska | |
| Impact Aid - construction payments | \$ <u>91,557</u> |
| Expenditures: | |
| Operations and maintenance of plant - | |
| Supplies, materials and media | <u>5,450</u> |
| Construction and facilities acquisition - | |
| Supplies, materials and media | <u>74,515</u> |
| Total expenditures | <u>79,965</u> |
| Excess of revenues over expenditures | 11,592 |
| Other financing sources - | |
| Transfer in - General Fund | <u>50,000</u> |
| Net change in fund balance | 61,592 |
| Fund balance, beginning of year | <u>1,050,733</u> |
| Fund balance, end of year | \$ <u>1,112,325</u> |

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Compliance - AS 14.17.505

Year Ended June 30, 2025

| | |
|--|---------------------|
| Total fund balance - General Fund | \$ 10,791,947 |
| less exemptions per 4 AAC 09.60(a): | |
| Inventory | 262,539 |
| Prepays | 704 |
| Encumbrances | 628,199 |
| Impact Aid | 2,377,462 |
| Homeschool allotment rollover | 20,050 |
| Self-insurance | <u>1,638,655</u> |
| Fund balance subject to 10% limitation | \$ <u>5,864,338</u> |

Nonexempt fund balances as a percentage of current year expenditures

$$\frac{\text{Fund balance subject to limitations}}{\text{Current year expenditures}} = \frac{5,864,338}{49,858,604} = \underline{\underline{11.76\%}}$$

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of Expenditures of Federal Awards

Year end June 30, 2025

| Federal Awarding Agency | Assistance Listing Number | Federal Grantor/ Pass Through Number | Award Amount | Federal Share of Expenditures |
|--|---------------------------|--------------------------------------|--------------|-------------------------------|
| U.S. Department of Education: | | | | |
| Direct programs: | | | | |
| Impact Aid | 84.041 | 11-AK-2025-0201 | \$ 24,035 | 24,035 |
| Indian Education | 84.060A | S060A240673 | 176,751 | 175,934 |
| Total direct U.S. Department of Education | | | 200,786 | 199,969 |
| Passed through the State of Alaska, Department of Education and Early Development: | | | | |
| Impact Aid | 84.041 | 11-AK-2025-0201 | 2,353,427 | 2,353,427 |
| Impact Aid - Construction | 84.041 | 11-AK-2025-0201 | 91,557 | 91,557 |
| Impact Aid - Department of Defense | 84.041 | None | 166,941 | 166,941 |
| Total Impact Aid - pass through | | | 2,611,925 | 2,611,925 |
| Special Education Cluster (IDEA): | | | | |
| Section 619 | 84.173A | SE25.KISD.01 | 27,955 | 27,955 |
| Title VI-B | 84.027A | SE25.KISD.01 | 693,605 | 693,605 |
| COVID-19 Positive Behavioral Intervention Strategies | 84.027 | PB25.KISD.01 | 7,000 | 5,529 |
| Total Special Education Cluster (IDEA) | | | 728,560 | 727,089 |
| Carl Perkins Secondary | 84.048A | EK25.KISD.01 | 72,708 | 72,706 |
| Title I-C Migrant Education | 84.011A | IP25.KISD.01 | 550,813 | 550,359 |
| Migrant Literacy | 84.011A | MB25.KISD.01 | 21,100 | 18,984 |
| Consolidated Admin Pool | 84.011A | IP25.KISD.01 | 235,000 | 235,000 |
| Total ALN 84.011 | | | 806,913 | 804,343 |
| Title I-A Basic | 84.010A | IP25.KISD.01 | 292,684 | 292,684 |
| School Improvement | 84.010A | SI25.KISD.01 | 75,000 | 68,538 |
| Consolidated Admin Pool | 84.010A | IP25.KISD.01 | 52,959 | 52,959 |
| Total ALN 84.010 | | | 420,643 | 414,181 |
| Comprehensive State Literacy Development | 84.371C | AL25.KISD.01 | 73,020 | 48,762 |
| Title IV-A | 84.424A | IP25.KISD.01 | 28,102 | 27,142 |
| Stronger Connections | 84.424A | CM25.KISD.01 | 443,530 | 36,513 |
| Consolidated Admin Pool | 84.424A | IP24.KISD.01 | 960 | 960 |
| Total ALN 84.424 | | | 472,592 | 64,615 |
| Title II-A | 84.367A | IP25.KISD.01 | 108,902 | 108,903 |
| Consolidated Admin Pool | 84.367A | IP25.KISD.01 | 36,250 | 36,250 |
| Total ALN 84.367 | | | 145,152 | 145,153 |
| Title III-A | 84.365A | IP25.KISD.01 | 40,830 | 40,830 |
| Consolidated Admin Pool | 84.365A | IP25.KISD.01 | 498 | 498 |
| Total ALN 84.365 | | | 41,328 | 41,328 |

(continued)

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Schedule of Expenditures of Federal Awards, Continued

| Federal Awarding Agency | Assistance Listing Number | Federal Grantor/ Pass Through Number | Award Amount | Federal Share of Expenditures |
|---|---------------------------|--------------------------------------|---------------------|-------------------------------|
| U.S. Department of Education, continued: | | | | |
| Passed through the State of Alaska, Department of Education and Early Development: | | | | |
| Education Stabilization Fund: | | | | |
| COVID-19 ARPA Homeless II | 84.425W | AH25.KISD.01 | \$ 1,000 | 622 |
| COVID-19 Summer Programs | 84.425U | CO25.KISD.01 | 2,703 | 2,490 |
| COVID-19 Positive Behavioral Intervention Strategies | 84.425U | PB25.KISD.01 | 3,177 | 3,177 |
| Total ALN 84.425 | | | <u>6,880</u> | <u>6,289</u> |
| COVID-19 ARPA Homeless II - EHCY Travel | 84.196A | AH25.KISD.01 | <u>2,000</u> | <u>1,245</u> |
| Total passed through the State of Alaska, Department of Education and Early Development | | | <u>5,381,721</u> | <u>4,937,636</u> |
| Passed through Alaska Council of School Administrators - Raising the Bar for Rural Alaskan Educators (RTB AK) | 84.374A | None | <u>41,464</u> | <u>3,365</u> |
| Total U.S. Department of Education | | | <u>5,623,971</u> | <u>5,140,970</u> |
| National Endowment for the Arts: | | | | |
| Passed through Alaska State Council on the Arts: | | | | |
| Artists in Schools FY22 | 45.024 | FY22AISM0009 | 1,750 | 1,750 |
| Artists in Schools FY23 | 45.024 | FY23AISM0006 | 1,800 | 1,800 |
| Total ALN 45.024 | | | <u>3,550</u> | <u>3,550</u> |
| Community Arts and Cultural Partnership | 45.025 | FY24MPCAP003 | 1,500 | 1,500 |
| New Visions | 45.025 | FY25NV001 | 2,000 | 2,000 |
| Total ALN 45.025 | | | <u>3,500</u> | <u>3,500</u> |
| Total National Endowment for the Arts | | | <u>7,050</u> | <u>7,050</u> |
| U.S. Department of Homeland Security: | | | | |
| Passed through the State of Alaska, Department of Military and Veterans Affairs - Cybersecurity | 97.137 | EMW-2022-CY-00038-S01 | <u>12,424</u> | <u>6,472</u> |
| U.S. Department of Agriculture: | | | | |
| Passed through the State of Alaska, Department of Education and Early Development: | | | | |
| Child Nutrition Cluster: | | | | |
| National School Breakfast Program | 10.553 | None | 161,547 | 161,546 |
| National School Lunch Program | 10.555 | None | 576,707 | 576,707 |
| Commodities | 10.555 | None | 130,123 | 130,123 |
| National Summer Lunch Program | 10.559 | None | 25,944 | 25,944 |
| Fresh Fruits and Vegetables | 10.582 | FF25.KISD.01 | 9,141 | 9,141 |
| Fresh Fruits and Vegetables | 10.582 | FF25.KISD.02 | 59,719 | 57,448 |
| Total Child Nutrition Cluster | | | <u>963,180</u> | <u>960,909</u> |
| Farm to School | 10.645 | FS24.KISD.02 | <u>7,728</u> | <u>1,451</u> |
| Total U.S. Department of Agriculture | | | <u>970,908</u> | <u>962,360</u> |
| Total federal financial assistance | | | <u>\$ 6,614,354</u> | <u>6,116,852</u> |

See accompanying notes to the Schedule.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

Note 4. ALN # Total

The total expenditures for ALN #84.041 were \$2,635,960 for the year ended June 30, 2025.

Note 5. Non-monetary Assistance

Non-monetary assistance is reported on the schedule at fair value of commodities received and disbursed. For the year ended June 30, 2025, the District received \$130,123 in commodities.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
 (A Component Unit of the Kodiak Island Borough)

Schedule of State Financial Assistance

Year End June 2025

| State Grantor | Award Number | Award Amount | Current Year Expenditures |
|---|-----------------------|----------------------|------------------------------|
| Department of Education and Early Development: | | | |
| # Foundation | None | \$ 26,042,426 | 26,042,426 |
| # House Bill 268 - Foundation | None | 3,641,584 | 3,641,584 |
| Dividend Raffle | None | 9,802 | 9,802 |
| Quality Schools | None | 85,684 | 85,684 |
| # Pupil Transportation | None | 1,647,766 | 1,647,766 |
| House Bill 268 - Pupil Transportation | None | 175,303 | 175,303 |
| # Broadband Assistance Grant (BAG) | None | 761,020 | 455,285 |
| Pre-Elementary | PE25.KISD.01 | 577,018 | 577,018 |
| Hunter Education | HE25.KISD.01 | 26,868 | 13,555 |
| Apprenticeship Project | MS25.KISD.01 | 10,000 | 10,000 |
| Total Department of Education and Early Development | | <u>32,977,471</u> | <u>32,658,423</u> |
| Alaska State Council on the Arts: | | | |
| New Visions | FY25NV001 | 2,000 | 2,000 |
| Artists in Schools FY22 | FY22AISM0006 | 1,750 | 1,750 |
| Artists in Schools FY23 | FY23AISM0006 | 1,800 | 1,800 |
| Total Alaska State Council on the Arts | | <u>5,550</u> | <u>5,550</u> |
| Department of Military and Veterans Affairs: | | | |
| Cybersecurity | EMW-2022-CY-00038-S01 | 1,381 | 719 |
| Total State financial assistance | | <u>\$ 32,984,402</u> | <u>32,664,692</u> |

See accompanying notes to the Schedule.

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2025

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Subrecipients

No state funds were passed through to subrecipients.

Note 4. Major Programs

denotes a major program for compliance audit purposes.

Note 5. Reconciliation of State Expenditures to the Financial Statements

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

| | |
|--|----------------------|
| Total Schedule of State Financial Assistance | \$ 32,664,692 |
| PERS On-Behalf | 385,983 |
| TRS On-Behalf | <u>2,423,985</u> |
| Total State Financial Assistance | <u>\$ 35,474,660</u> |

COMPLIANCE SECTION

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

Independent Auditor's Report

Members of the School Board
Kodiak Island Borough School District
Kodiak, 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 Kodiak Island Borough School District, as a component unit of Kodiak Island Borough, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Kodiak Island Borough School District's basic financial statements, and have issued our report thereon dated November 25, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Altman, Rogers & Co.

Anchorage, Alaska
November 25, 2025

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

Independent Auditor's Report

Members of the School Board
Kodiak Island Borough School District
Kodiak, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Kodiak Island Borough School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Kodiak Island Borough School District's major federal programs for the year ended June 30, 2025. Kodiak Island Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Altman, Rogers & Co.

Anchorage, Alaska
November 25, 2025

KODIAK ISLAND BOROUGH SCHOOL DISTRICT
(A Component Unit of the Kodiak Island Borough)

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

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

Unmodified

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

Yes No

Internal control over financial reporting:

Material weakness(es) identified?

Yes No

Significant deficiency(ies) identified?

Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

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

Material weakness(es) identified?

Yes No

Significant deficiency(ies) identified?

Yes 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 No

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

Unmodified

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

Yes No

Identification of major programs:

Assistance Listing Number(s)

84.041

84.010

Name of Federal Program or Cluster

Impact Aid

Title I-A

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

\$ 750,000

Auditee qualified as low-risk auditee?

Yes No

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of the Kodiak Island Borough)

Federal Schedule of Findings and Questioned Costs, Continued

Section II - Financial Statement Findings

The Kodiak Island Borough School District did not have any findings related to the financial statements.

Section III - Federal Award Findings and Questioned Costs

The Kodiak Island Borough School District did not have any findings related to federal awards.

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

Independent Auditor's Report

Members of the School Board
Kodiak Island Borough School District
Kodiak, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Kodiak Island Borough School District's compliance with the types of compliance requirements identified as subject to audit in the *State of Alaska Audit Guide and Compliance Supplements* that could have a direct and material effect on each of Kodiak Island Borough School District's major state programs for the year ended June 30, 2025. Kodiak Island Borough School District's major state programs are identified on the accompanying Schedule of State Financial Assistance.

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

Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Altman, Rogers & Co.

Anchorage, Alaska
November 25, 2025

KODIAK ISLAND BOROUGH SCHOOL DISTRICT

(A Component Unit of Kodiak Island Borough)

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: **Unmodified**

Internal control over financial reporting:

Material weakness identified? **Yes** **No**
Significant deficiency identified? **Yes** **None reported**

Noncompliance material to the financial statements noted?

Yes **No**

State Financial Assistance

Internal control over major programs:

Material weakness identified? **Yes** **No**
Significant deficiency identified? **Yes** **None reported**

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

Unmodified

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

\$ 979,941

Auditee qualified as low-risk auditee? **X** **Yes** **No**

Section II – Financial Statement Findings

Kodiak Island Borough School District did not have any findings that related to the financial statements.

Section III – State Award Findings and Questioned Costs

Kodiak Island Borough School District did not have any findings related to State awards.