

LAKE AND PENINSULA SCHOOL DISTRICT  
(A Component Unit of the Lake and Peninsula Borough)

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

Year Ended June 30, 2023

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(A Component Unit of the Lake and Peninsula Borough)

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Supplementary Information and Compliance Reports

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# LAKE AND PENINSULA SCHOOL DISTRICT

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## **Independent Auditor's Report**

Members of the School Board  
Lake and Peninsula School District  
King Salmon, 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 Lake and Peninsula School District (the District), a component unit of the Lake and Peninsula Borough, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Lake and Peninsula School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Lake and Peninsula 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 Lake and Peninsula 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 Lake and Peninsula 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 Schedules, Schedules of the District's Proportionate Share of Net Pension and OPEB Liabilities and Assets and the District's Schedules of Contributions for the Public Employees' Retirement System and Teachers' Retirement System, and Notes to the Required Supplementary Information on pages 43-55 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 State of America require to be presented to supplement the basic financial statement. 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 Funds: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (where applicable): School Operating Fund, Student, Community, Housing and Scholarship Special Revenue Fund, and Capital Projects Fund; 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 – Nonmajor Special Revenue Funds; Schedule of Compliance - AS 14.17.505; the Schedule of Expenditures of Federal Awards and related notes, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the Schedule of State Financial Assistance and related 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 GAAS. In our opinion, the "Supplementary Information" is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Members of the School Board  
Lake and Peninsula School District

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023, on our consideration of the Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula School District's internal control over financial reporting and compliance.

*Altman, Rogers & Co.*

Anchorage, Alaska  
November 14, 2023

## LAKE AND PENINSULA SCHOOL DISTRICT

## Statement of Net Position

June 30, 2023

<u>Assets and Deferred Outflows of Resources</u>	<u>Governmental Activities</u>
Current assets:	
Cash and cash equivalents	\$ 107,576
Accounts receivable	1,019,243
Inventory	262,309
Prepaid items	41,491
Total current assets	<u>1,430,619</u>
Long-term assets:	
Assets to be contributed to Lake and Peninsula Borough	55,172
Capital assets	2,520,819
Accumulated depreciation	(1,592,243)
Net OPEB assets	3,767,783
Total long-term assets	<u>4,751,531</u>
Deferred outflows of resources - Pension and OPEB deferrals	<u>1,209,885</u>
Total assets and deferred outflows of resources	<u><u>7,392,035</u></u>
<u>Liabilities, Deferred Inflows of Resources and Net Position</u>	
Current liabilities:	
Cash overdraft	153,239
Accounts payable	296,214
Accrued health claims	653,349
Accrued payroll liabilities	699,980
Unearned revenue	19,267
Current portion of lease liabilities	86,991
Total current liabilities	<u>1,909,040</u>
Long-term liabilities:	
Net pension and OPEB liabilities	7,462,691
Lease liabilities, net of current portion	106,299
Total long-term liabilities	<u>7,568,990</u>
Deferred inflows of resources - Pension and OPEB deferrals	<u>403,190</u>
Total liabilities and deferred inflows of resources	<u><u>9,881,220</u></u>
Net position:	
Net investment in capital assets	735,286
Restricted:	
Assets to be contributed	55,172
Scholarships	236,054
Student, community, housing, scholarship	260,048
Unrestricted	(3,775,745)
Total net position	<u>(2,489,185)</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 7,392,035</u></u>

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

## LAKE AND PENINSULA SCHOOL DISTRICT

## Statement of Activities

Year Ended June 30, 2023

	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
<b>Governmental Activities:</b>					
Instruction	\$ 7,096,524	-	1,695,202	-	(5,401,322)
Special education instruction	450,166	-	(7,706)	-	(457,872)
Special education support services - students	363,309	-	107,749	-	(255,560)
Support services - students	67,805	-	185,034	-	117,229
Support services - instruction	4,206,956	-	938,861	-	(3,268,095)
School administration	738,669	-	(26,333)	-	(765,002)
School administration support services	36,731	-	1,334	-	(35,397)
District administration	598,382	-	(16,954)	-	(615,336)
District administration support services	821,775	-	147,322	-	(674,453)
Operations and maintenance of plant	2,975,186	258,626	17,006	249,729	(2,449,825)
Student activities	942,230	-	331,141	-	(611,089)
Student transportation services	161,303	-	121,264	-	(40,039)
Community services	4	-	4	-	-
Food services	782,082	15,608	631,041	-	(135,433)
Total governmental activities	\$ 19,241,122	274,234	4,124,965	249,729	(14,592,194)
General revenues and transfers:					
Unrestricted Borough appropriation					2,388,707
Unrestricted investment and interest earnings					1,557
E-rate					2,148,797
Grants not restricted to specific programs					9,222,273
Other local revenue					532,123
Capital assets transferred to the Borough					(860,153)
Total general revenues and transfers					13,433,304
Change in net position					(1,158,890)
Net position, beginning of year					(1,330,295)
Net position, end of year					\$ (2,489,185)

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

## LAKE AND PENINSULA SCHOOL DISTRICT

## Balance Sheet - Governmental Funds

June 30, 2023

	Special Revenue Funds					Total Governmental Funds
	School Operating Fund	ARP ESSER III	Student, Community, Housing, and Scholarship	Capital Projects Fund	Other Governmental Funds	
<u>Assets</u>						
Cash and cash equivalents	\$ 107,576	-	-	-	-	107,576
Accounts receivable	10,293	486,039	83	-	522,828	1,019,243
Due from other funds	1,034,850	-	259,965	230,513	168,481	1,693,809
Inventory	219,727	-	-	-	42,582	262,309
Prepaid items	16,491	-	-	-	25,000	41,491
Total assets	<u>1,388,937</u>	<u>486,039</u>	<u>260,048</u>	<u>230,513</u>	<u>758,891</u>	<u>3,124,428</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	64,835	9,915	-	43,625	177,839	296,214
Accrued payroll liabilities	699,980	-	-	-	-	699,980
Unearned revenue	-	-	-	-	19,267	19,267
Due to other funds	658,959	476,124	-	-	558,726	1,693,809
Total liabilities	<u>1,423,774</u>	<u>486,039</u>	<u>-</u>	<u>43,625</u>	<u>755,832</u>	<u>2,709,270</u>
Fund Balances:						
Non-spendable:						
Inventory	219,727	-	-	-	42,582	262,309
Prepaid items	16,491	-	-	-	25,000	41,491
Restricted:						
Scholarships	236,054	-	-	-	-	236,054
Student, community, housing, scholarship	-	-	260,048	-	-	260,048
Committed:						
Student transportation	-	-	-	-	113,492	113,492
Capital grant match and other purposes	-	-	-	186,888	-	186,888
Assigned - encumbrances	51,465	-	-	-	-	51,465
Unassigned	(558,574)	-	-	-	(178,015)	(736,589)
Total fund balances	<u>(34,837)</u>	<u>-</u>	<u>260,048</u>	<u>186,888</u>	<u>3,059</u>	<u>415,158</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>1,388,937</u>	<u>486,039</u>	<u>260,048</u>	<u>230,513</u>	<u>758,891</u>	<u>3,124,428</u>

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

## LAKE AND PENINSULA SCHOOL DISTRICT

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

June 30, 2023

Amount reported as fund balances on the governmental funds balance sheet		\$	415,158
Amounts reported for governmental activities in the statement of net position are different because:			
Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources:			
PERS	536,258		
TRS	<u>673,627</u>		1,209,885
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources:			
PERS	(118,905)		
TRS	<u>(284,285)</u>		(403,190)
Proportionate share of the collective OPEB assets:			
PERS	1,338,505		
TRS	<u>2,429,278</u>		3,767,783
Proportionate share of the collective net pension and OPEB liabilities:			
PERS	(3,325,388)		
TRS	<u>(4,137,303)</u>		(7,462,691)
Capital assets used in governmental activities are not financial resources and are not reported in the funds.			928,576
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Lease liabilities			(193,290)
An internal service fund is used by the District to charge the cost of self-insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.			(806,588)
Assets to be contributed are used in governmental activities and are not financial resources and are not reported in the funds.			<u>55,172</u>
Net position of governmental activities		\$	<u><u>(2,489,185)</u></u>

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

## LAKE AND PENINSULA SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) - Governmental Funds

Year Ended June 30, 2023

	Special Revenue Funds					Total Governmental Funds
	School Operating Fund	ARP ESSER III	Student, Community, Housing, and Scholarship	Capital Projects Fund	Other Governmental Funds	
<b>Revenues:</b>						
Local sources:						
Charges for services	\$ 258,626	-	-	-	15,608	274,234
Earnings on investments	1,557	-	-	-	-	1,557
E-rate revenue	2,148,797	-	-	-	-	2,148,797
Other	532,123	-	223,478	-	836,606	1,592,207
Intergovernmental:						
Lake and Peninsula Borough	2,388,707	-	-	240,000	-	2,628,707
State of Alaska	9,263,617	-	-	-	259,138	9,522,755
Federal sources	404,793	621,119	-	-	2,507,155	3,533,067
Total revenues	<u>14,998,220</u>	<u>621,119</u>	<u>223,478</u>	<u>240,000</u>	<u>3,618,507</u>	<u>19,701,324</u>
<b>Expenditures:</b>						
Current:						
Instruction	5,859,268	31,259	-	-	1,891,250	7,781,777
Special education instruction	980,522	5,995	-	-	21,768	1,008,285
Special education support services - students	297,356	-	-	-	107,749	405,105
Support services - students	73,210	16,171	-	-	165,569	254,950
Support services - instruction	3,392,088	60,830	-	-	905,301	4,358,219
School administration	835,853	5,809	-	-	-	841,662
School administration support services	103,372	-	-	-	-	103,372
District administration	626,970	-	-	-	-	626,970
District administration support services	749,191	30,804	-	-	104,818	884,813
Operations and maintenance of plant	2,896,125	1,483	-	-	-	2,897,608
Student activities	607,484	113,174	236,438	-	-	957,096
Student transportation - to and from school	-	-	-	-	138,035	138,035
Community services	-	-	-	-	4	4
Food services	-	345,865	-	-	436,217	782,082
Debt service	88,530	-	-	-	-	88,530
Construction and facilities acquisition	271,073	9,729	-	204,064	-	484,866
Total expenditures	<u>16,781,042</u>	<u>621,119</u>	<u>236,438</u>	<u>204,064</u>	<u>3,770,711</u>	<u>21,613,374</u>
Excess (deficiency) of revenues over expenditures	<u>(1,782,822)</u>	<u>-</u>	<u>(12,960)</u>	<u>35,936</u>	<u>(152,204)</u>	<u>(1,912,050)</u>
Other financing sources (uses):						
Proceeds from the issuance leases	271,073	-	-	-	-	271,073
Transfers in	-	-	24,224	-	-	24,224
Transfers out	(24,224)	-	-	-	-	(24,224)
Total other financing sources (uses)	<u>246,849</u>	<u>-</u>	<u>24,224</u>	<u>-</u>	<u>-</u>	<u>271,073</u>
Net change in fund balances	(1,535,973)	-	11,264	35,936	(152,204)	(1,640,977)
Fund balances, beginning of year	<u>1,501,136</u>	<u>-</u>	<u>248,784</u>	<u>150,952</u>	<u>155,263</u>	<u>2,056,135</u>
Fund balances (Deficit), end of year	\$ <u>(34,837)</u>	<u>-</u>	<u>260,048</u>	<u>186,888</u>	<u>3,059</u>	<u>415,158</u>

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

## LAKE AND PENINSULA SCHOOL DISTRICT

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

Year Ended June 30, 2023

Net change in fund balance - total governmental funds	\$	(1,640,977)
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Amounts reported for *governmental activities* in the statement of activities are different because:

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

Change in the unfunded net pension and OPEB assets and liabilities:		
PERS	\$ (1,185,288)	
TRS	<u>(3,104,131)</u>	(4,289,419)

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

PERS	2,202,484	
TRS	<u>3,787,326</u>	5,989,810

Long-term liabilities reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Similarly, principal payments of long-term debt in the governmental funds are not reported as expenses in the Statement of Activities. Changes in long-term liabilities:

Proceeds from the issuance of leases	(271,073)	
Principal payments	<u>77,783</u>	(193,290)

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

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

Capital outlay	583,430	
Amortization and depreciation expense	<u>(257,874)</u>	325,556

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

Completed construction transferred to the Lake and Peninsula Borough		(860,153)
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An internal service fund is used by management to charge the cost of health insurance to individual funds. The net income (loss) of this activity is reported in the governmental activity.

	<u>(490,417)</u>
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Change in net position of governmental activities	\$	<u><u>(1,158,890)</u></u>
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The notes to the financial statements are an integral part of this statement.

## LAKE AND PENINSULA SCHOOL DISTRICT

## Health Insurance Internal Service Fund

## Statement of Net Position

June 30, 2023

Assets

Cash and cash equivalents	\$ <u><u>          -</u></u>
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Liabilities and Net Position

## Liabilities:

Cash overdraft	153,239
Health claims payable	<u>653,349</u>
Total liabilities	<u>806,588</u>

Net position - unrestricted	<u>(806,588)</u>
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Total liabilities and net position	\$ <u><u>          -</u></u>
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The notes to the financial statements are an integral part of this statement.



## LAKE AND PENINSULA SCHOOL DISTRICT

## Health Insurance Internal Service Fund

## Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2023

Operating revenues - local sources - Interfund insurance charges	\$ <u>5,989,400</u>
Operating expenses - Insurance claims and administration	<u>6,479,817</u>
Change in net position	(490,417)
Net position, beginning of year	<u>(316,171)</u>
Net position, end of year	\$ <u><u>(806,588)</u></u>

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

## LAKE AND PENINSULA SCHOOL DISTRICT

## Health Insurance Internal Service Fund

## Statement of Cash Flows

Year Ended June 30, 2023

Cash flows provided (used) by operating activities:	
Receipts for interfund services provided	\$ 5,989,400
Payments for insurance claims and administration	<u>(6,275,557)</u>
Net cash flows provided (used) by operating activities	<u>(286,157)</u>
Cash and cash equivalents, beginning of year	<u>132,918</u>
Cash and cash equivalents (overdraft), end of year	\$ <u><u>(153,239)</u></u>
Reconciliation of income from operations to net cash provided (used) by operating activities:	
Operating income (loss)	(490,417)
Changes in assets and liabilities that provided (used) cash:	
Increase in claims payable	<u>204,260</u>
Net cash flows provided by operating activities	\$ <u><u>(286,157)</u></u>

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

# LAKE AND PENINSULA SCHOOL DISTRICT

## Notes to Basic Financial Statements

Year Ended June 30, 2023

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

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

On July 1, 1976, the Legislature of the State of Alaska established the District. At that time, assets were turned over to the District by the State of Alaska through direct transfer and use permits.

Pursuant to Alaska Statutes, Title 29.43.030, the Borough has the responsibility of establishing, maintaining and operating a system of public schools. The Borough's charter delegates the administrative responsibility for these functions to the elected School Board of the District.

The accompanying financial statements include all the activities of Lake and Peninsula School District. The District is a component unit and integral part of the reporting entity, which is Lake and Peninsula Borough. The School Board has the authority to establish its own budgets, hire all personnel, and manage its financial operations subject to the limitations established by State law and Borough charter. There were no entities, which are a component unit of the District, which have been included or excluded, in the accompanying financial report at June 30, 2023.

#### B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) 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.

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.

## LAKE AND PENINSULA SCHOOL DISTRICT

### Notes to Basic Financial Statements, Continued

Separate financial statements are provided for governmental funds, proprietary 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. The only proprietary fund reported by the District is an internal service fund.

#### **C. Measurement Focus, Basis of Accounting and Basis of Presentation**

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

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

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

The District reports the following major governmental funds:

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

The *ARP ESSER III Special Revenue Fund* is a that assist in meeting a wide range of needs arising from the Coronavirus pandemic, including reopening schools safely, sustaining their safe operation, and addressing students' social, emotional, mental health, and academic needs resulting from the pandemic.

The *Student, Community, Housing, and Scholarship Special Revenue Fund* accounts for the revenues and expenditures related to student activities at the school district.

The *Capital Projects Fund* accounts for the revenues and expenditures of local, state and federally funded acquisitions of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Additionally, the District reports the following governmental fund types:

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

## LAKE AND PENINSULA SCHOOL DISTRICT

### Notes to Basic Financial Statements, Continued

#### Proprietary Fund

*Internal Service Fund.* The Health Insurance Internal Service Fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies, of the District or to other governments. The District's internal service fund accounts for the District's self-insured health insurance program.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Internal Service Fund are District departments for services provided. Operating expenses for the Internal Service Fund include the costs of services and administrative expense. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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.

Amounts reported as program revenues include 1) operating grants and contributions, and 2) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

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

#### Intergovernmental Revenue

State of Alaska foundation and pupil transportation, and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. Federal Impact Aid receipts are recorded as revenues in the year the monies are received. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred.

Revenues from the Lake and Peninsula Borough are recorded as Borough appropriations in the School Operating Fund as prescribed by the Uniform Chart of Accounts for School Districts. Revenues are susceptible to accrual and recorded in the year of the Borough appropriation. In the Capital Projects Fund, revenue from the Lake and Peninsula Borough is recorded as local revenue.

#### Local Revenue

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Pensions and Other Post-Employment Benefits (OPEB)

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

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 District based on audited financial statements. The rate is based on expenditures recorded per requirements in the Uniform Chart of Accounts for School Districts and as such there is no indirect cost pool. Indirect costs and indirect cost recovery is recorded in the District Administration Support Services function.

**D. Assets, Liabilities and Equity**

**1. Cash and Investments**

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

**2. Receivables and Payables**

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

**3. Inventory and Prepaids**

Teaching and maintenance supplies are recorded as expenditures when purchased rather than as consumed. Accounting for inventory of heating fuel and food supplies is on the consumption method. The consumption method records the expenditure when consumed rather than when purchased. Inventories are valued at cost using the first-in, first-out (FIFO) method. Reported inventories are equally offset by a portion of fund balance classified as non-spendable 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 prepaids. The prepaid assets do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as non-spendable in the fund financial statements.

#### **4. Capital Assets**

Capital assets, which include vehicles and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

The Borough owns all land, school buildings and improvement that are provided to the School District. The School District collects rent for teacher housing units owned by the Borough and pays these rental fees to the Borough. The buildings are operated and maintained by the School District; however, ownership resides with the Borough. Contributed assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

General equipment and furniture 3 – 20 years

#### **5. Leases**

The District is a lessee for non-cancellable leases of buildings and equipment and recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The lease liabilities are recognized with an initial, individual value of \$5,000 or more or immaterial component leases that aggregate to a total value of \$5,000 or more. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If a lease contains a purchase option that the District has determined is reasonably certain of being exercised, the lease asset is amortized over the estimated useful life of the underlying asset.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the current borrowing rate is used as the discount rate for leases.

The lease term includes the non-cancellable period of the lease; the term of the lease contract, including options to extend, must be more than 12 months. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**6. Assets to be Contributed**

Assets to be contributed represent construction in progress, that when completed, will be transferred to the Lake and Peninsula Borough.

**7. Unearned Revenue**

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

**8. Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay over 12 months. No liability is reported for unpaid accumulated sick leave because there is no provision for payment or use of sick leave upon termination. Vacation pay is accrued when incurred and reported as a fund liability because all leave is expected to be liquidated with expendable available financial resources.

**9. Net Position**

Government-wide net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position – consists of assets that are to be contributed to the Lake and Peninsula Borough and 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 grantor (both federal and state), and by other contributors.
- Unrestricted – all other net position is reported in this category.

**10. Fund Balance**

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

Non-spendable fund balance – amounts that cannot be spent because they are in a non-spendable form (such as inventory and prepaids) or legally or contractually required to be maintained intact (such as the corpus of an endowment fund).



LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Restricted fund balance – amounts constrained by external parties, or legislation (such as grantors or higher levels of government).

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. The highest level of authority is the School District Board, and they commit fund balance through Board restrictions.

Assigned fund balance – amounts that are intended for a particular purpose. Intent can be expressed by the governing body or by the Superintendent or designee.

Unassigned – amounts available for any purpose; these amounts are reported only in the School Operating Fund, unless non-spendable resources create a negative unassigned fund balance in the Special Revenue Funds.

The five categories of fund balance place varying strength of spending constraints on available resources in a descending order as listed. Non-spendable fund balance is the most restrictive classification and unassigned fund balance is the least restrictive.

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

Compliance with the provisions of the Fund Balance Classification Policy are reviewed as part of the annual budget adoption process. The 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.

The District's Special Revenue Funds are used to account for educational, food services, operations and maintenance programs that are restricted or committed.

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

**11. Fair Value of Financial Instruments**

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

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY****A. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for most governmental funds except the Capital Projects Fund, which adopts 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 those funds established to account for federal grants which lapse on September 30.

School Operating Fund

Annual budgets for operations are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. The adopted School Operating Fund budget is submitted to Lake and Peninsula Borough Assembly for approval of the local appropriations, then to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The original budget and the final revised and approved budget is presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget. There are no specific line item or category limitations.

The annual budget for the Food Service Special Revenue Fund follows the same guidelines as the School Operating Fund as noted in the preceding paragraph.

Special Revenue Funds

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

Capital Projects Fund

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

**III. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The District maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is reported on the balance sheet or Statement of Net Position as "Cash and cash equivalents" or amounts "due to/from other funds."

The District bank accounts are insured by the Federal Depository Insurance Corporation (FDIC) to a maximum of \$250,000 per financial institution. Any amount in excess of FDIC limits is to be collateralized with securities held by the District's agent in the District's name.

All deposits are carried at cost plus accrued interest. Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District. At June 30, 2023, the District had no uninsured or uncollateralized cash balances. The District does not have in place an investment policy limiting custodial credit risk.

As of June 30, 2023, the District's governmental funds reported ending cash balances of \$107,576. The Health Insurance Internal Service Fund reported a cash overdraft of \$153,239.

**B. Accounts Receivable**

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

	School Operating Fund	Special Revenue Fund			Total
		ARP ESSER III	Student Community Housing and Scholarship	Other Governmental Funds	
Receivables:					
Grants	\$ -	486,039	-	522,828	1,008,867
Local sources	10,293	-	83	-	10,376
Total	\$ 10,293	486,039	83	522,828	1,019,243

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

**C. Capital Assets**

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The following is a summary of changes in capital assets for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets being depreciated/amortized:				
Equipment	\$ 932,724	108,295	-	1,041,019
Vehicles	1,208,727	-	-	1,208,727
Right-to-use assets	-	271,073	-	271,073
Total capital assets being Depreciated/amortized	2,141,451	379,368	-	2,520,819
Less accumulated depreciation/amortization for:				
Equipment	879,554	14,439	-	893,993
Vehicles	454,815	141,431	-	596,246
Right-to-use assets	-	102,004	-	102,004
Total accumulated depreciation/amortization	1,334,369	257,874	-	1,592,243
Total net capital assets	\$ 807,082	121,494	-	928,576

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

Governmental activities:		
Instruction	\$	7,800
Special education instruction		125
Operation and maintenance of plant		226,681
Student transportation		23,268
Total depreciation and amortization expense	\$	257,874

**D. Assets to be Contributed**

The following are a summary of changes in assets to be contributed for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Transfer	Balance June 30, 2023
Construction in progress	\$ 711,263	204,062	860,153	860,153	55,172

Deletions of assets to be contributed consist of capital assets transferred to the Borough for reporting purposes.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

**E. Leases**

The District has entered into leases for acquisition and use of buildings. The District was required to make principal and interest payments for these leases in the amount of \$88,530 for the year ended June 30, 2023. The District uses an interest rate of 5% for its lease calculations. The buildings are amortized over the lease term. The value of the lease liability at June 30, 2023 was \$193,290. The value of the right-to use assets at June 30, 2023 was \$271,073. The accumulated amortization at June 30, 2023 \$102,004.

The future principal and interest lease payments as of June 30, 2023, were as follows:

<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$	86,991	7,689	94,680
2025		74,251	3,629	77,880
2026		32,048	402	32,450
Total	\$	<u>193,290</u>	<u>11,720</u>	<u>205,010</u>

**F. Long-term Debt**

The following is a summary of changes in long-term debt transactions for the District for the year ended June 30, 2023:

		<u>Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u>	<u>Amounts</u>
		<u>July 1, 2022</u>			<u>June 30,</u>	<u>Due In</u>
					<u>2023</u>	<u>One Year</u>
Leases liabilities	\$	<u>-</u>	<u>271,073</u>	<u>(77,783)</u>	<u>193,290</u>	<u>86,991</u>

**G. Interfund Receivables, Payables and Transfers**

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
School Operating Fund	ARP ESSER III Special Revenue Fund	\$ 476,124
School Operating Fund	Other Governmental Fund	558,726
Student, Community, Housing, and Scholarship Special Revenue Fund	School Operating Fund	259,965
Capital Projects Fund	School Operating Fund	230,513
Other Governmental Funds	School Operating Fund	168,481
		<u>\$ 1,693,809</u>

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

<u>Transfers Out</u>	<u>Transfer In</u>	<u>Amount</u>
School Operating Fund	Student, Community, Housing, and Scholarship Special Revenue Fund	\$ <u>24,224</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The School Operating Fund transferred \$24,224 to the Student, Community, Housing, and Scholarship Special Revenue Fund to cover current year expenditures in excess of revenues.

**IV. OTHER INFORMATION**

**A. Risk Management**

The District faces a considerable number of risks of loss, (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damages, (e) workers compensation, and (f) medical/dental/vision costs for employees. The District participates in the Alaska Public Entity Insurance (APEI), which covers property and contents, torts, general and auto liability, school leader errors and omissions, and workers compensation. APEI is a public entity risk pool, which reinsures risk above certain levels, thereby relieving the members of the need for additional assessments. The Associations bylaws provide for the assessment of supplemental contributions from members in the event that losses and expenses for any coverage year exceed the annual contributions and income earned on such contributions for the year. The Association made no supplemental assessments during the year ended June 30, 2023. Coverage limits and the deductibles on commercial policies have stayed relatively constant for the last several years. There were no outstanding claims or liabilities at the end of the current period.

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

**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. 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.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

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

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

**Other Postemployment Benefit Plans (OPEB)**

*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, 2023 the employer contribution rate 0.31% for PERS and 0.08% for TRS.

*Alaska Retiree Healthcare Trust Plan (ARHCT)*

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

*Retiree Medical Plan (RMP)*

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

*Healthcare Reimbursement Arrangement Plan*

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

**Investments**

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

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

**Rate of Return**

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

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

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

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

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



LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

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

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

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

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

The PERS defined benefit 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.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

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

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

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

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

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

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

Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$ <u>285,148</u>	<u>25,021</u>	<u>310,169</u>

**Public Employees Retirement Plans**

For the year ended June 30, 2023 the State of Alaska contributed \$56,878 (100% pension cost) on behalf of the District, which has been recorded in the fund financial statements under the modified accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2023 to a total of (\$63,139), to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

Defined Benefit:		<u>Pension</u>	
District's proportionate share of the net pension liability	\$	3,325,388	
State's proportionate share of the net pension liability		<u>920,824</u>	
Total	\$	<u>4,246,212</u>	
		<u>OPEB</u>	
District's proportionate share of the ARHCT OPEB (asset)	\$	(1,278,355)	
State's proportionate share of the ARHCT OPEB (asset)		<u>(362,952)</u>	
Total	\$	<u>(1,641,307)</u>	
District's proportionate share of the ODD OPEB (asset)	\$	<u>(31,036)</u>	
District's proportionate share of the RMP OPEB (asset)	\$	<u>(29,114)</u>	
Total District's share of net pension and OPEB liabilities and assets	\$	<u>1,986,883</u>	

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

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

	<u>June 30, 2022</u> <u>Measurement</u>	<u>June 30, 2021</u> <u>Measurement</u>	<u>Change</u>
Pension	0.06524%	0.07796%	(0.01272%)
OPEB:			
ARHCT	0.06497%	0.07820%	(0.01323%)
ODD	0.07080%	0.06771%	0.00309%
RMP	0.08383%	0.07992%	0.00391%

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2022, the District recognized pension and OPEB expense (revenue) of (\$336,825) and (\$433,882), respectively, for the year ended June 30, 2023. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	95,074	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	285,148	-
Total	<u>\$ 380,222</u>	<u>-</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(9,048)
Changes of assumptions	-	(58,666)
Net difference between projected and actual earnings on OPEB plan investments	72,525	-
Changes in proportion and differences between District contributions and proportionate share of contributions	40,797	-
District contributions subsequent to the measurement date	873	-
Total	<u>\$ 114,195</u>	<u>(67,714)</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(10,181)
Changes of assumptions	-	(198)
Net difference between projected and actual earnings on OPEB plan investments	1,051	-
Changes in proportion and differences between District contributions and proportionate share of contributions	4,367	(1,837)
District contributions subsequent to the measurement date	5,175	-
Total	\$ 10,593	(12,216)

  

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,443	(1,144)
Changes of assumptions	5,637	(34,909)
Net difference between projected and actual earnings on OPEB plan investments	4,153	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,042	(2,922)
District contributions subsequent to the measurement date	18,973	-
Total	\$ 31,248	(38,975)

\$285,148 and \$25,021 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 or an increase of the net pension and OPEB assets in the year ended June 30, 2023, 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
2023	\$ (11,303)	(39,097)	(1,335)	(4,550)
2024	(28,972)	(25,435)	(1,387)	(4,753)
2025	(69,550)	(57,298)	(1,554)	(5,395)
2026	204,899	167,438	(21)	191
2027	-	-	(1,162)	(5,411)
Thereafter	-	-	(1,339)	(6,782)
Total	\$ 95,074	45,608	(6,798)	(26,700)

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2023, the District recognized (\$614,210) and \$117,356 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:

	<b>1% Decrease (6.25%)</b>	<b>Current Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Net pension liability	\$ 4,476,687	3,325,388	2,354,605
Net OPEB ARHCT (asset)	\$ (759,527)	(1,278,355)	(1,713,438)
Net OPEB ODD (asset)	\$ (29,235)	(31,036)	(32,444)
Net OPEB RMP liability (asset)	\$ 5,355	(29,114)	(55,400)

*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:

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
Net OPEB ARHCT (asset)	\$ (1,764,621)	(1,278,355)	(697,659)
Net OPEB ODD (asset)	\$ N/A	(31,036)	N/A
Net OPEB RMP liability (asset)	\$ (59,010)	(29,114)	11,153

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

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

Plan members are 100% vested with their contributions.

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%



LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The School District contributed \$168,532 for the year ended June 30, 2023, which included forfeitures of \$12,115 which have been applied against contributions.

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	<u>171,069</u>	<u>34,201</u>	<u>205,270</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

**Teachers Retirement Plans**

For the year ended June 30, 2023 the State of Alaska contributed \$389,259 (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 to a total of (\$249,664), to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

	Pension
Defined Benefit:	
District's proportionate share of the net pension liability	\$ 4,137,303
State's proportionate share of the net pension liability	5,513,544
Total	\$ 9,650,847
	OPEB
District's proportionate share of the ARHCT OPEB (asset)	\$ (2,218,551)
State's proportionate share of the ARHCT OPEB (asset)	(2,855,640)
Total	\$ (5,074,191)
District's proportionate share of the ODD OPEB (asset)	\$ (50,172)
District's proportionate share of the RMP OPEB (asset)	\$ (160,555)
Total District's share of net pension and OPEB liabilities and assets	\$ 1,708,025

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

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

	June 30, 2022 Measurement	June 30, 2021 Measurement	Change
Pension	0.24820%	0.28321%	(0.03501%)
OPEB:			
ARHCT	0.25312%	0.29398%	(0.04086%)
ODD	0.83067%	0.86767%	(0.037%)
RMP	0.82906%	0.89332%	(0.06426%)

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2022, the District recognized pension and OPEB expense of \$389,587 and (\$1,116,232), respectively, for the year ended June 30, 2023. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pensions	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	(13,464)
Changes of assumptions	34,771	-
Net difference between projected and actual earnings on pension plan investments	182,683	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(78,227)
District contribution subsequent to the measurement date	171,069	-
Total	<u>\$ 388,523</u>	<u>(91,691)</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(7,860)
Changes of assumptions	-	(50,284)
Net difference between projected and actual earnings on pension plan investments	114,810	-
Changes in proportion and differences between District contributions and proportionate share of contributions	65,388	-
District contribution subsequent to the measurement date	-	-
Total	<u>\$ 180,198</u>	<u>(58,144)</u>
	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(7,768)
Changes of assumptions	-	(133)
Net difference between projected and actual earnings on pension plan investments	1,195	-
Changes in proportion and differences between District contributions and proportionate share of contributions	7,648	(9,822)
District contribution subsequent to the measurement date	2,880	-
Total	<u>\$ 11,723</u>	<u>(17,723)</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 27,333	(7,579)
Changes of assumptions	9,495	(95,425)
Net difference between projected and actual earnings on pension plan investments	12,396	-
Changes in proportion and differences between District contributions and proportionate share of contributions	12,638	(13,723)
District contribution subsequent to the measurement date	31,321	-
Total	<u>\$ 93,183</u>	<u>(116,727)</u>

\$171,069 and \$34,201 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2023 (plan year), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended		Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
June 30,					
2023	\$	(84,750)	(8,823)	(1,298)	(9,604)
2024		(68,269)	(35,624)	(1,378)	(10,368)
2025		(158,540)	(82,514)	(1,611)	(12,634)
2026		437,322	249,015	222	5,820
2027		-	-	(1,417)	(9,885)
Thereafter		-	-	(3,398)	(18,194)
Total	\$	<u>125,763</u>	<u>122,054</u>	<u>(8,880)</u>	<u>(54,865)</u>

For the year ended June 30, 2023, the District recognized (\$373,355) and \$99,531 of pension and OPEB amortization of the 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	\$ 6,188,198	4,137,303	2,407,218
Net OPEB ARHCT (asset)	\$ (1,447,554)	(2,218,551)	(2,861,585)
Net OPEB ODD (asset)	\$ (50,330)	(50,172)	(50,089)
Net OPEB RMP (asset)	\$ (56,683)	(160,555)	(238,602)

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

*Sensitivity of the District's proportionate share of the net OPEB liability and asset to changes in the healthcare cost trend rates.* The following present the District's proportionate share of the net OPEB liability and asset, as well as what the District's proportionate share of the net OPEB liability and asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net OPEB ARHCT (asset)	\$ (2,934,976)	(2,218,551)	(1,357,386)
Net OPEB ODD (asset)	\$ N/A	(50,172)	N/A
Net OPEB RMP (asset)	\$ (248,410)	(160,555)	(40,798)

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The School District contributed \$363,015 for the year ended June 30, 2023, which included forfeitures of \$19,614 which has been applied against contributions.

**C. Alternative Retirement Plan**

Lake and Peninsula School District participates in a 457 plan through Lincoln Financial Group, where all employees, with the exception of private contractors, appointed/elected trustees and/or school board members and student workers, are eligible to participate in the 457 plan immediately upon employment. Employees may make voluntary elective deferrals to the 457 plan up the Internal Revenue Service regulation limits. The district does not contribute to the plan in any form.

**D. Encumbrances**

The District's encumbrances are classified as assigned fund balance in the School Operating Fund. The District had encumbrances of \$129,160 as of June 30, 2023.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

**E. Health Insurance Internal Service Fund**

The Health Insurance Internal Service Fund was organized in 2014. Health insurance activity was previously recorded in the School Operating Fund since 1997 when the self-insured plan was created. The Lake and Peninsula School District and the Lake and Peninsula Borough have entered into a joint arrangement for self-insuring for health insurance. The program’s general objectives are to formulate, develop and administer a program of health insurance and to obtain lower costs for that coverage. The School and Borough also purchase commercial insurance to provide coverage for claims in excess of \$60,000. This amount increased to \$75,000 beginning January 1, 2017, per employee, per year.

The various funds of the School and Borough make payments to the Internal Service Fund based on estimates of the amounts needed to pay claims. The School District accrues a liability for claims incurred but not reported at year end.

Changes in the claims payable are as follows:

Claims payable, June 30, 2021	\$	465,268
2022 claims and changes in estimates		3,074,003
2022 claims paid		<u>(3,090,182)</u>
Claims payable, June 30, 2022	\$	<u>449,089</u>
Claims payable, June 30, 2022	\$	449,089
2023 claims and changes in estimates		6,479,817
2023 claims paid		<u>(6,275,557)</u>
Claims payable, June 30, 2023	\$	<u>653,349</u>

**F. Contingent Liabilities**

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

**G. Subsequent Accounting Pronouncements**

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

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

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

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

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

**REQUIRED SUPPLEMENTARY  
INFORMATION**



## LAKE AND PENINSULA SCHOOL DISTRICT

## School Operating Fund

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

Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Charges for services	\$ -	-	258,626	258,626
Earnings on investments	5,000	-	1,557	1,557
E-rate revenue	2,266,587	2,293,887	2,148,797	(145,090)
Other	809,655	779,883	532,123	(247,760)
Intergovernmental:				
Lake and Peninsula Borough	1,372,707	2,376,065	2,388,707	12,642
State of Alaska	9,585,153	9,454,190	9,263,617	(190,573)
Federal sources	1,240,375	477,803	404,793	(73,010)
Total revenues	<u>15,279,477</u>	<u>15,381,828</u>	<u>14,998,220</u>	<u>(383,608)</u>
Expenditures:				
Current:				
Instruction	5,064,770	5,754,605	5,859,268	(104,663)
Special education instruction	1,291,398	988,032	980,522	7,510
Special education support services - students	225,789	253,512	297,356	(43,844)
Support services - students	85,862	100,791	73,210	27,581
Support services - instruction	3,387,317	3,297,778	3,392,088	(94,310)
School administration	780,168	827,280	835,853	(8,573)
School administration support services	111,189	105,583	103,372	2,211
District administration	581,994	602,181	626,970	(24,789)
District administration support services	655,865	706,431	749,191	(42,760)
Operations and maintenance of plant	2,923,407	2,959,843	2,896,125	63,718
Student activities	405,299	592,186	607,484	(15,298)
Debt service	-	-	88,530	(88,530)
Construction and facilities acquisition	-	-	271,073	(271,073)
Total expenditures	<u>15,513,058</u>	<u>16,188,222</u>	<u>16,781,042</u>	<u>(592,820)</u>
Excess (deficiency) of revenues over expenditures	<u>(233,581)</u>	<u>(806,394)</u>	<u>(1,782,822)</u>	<u>(976,428)</u>
Other financing sources (uses):				
Proceeds from the issuance of leases	-	-	271,073	271,073
Transfers out	<u>400,000</u>	<u>50,000</u>	<u>(24,224)</u>	<u>(74,224)</u>
Total other financing sources	<u>400,000</u>	<u>50,000</u>	<u>246,849</u>	<u>196,849</u>
Net change in fund balance	\$ <u>166,419</u>	<u>(756,394)</u>	<u>(1,535,973)</u>	<u>(779,579)</u>
Fund balance, beginning of year			<u>1,501,136</u>	
Fund balance (deficit), end of year			\$ <u><u>(34,837)</u></u>	

See accompanying notes to required supplementary information.

## LAKE AND PENINSULA SCHOOL DISTRICT

## ARP ESSER III Special Revenue Fund

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

Year Ended June 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 641,565	621,119	20,446
Expenditures:			
Current:			
Instruction:			
Employee benefits	4,000	3,545	455
Staff travel	36,200	27,714	8,486
Total instruction	<u>40,200</u>	<u>31,259</u>	<u>8,941</u>
Special education instruction - Equipment	<u>5,995</u>	<u>5,995</u>	<u>-</u>
Support services - students:			
Staff Travel	20,911	15,261	5,650
Supplies, materials and media	910	910	-
Total support services - students	<u>21,821</u>	<u>16,171</u>	<u>5,650</u>
Support services - instruction:			
Certificated salaries	37,500	38,373	(873)
Employee benefits	20,200	18,657	1,543
Professional and technical services	3,879	3,800	79
Total support services - instruction	<u>61,579</u>	<u>60,830</u>	<u>749</u>
School administration - Employee benefits	<u>6,000</u>	<u>5,809</u>	<u>191</u>
District administration support services:			
Employee benefits	1,300	1,289	11
Indirect costs	30,496	29,515	981
Total district administration support services	<u>31,796</u>	<u>30,804</u>	<u>992</u>
Operations and maintenance of plant - Employee benefits	<u>2,000</u>	<u>1,483</u>	<u>517</u>
Student activities - Staff travel	<u>117,175</u>	<u>113,174</u>	<u>4,001</u>
Food services - Supplies, materials and media	<u>345,249</u>	<u>345,865</u>	<u>(616)</u>
Construction and facilities acquisition - Professional and technical services	<u>9,750</u>	<u>9,729</u>	<u>21</u>
Total expenditures	<u>641,565</u>	<u>621,119</u>	<u>20,446</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

See accompanying notes to required supplementary information.

## LAKE AND PENINSULA SCHOOL DISTRICT

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

## Public Employees' Retirement System (PERS)

June 30, 2023

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0426%	\$ 1,988,311	\$ 1,979,532	\$ 3,967,843	\$ 1,975,177	100.66%	62.37%
2016	0.1850%	\$ 5,749,290	\$ 1,540,305	\$ 7,289,595	\$ 2,279,236	252.25%	63.96%
2017	0.0769%	\$ 4,297,251	\$ 543,235	\$ 4,840,486	\$ 2,421,546	177.46%	59.55%
2018	0.0643%	\$ 3,322,033	\$ 1,236,083	\$ 4,558,116	\$ 2,464,319	134.81%	63.37%
2019	0.0765%	\$ 3,799,306	\$ 1,101,537	\$ 4,900,843	\$ 1,902,827	199.67%	65.19%
2020	0.0639%	\$ 3,499,991	\$ 1,387,887	\$ 4,887,878	\$ 2,111,755	165.74%	63.42%
2021	0.0629%	\$ 3,709,152	\$ 1,533,966	\$ 5,243,118	\$ 2,128,988	174.22%	61.61%
2022	0.0780%	\$ 2,859,939	\$ 387,604	\$ 3,247,543	\$ 1,810,191	157.99%	76.46%
2023	0.0652%	\$ 3,325,388	\$ 920,824	\$ 4,246,212	\$ 2,177,186	152.74%	67.97%

See accompanying notes to Required Supplementary Information.

LAKE AND PENINSULA SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2023

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>							
2018	0.0760%	\$ 642,394	\$ 239,732	\$ 882,126	\$ 2,464,319	26.07%	89.68%
2019	0.0766%	\$ 785,806	\$ 228,239	\$ 1,014,045	\$ 1,902,827	41.30%	88.12%
2020	0.0639%	\$ 94,753	\$ 37,599	\$ 132,352	\$ 2,111,755	4.49%	98.13%
2021	0.0628%	\$ (284,575)	\$ (118,149)	\$ (402,724)	\$ 2,128,988	-13.37%	106.15%
2022	0.0782%	\$ (2,007,052)	\$ (265,453)	\$ (2,272,505)	\$ 1,810,191	-110.88%	135.54%
2023	0.0650%	\$ (1,278,355)	\$ (362,952)	\$ (1,641,307)	\$ 2,177,186	-58.72%	128.51%
<b>Occupational Death and Disability (ODD):</b>							
2018	0.1303%	\$ (18,489)	\$ -	\$ (18,489)	\$ 2,464,319	-0.75%	212.97%
2019	0.1154%	\$ (19,303)	\$ -	\$ (19,303)	\$ 1,902,827	-1.01%	270.62%
2020	0.0745%	\$ (16,821)	\$ -	\$ (16,821)	\$ 2,111,755	-0.80%	297.43%
2021	0.0988%	\$ (21,139)	\$ -	\$ (21,139)	\$ 2,128,988	-0.99%	283.80%
2022	0.0677%	\$ (29,840)	\$ -	\$ (29,840)	\$ 1,810,191	-1.65%	374.22%
2023	0.0708%	\$ (31,036)	\$ -	\$ (31,036)	\$ 2,177,186	-1.43%	348.80%
<b>Retiree Medical Plan (RMP):</b>							
2018	0.1303%	\$ 6,795	\$ -	\$ 6,795	\$ 616,628	1.10%	93.98%
2019	0.1154%	\$ 12,647	\$ -	\$ 12,647	\$ 708,505	1.79%	88.71%
2020	0.1333%	\$ 20,882	\$ -	\$ 20,882	\$ 693,409	3.01%	83.17%
2021	0.1234%	\$ 6,805	\$ -	\$ 6,805	\$ 580,727	1.17%	92.23%
2022	0.0799%	\$ (21,452)	\$ -	\$ (21,452)	\$ 567,341	-3.78%	115.10%
2023	0.0838%	\$ (29,114)	\$ -	\$ (29,114)	\$ 637,314	-4.57%	120.08%

See accompanying notes to Required Supplementary Information.

LAKE AND PENINSULA SCHOOL DISTRICT  
 Schedule of District's Contributions (Pensions)  
 Public Employees' Retirement System (PERS)  
 June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 157,251	\$ (157,251)	\$ -	\$ 2,279,236	6.90%
2016	\$ 174,505	\$ (174,505)	\$ -	\$ 2,421,546	7.21%
2017	\$ 183,851	\$ (183,851)	\$ -	\$ 2,464,319	7.46%
2018	\$ 264,070	\$ (264,070)	\$ -	\$ 1,902,827	13.88%
2019	\$ 220,264	\$ (218,099)	\$ 2,165	\$ 2,111,755	10.43%
2020	\$ 230,570	\$ (230,030)	\$ 540	\$ 2,128,988	10.83%
2021	\$ 211,192	\$ (210,340)	\$ 852	\$ 1,810,191	11.67%
2022	\$ 264,538	\$ (265,745)	\$ (1,207)	\$ 2,177,186	12.15%
2023	\$ 292,319	\$ (285,148)	\$ 7,171	\$ 2,175,914	13.43%

See accompanying notes to Required Supplementary Information.

LAKE AND PENINSULA SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>					
2018	\$ 65,499	\$ (65,499)	\$ -	\$ 1,902,827	3.44%
2019	\$ 84,083	\$ (84,083)	\$ -	\$ 2,111,755	3.98%
2020	\$ 90,551	\$ (90,551)	\$ -	\$ 2,128,988	4.25%
2021	\$ 43,965	\$ (43,965)	\$ -	\$ 1,810,191	2.43%
2022	\$ 54,574	\$ (54,574)	\$ -	\$ 2,177,186	2.51%
2023	\$ 873	\$ (873)	\$ -	\$ 2,175,914	0.04%
<b>Occupational Death and Disability (ODD):</b>					
2018	\$ 1,801	\$ (1,801)	\$ -	\$ 1,902,827	0.09%
2019	\$ 2,936	\$ (2,936)	\$ -	\$ 2,111,755	0.14%
2020	\$ 3,297	\$ (3,297)	\$ -	\$ 2,128,988	0.15%
2021	\$ 3,744	\$ (3,744)	\$ -	\$ 1,810,191	0.21%
2022	\$ 4,145	\$ (4,145)	\$ -	\$ 2,177,186	0.19%
2023	\$ 5,175	\$ (5,175)	\$ -	\$ 2,175,914	0.24%
<b>Retiree Medical Plan (RMP):</b>					
2018	\$ 11,586	\$ (11,586)	\$ -	\$ 708,505	1.64%
2019	\$ 10,617	\$ (10,617)	\$ -	\$ 693,409	1.53%
2020	\$ 16,739	\$ (16,739)	\$ -	\$ 580,727	2.88%
2021	\$ 15,377	\$ (15,377)	\$ -	\$ 567,341	2.71%
2022	\$ 14,308	\$ (14,308)	\$ -	\$ 637,314	2.25%
2023	\$ 18,973	\$ (18,973)	\$ -	\$ 766,055	2.48%

See accompanying notes to Required Supplementary Information.

## LAKE AND PENINSULA SCHOOL DISTRICT

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

## Teachers' Retirement System (TRS)

June 30, 2023

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0531%	\$ 1,591,717	\$ 11,804,622	\$ 13,396,339	\$ 3,535,278	45.02%	55.70%
2016	0.1664%	\$ 3,096,477	\$ 4,946,597	\$ 8,043,074	\$ 3,631,429	85.27%	73.82%
2017	0.2167%	\$ 4,947,165	\$ 5,877,918	\$ 10,825,083	\$ 3,802,144	130.12%	68.40%
2018	0.1635%	\$ 3,313,813	\$ 5,786,624	\$ 9,100,437	\$ 4,000,314	82.84%	72.39%
2019	0.2023%	\$ 3,872,868	\$ 5,756,788	\$ 9,629,656	\$ 4,191,871	92.39%	74.09%
2020	0.2032%	\$ 3,796,378	\$ 5,635,691	\$ 9,432,069	\$ 3,303,877	114.91%	74.68%
2021	0.1735%	\$ 3,796,378	\$ 6,121,133	\$ 9,917,511	\$ 4,150,191	91.47%	72.81%
2022	0.2832%	\$ 2,254,239	\$ 1,912,095	\$ 4,166,334	\$ 5,190,016	43.43%	89.43%
2023	0.2482%	\$ 4,137,303	\$ 5,513,544	\$ 9,650,847	\$ 5,132,102	80.62%	78.33%

See accompanying notes to Required Supplementary Information.

LAKE AND PENINSULA SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2023

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>							
2018	0.1632%	\$ 300,203	\$ 526,582	\$ 826,785	\$ 4,000,314	7.50%	93.75%
2019	0.2018%	\$ 627,429	\$ 936,432	\$ 1,563,861	\$ 4,191,871	14.97%	90.23%
2020	0.2032%	\$ (310,581)	\$ (462,137)	\$ (772,718)	\$ 3,303,877	-9.40%	105.50%
2021	0.1728%	\$ (618,027)	\$ (1,079,170)	\$ (1,697,197)	\$ 4,150,191	-14.89%	113.78%
2022	0.2940%	\$ (3,418,082)	\$ (2,665,949)	\$ (6,084,031)	\$ 5,190,016	-65.86%	145.41%
2023	0.2531%	\$ (2,218,551)	\$ (2,855,640)	\$ (5,074,191)	\$ 5,132,102	-43.23%	134.84%
<b>Occupational Death and Disability (ODD):</b>							
2018	0.7638%	\$ (24,962)	\$ -	\$ (24,962)	\$ 4,000,314	-0.62%	1342.59%
2019	0.8161%	\$ (28,612)	\$ -	\$ (28,612)	\$ 4,191,871	-0.68%	1304.81%
2020	0.5394%	\$ (21,687)	\$ -	\$ (21,687)	\$ 3,303,877	-0.66%	1409.77%
2021	0.6940%	\$ (29,875)	\$ -	\$ (29,875)	\$ 4,150,191	-0.72%	931.08%
2022	0.8677%	\$ (52,884)	\$ -	\$ (52,884)	\$ 5,190,016	-1.02%	1254.36%
2023	0.8307%	\$ (50,172)	\$ -	\$ (50,172)	\$ 5,132,102	-0.98%	1268.28%
<b>Retiree Medical Plan (RMP):</b>							
2018	0.7638%	\$ (36,206)	\$ -	\$ (36,206)	\$ 1,147,033	-3.16%	118.16%
2019	0.8161%	\$ (26,098)	\$ -	\$ (26,098)	\$ 891,314	-2.93%	109.56%
2020	0.5390%	\$ (20,675)	\$ -	\$ (20,675)	\$ 2,436,226	-0.85%	110.03%
2021	0.6511%	\$ (64,233)	\$ -	\$ (64,233)	\$ 2,202,273	-2.92%	125.59%
2022	0.8933%	\$ (179,379)	\$ -	\$ (179,379)	\$ 2,905,924	-6.17%	142.54%
2023	0.8291%	\$ (160,555)	\$ -	\$ (160,555)	\$ 3,224,092	-4.98%	140.73%

See accompanying notes to Required Supplementary Information.



LAKE AND PENINSULA SCHOOL DISTRICT  
 Schedule of District's Contributions (Pensions)  
 Teachers' Retirement System (TRS)  
 June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 94,680	\$ (94,680)	\$ -	\$ 3,631,429	2.61%
2016	\$ 77,483	\$ (77,483)	\$ -	\$ 3,802,144	2.04%
2017	\$ 108,448	\$ (108,448)	\$ -	\$ 4,000,314	2.71%
2018	\$ 132,977	\$ (132,977)	\$ -	\$ 4,191,871	3.17%
2019	\$ 87,748	\$ (46,896)	\$ 40,852	\$ 3,303,877	2.66%
2020	\$ 130,555	\$ (137,886)	\$ (7,331)	\$ 4,150,191	3.15%
2021	\$ 154,153	\$ (159,522)	\$ (5,369)	\$ 5,190,016	2.97%
2022	\$ 133,352	\$ (136,437)	\$ (3,085)	\$ 5,132,102	2.60%
2023	\$ 175,119	\$ (171,069)	\$ 4,050	\$ 4,524,570	3.87%

*See accompanying notes to Required Supplementary Information.*

LAKE AND PENINSULA SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Alaska Retiree Healthcare Trust Plan (ARHCT):</b>					
2018	\$ 65,856	\$ (65,856)	\$ -	\$ 4,191,871	1.57%
2019	\$ 43,771	\$ (43,771)	\$ -	\$ 3,303,877	1.32%
2020	\$ 72,851	\$ (72,851)	\$ -	\$ 4,150,191	1.76%
2021	\$ 86,552	\$ (86,552)	\$ -	\$ 5,190,016	1.67%
2022	\$ 66,065	\$ (66,065)	\$ -	\$ 5,132,102	1.29%
2023	\$ -	\$ -	\$ -	\$ 4,524,570	0.00%
<b>Occupational Death and Disability (ODD):</b>					
2018	\$ -	\$ -	\$ -	\$ 4,191,871	0.00%
2019	\$ 1,612	\$ (1,612)	\$ -	\$ 3,303,877	0.05%
2020	\$ 2,320	\$ (2,320)	\$ -	\$ 4,150,191	0.06%
2021	\$ 3,141	\$ (3,141)	\$ -	\$ 5,190,016	0.06%
2022	\$ 3,265	\$ (3,265)	\$ -	\$ 5,132,102	0.06%
2023	\$ 2,880	\$ (2,880)	\$ -	\$ 4,524,570	0.06%
<b>Retiree Medical Plan (RMP):</b>					
2018	\$ 26,693	\$ (26,693)	\$ -	\$ 891,314	2.99%
2019	\$ 16,627	\$ (16,627)	\$ -	\$ 2,436,226	0.68%
2020	\$ 31,602	\$ (31,602)	\$ -	\$ 2,202,273	1.43%
2021	\$ 37,677	\$ (37,677)	\$ -	\$ 2,905,924	1.30%
2022	\$ 33,879	\$ (33,879)	\$ -	\$ 3,224,092	1.05%
2023	\$ 31,321	\$ (31,321)	\$ -	\$ 2,890,255	1.08%

See accompanying notes to Required Supplementary Information.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Required Supplementary Information

June 30, 2023

**1. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for most governmental funds except the Capital Projects Fund, which adopts 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 those funds established to account for federal grants which lapse on September 30.

School Operating Fund

Annual budgets for operations are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. The adopted School Operating Fund budget is submitted to Lake and Peninsula Borough Assembly for approval of the local appropriations, then to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The original budget and the final revised and approved budget is presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget. There are no specific line item or category limitations.

**2. Excess of Expenditures over Appropriations**

The following functions had expenditures in excess of appropriations in the School Operating Fund and ARP ESSER III Special Revenue Fund:

	Amounts in Excess of Appropriations
<u>School Operating Fund</u>	
Instruction	\$ 104,663
Support services support services - students	43,844
Support services - instruction	94,310
School administration	8,573
District administration	24,789
District administration support services	42,760
Student activities	15,298
Debt service	88,530
Construction and facilities acquisition	271,073
	Amounts in Excess of Appropriations
<u>ARP ESSER III Special Revenue Fund</u>	
Food services	\$ 616

Excess expenditures were covered through available fund balance or current year revenues.

**3. Public Employees' Retirement System**

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

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

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

*Defined Benefit Pension and Postemployment Healthcare Benefit Plan*

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

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

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

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

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

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

*Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan*

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

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

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

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

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

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

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

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

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

**4. Teachers' Retirement System****Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)**

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

**Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation***Defined Benefit Pension and Postemployment Healthcare Benefit Plan***a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021**

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

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

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

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

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

*Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans***a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021**

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

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

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

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

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

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

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

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

## **SUPPLEMENTARY INFORMATION**

## LAKE AND PENINSULA SCHOOL DISTRICT

## School Operating Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>Revenues:</b>			
Local sources:			
Charges for services	\$ -	258,626	258,626
Earnings on investments	-	1,557	1,557
E-rate revenue	2,293,887	2,148,797	(145,090)
Other	779,883	532,123	(247,760)
Total local sources	<u>3,073,770</u>	<u>2,941,103</u>	<u>(132,667)</u>
Intergovernmental:			
Borough - direct appropriation	2,376,065	2,388,707	12,642
State of Alaska:			
Foundation and Quality Schools	8,480,745	8,480,745	-
On-behalf TRS	570,577	389,259	(181,318)
On-behalf PERS	66,133	56,878	(9,255)
Other state revenues	336,735	336,735	-
Total state sources	<u>9,454,190</u>	<u>9,263,617</u>	<u>(190,573)</u>
Federal sources -			
Impact Aid - direct	477,803	404,793	(73,010)
Total revenues	<u>15,381,828</u>	<u>14,998,220</u>	<u>(383,608)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Salaries:			
Certificated	2,583,556	2,574,164	9,392
Non-certificated	390,662	369,693	20,969
Employee benefits	1,663,327	1,692,329	(29,002)
Housing allowance	363,200	434,914	(71,714)
Transportation allowance	46,000	45,431	569
Professional and technical services	65,300	87,326	(22,026)
Staff travel	262,290	252,614	9,676
Utility services	2,800	3,426	(626)
Other purchased services	42,170	47,445	(5,275)
Supplies, materials and media	320,300	338,059	(17,759)
Other	15,000	13,867	1,133
Total instruction	<u>5,754,605</u>	<u>5,859,268</u>	<u>(104,663)</u>
Special education instruction:			
Certificated salaries	315,084	317,560	(2,476)
Non-certificated salaries	165,495	162,545	2,950
Employee benefits	434,003	436,754	(2,751)
Housing allowance	32,200	35,390	(3,190)
Transportation allowance	8,000	450	7,550
Professional and technical services	20,000	15,443	4,557
Staff travel	10,750	9,894	856
Supplies, materials and media	2,500	2,486	14
Total special education instruction	<u>988,032</u>	<u>980,522</u>	<u>7,510</u>

(continued)

## LAKE AND PENINSULA SCHOOL DISTRICT

## School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Special education support services - students:			
Certificated salaries	\$ 71,137	81,487	(10,350)
Employee benefits	37,595	38,205	(610)
Professional and technical services	120,000	154,082	(34,082)
Staff travel	22,800	21,504	1,296
Utility services	300	321	(21)
Other purchased services	180	180	-
Supplies, materials and media	1,500	1,577	(77)
Total special education support services - students	<u>253,512</u>	<u>297,356</u>	<u>(43,844)</u>
Support services - students:			
Certificated salaries	32,239	32,239	-
Employee benefits	61,582	35,984	25,598
Transportation allowance	500	-	500
Professional and technical services	500	500	-
Staff travel	5,670	4,398	1,272
Supplies, materials and media	200	-	200
Other	100	89	11
Total support services - students	<u>100,791</u>	<u>73,210</u>	<u>27,581</u>
Support services - instruction:			
Support services - instruction:			
Certificated salaries	238,992	248,845	(9,853)
Non-certificated salaries	52,372	49,673	2,699
Employee benefits	202,324	215,881	(13,557)
Housing allowance	18,300	20,397	(2,097)
Transportation allowance	2,500	-	2,500
Professional and technical services	8,500	3,288	5,212
Staff travel	88,500	87,722	778
Utility services	1,100	1,579	(479)
Other purchased services	5,500	5,540	(40)
Supplies, materials and media	17,000	16,304	696
Other	3,000	6,285	(3,285)
Total support services - instruction	<u>638,088</u>	<u>655,514</u>	<u>(17,426)</u>
Instructional-related technology			
Certificated salaries	28,182	29,456	(1,274)
Non-certificated salaries	139,200	140,504	(1,304)
Employee benefits	155,759	167,097	(11,338)
Professional and technical services	2,000	2,454	(454)
Staff travel	25,000	24,133	867
Utility services	2,242,749	2,314,346	(71,597)
Other purchased services	16,800	16,795	5
Supplies, materials and media	35,000	27,778	7,222
Other	15,000	14,011	989
Total instructional-related technology	<u>2,659,690</u>	<u>2,736,574</u>	<u>(76,884)</u>
Total support services - instruction	<u>3,297,778</u>	<u>3,392,088</u>	<u>(94,310)</u>

(continued)



## LAKE AND PENINSULA SCHOOL DISTRICT

## School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
School administration:			
Certificated salaries	\$ 504,031	507,458	(3,427)
Employee benefits	244,599	244,728	(129)
Housing allowance	20,600	20,128	472
Transportation allowance	1,500	779	721
Professional and technical services	1,500	889	611
Staff travel	53,000	59,211	(6,211)
Supplies, materials and media	150	115	35
Other	1,900	2,545	(645)
Total school administration	<u>827,280</u>	<u>835,853</u>	<u>(8,573)</u>
School administration support services:			
Non-certificated salaries	52,185	48,047	4,138
Employee benefits	51,018	53,129	(2,111)
Utility services	2,130	1,955	175
Supplies, materials and media	250	241	9
Total school administration support services	<u>105,583</u>	<u>103,372</u>	<u>2,211</u>
District administration:			
Certificated salaries	159,139	149,517	9,622
Non-certificated salaries	23,000	25,625	(2,625)
Employee benefits	278,192	302,985	(24,793)
Professional and technical services	38,000	44,174	(6,174)
Staff travel	83,000	85,016	(2,016)
Utility services	2,050	1,953	97
Supplies, materials and media	18,000	16,594	1,406
Other	800	1,106	(306)
Total district administration	<u>602,181</u>	<u>626,970</u>	<u>(24,789)</u>
District administration support services:			
Non-certificated salaries	417,000	442,710	(25,710)
Employee benefits	264,270	283,521	(19,251)
Professional and technical services	45,000	44,822	178
Staff travel	5,000	5,052	(52)
Utility services	-	330	(330)
Other purchased services	73,961	74,501	(540)
Supplies, materials and media	5,200	5,453	(253)
Indirect cost recovery	(104,000)	(107,198)	3,198
Total district administration support services	<u>706,431</u>	<u>749,191</u>	<u>(42,760)</u>

(continued)

## LAKE AND PENINSULA SCHOOL DISTRICT

## School Operating Fund

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

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Operations and maintenance of plant:			
Certificated salaries	\$ 4,382	6,573	(2,191)
Non-certificated salaries	771,195	796,648	(25,453)
Employee benefits	467,420	503,512	(36,092)
Transportation allowance	5,500	5,493	7
Professional and technical services	12,000	25,149	(13,149)
Staff travel	124,000	116,243	7,757
Utility services	1,026,569	1,109,518	(82,949)
Other purchased services	312,216	93,015	219,201
Supplies, materials and media	236,061	239,724	(3,663)
Other	500	250	250
Total operations and maintenance of plant	<u>2,959,843</u>	<u>2,896,125</u>	<u>63,718</u>
Student activities:			
Certificated salaries	64,279	64,279	-
Non-certificated salaries	40,088	40,044	44
Employee benefits	41,019	42,743	(1,724)
Professional and technical services	3,500	3,920	(420)
Staff travel	437,000	450,360	(13,360)
Other purchased services	800	800	-
Supplies, materials and media	4,500	4,340	160
Other	1,000	998	2
Total student activities	<u>592,186</u>	<u>607,484</u>	<u>(15,298)</u>
Debt service:			
Principal	-	77,783	(77,783)
Interest	-	10,747	(10,747)
Total debt service	<u>-</u>	<u>88,530</u>	<u>(88,530)</u>
Construction and facilities acquisition -			
Other purchased services	<u>-</u>	<u>271,073</u>	<u>(271,073)</u>
Total expenditures	<u>16,188,222</u>	<u>16,781,042</u>	<u>(592,820)</u>
Excess (deficiency) of revenues over expenditures	<u>(806,394)</u>	<u>(1,782,822)</u>	<u>(976,428)</u>
Other financing sources (uses):			
Proceeds from the issuance of leases	-	271,073	271,073
Transfers out -			
Food Service Special Revenue Fund	<u>50,000</u>	<u>(24,224)</u>	<u>(74,224)</u>
Total other financing sources	<u>50,000</u>	<u>246,849</u>	<u>196,849</u>
Net change in fund balance	<u>\$ (756,394)</u>	<u>(1,535,973)</u>	<u>(779,579)</u>
Fund balance, beginning of year		<u>1,501,136</u>	
Fund balance, end of year		<u>\$ (34,837)</u>	

LAKE AND PENINSULA SCHOOL DISTRICT  
 Student, Community, Housing, and Scholarship Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended June 30, 2023

Revenues - local sources - other		\$ <u>223,478</u>
Expenditures:		
Current:		
Student activities:		
Professional and technical services		50
Staff travel		146,563
Supplies, materials and media		78,525
Other		7,000
Other noncurrent debits		4,300
Total expenditures		<u>236,438</u>
Excess (deficiency) of revenues over expenditures		(12,960)
Other financing sources - transfers in - School Operating Fund		<u>24,224</u>
Net change in fund balance		11,264
Fund balance, beginning of year		<u>248,784</u>
Fund balance, end of year		<u><u>\$ 260,048</u></u>

LAKE AND PENINSULA SCHOOL DISTRICT

Capital Projects Fund

Schedule of Revenues, Expenditures and  
Changes in Fund Balance

Year Ended June 30, 2023

Revenues:	
Intergovernmental -	
Lake and Peninsula Borough	\$ <u>240,000</u>
Expenditures:	
Construction and facilities acquisition:	
Professional and technical services	47,034
Other purchased services	40,534
Supplies, materials and media	4,500
Buildings and improvements purchased	<u>111,996</u>
Total expenditures	<u>204,064</u>
Excess of revenues over expenditures	35,936
Fund balance, beginning of year	<u>150,952</u>
Fund balance, end of year	\$ <u><u>186,888</u></u>

LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2023

Special Revenue Funds

	<u>Student Transportation</u>	<u>Broadband Assistance Grant (BAG)</u>	<u>Food Service</u>	<u>Title I-A Basic</u>	<u>Title I-C Migrant Education</u>	<u>Migrant Literacy</u>	<u>Title II-A and Title IV-A</u>
<u>Assets</u>							
Accounts receivable:	-	-	-	90,828	93,894	4,838	25,301
Due from School Operating Fund	113,492	27,027	-	-	-	-	-
Inventory	-	-	42,582	-	-	-	-
Prepaid items	25,000	-	-	-	-	-	-
Total assets	<u>138,492</u>	<u>27,027</u>	<u>42,582</u>	<u>90,828</u>	<u>93,894</u>	<u>4,838</u>	<u>25,301</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Accounts payable	-	27,027	18	-	22,302	-	-
Unearned revenue	-	-	-	-	-	-	-
Due to School Operating Fund	-	-	177,997	90,828	71,592	4,838	25,301
Total liabilities	<u>-</u>	<u>27,027</u>	<u>178,015</u>	<u>90,828</u>	<u>93,894</u>	<u>4,838</u>	<u>25,301</u>
Fund balances:							
Non-spendable:							
Inventory	-	-	42,582	-	-	-	-
Prepaid items	25,000	-	-	-	-	-	-
Committed:							
Student transportation	113,492	-	-	-	-	-	-
Unassigned	-	-	(178,015)	-	-	-	-
Total fund balances	<u>138,492</u>	<u>-</u>	<u>(135,433)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 138,492</u>	<u>27,027</u>	<u>42,582</u>	<u>90,828</u>	<u>93,894</u>	<u>4,838</u>	<u>25,301</u>

(continued)

LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

	Special Revenue Funds						
<u>Assets</u>	COVID Discretionary	Carl Perkins - Secondary	CHILD II	Carrs Safeway	Step Grant	Perryville Mural	Distance Learning and Telemedicine
Accounts receivable	\$ 100,000	11,971	332	-	-	-	102,300
Due from School Operating Fund	-	-	-	4,000	4,972	7,286	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>100,000</u>	<u>11,971</u>	<u>332</u>	<u>4,000</u>	<u>4,972</u>	<u>7,286</u>	<u>102,300</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Accounts payable	-	-	-	3,723	4,972	-	102,300
Unearned revenue	-	-	-	277	-	7,286	-
Due to School Operating Fund	100,000	11,971	332	-	-	-	-
Total liabilities	<u>100,000</u>	<u>11,971</u>	<u>332</u>	<u>4,000</u>	<u>4,972</u>	<u>7,286</u>	<u>102,300</u>
Fund balances:							
Non-spendable:							
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Committed:							
Student transportation	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 100,000</u>	<u>11,971</u>	<u>332</u>	<u>4,000</u>	<u>4,972</u>	<u>7,286</u>	<u>102,300</u>

(continued)

LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

	Special Revenue Funds							Total Special Revenue Funds
	BBNC KOK Cultural Outreach	ANE SWR Partnership #1	Denali Commission	ANE SWR Partnership #2	CTE Teaching and Learning Collabrative	Caliaq	Cultural Arts Week	
<u>Assets</u>								
Accounts receivable	\$ -	2,523	26,625	9,859	29,650	24,707	-	522,828
Due from School Operating Fund	3,704	-	-	-	-	-	8,000	168,481
Inventory	-	-	-	-	-	-	-	42,582
Prepaid items	-	-	-	-	-	-	-	25,000
Total assets	<u>3,704</u>	<u>2,523</u>	<u>26,625</u>	<u>9,859</u>	<u>29,650</u>	<u>24,707</u>	<u>8,000</u>	<u>758,891</u>
<u>Liabilities and Fund Balances</u>								
Liabilities:								
Accounts payable	-	-	-	7,500	8,647	1,350	-	177,839
Unearned revenue	3,704	-	-	-	-	-	8,000	19,267
Due to School Operating Fund	-	2,523	26,625	2,359	21,003	23,357	-	558,726
Total liabilities	<u>3,704</u>	<u>2,523</u>	<u>26,625</u>	<u>9,859</u>	<u>29,650</u>	<u>24,707</u>	<u>8,000</u>	<u>755,832</u>
Fund balances:								
Non-spendable:								
Inventory	-	-	-	-	-	-	-	42,582
Prepaid items	-	-	-	-	-	-	-	25,000
Committed:								
Student transportation	-	-	-	-	-	-	-	113,492
Unassigned	-	-	-	-	-	-	-	(178,015)
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,059</u>
Total liabilities and fund balances	\$ <u>3,704</u>	<u>2,523</u>	<u>26,625</u>	<u>9,859</u>	<u>29,650</u>	<u>24,707</u>	<u>8,000</u>	<u>758,891</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

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

Year Ended June 30, 2023

	Special Revenue Funds									
	Student Transportation	Broadband Assistance Grant (BAG)	Comprehensive Literacy	Food Service	Fresh Fruit and Vegetable	Local Food For Schools	Title I-A Basic	Title I-C Migrant Education	Migrant Literacy	Title I-A School Improvement
Revenues:										
Local sources:										
Charges for services	\$ -	-	-	15,608	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
State of Alaska	121,264	131,274	-	-	-	-	-	-	-	-
Federal sources:										
Direct	-	-	-	-	-	-	-	-	-	-
Passed through the State of Alaska	-	-	301,478	263,945	19,200	2,035	201,009	214,188	4,838	23,576
Passed through other intermediary agencies	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>121,264</u>	<u>131,274</u>	<u>301,478</u>	<u>279,553</u>	<u>19,200</u>	<u>2,035</u>	<u>201,009</u>	<u>214,188</u>	<u>4,838</u>	<u>23,576</u>
Expenditures:										
Current:										
Instruction	-	-	15,787	-	-	-	79,916	176,877	4,606	22,445
Special education instruction	-	-	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-	-	-
Support services - instruction	-	131,274	271,226	-	-	-	111,448	27,034	-	-
District administration support services	-	-	14,465	-	-	-	9,645	10,277	232	1,131
Student transportation - to and from school	138,035	-	-	-	-	-	-	-	-	-
Community services	-	-	-	4	-	-	-	-	-	-
Food services	-	-	-	414,982	19,200	2,035	-	-	-	-
Total expenditures	<u>138,035</u>	<u>131,274</u>	<u>301,478</u>	<u>414,986</u>	<u>19,200</u>	<u>2,035</u>	<u>201,009</u>	<u>214,188</u>	<u>4,838</u>	<u>23,576</u>
Excess (deficiency) of revenues over expenditures	(16,771)	-	-	(135,433)	-	-	-	-	-	-
Fund balances, beginning of year	<u>155,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 138,492</u>	<u>-</u>	<u>-</u>	<u>(135,433)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)



LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

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

Special Revenue Funds

	Title II-A and Title IV-A	Title VI-B IDEA	Preschool Disabled	COVID Discretionary	Carl Perkins - Secondary	RLIS	Indian Education	CHILD	CHILD II
<b>Revenues:</b>									
Local sources:									
Charges for services	\$ -	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Intergovernmental:									
State of Alaska	-	-	-	-	-	-	-	-	-
Federal sources:									
Direct	-	-	-	-	-	9,867	115,452	-	-
Passed through the State of Alaska	62,552	128,952	7,092	100,000	28,335	-	-	-	-
Passed through other intermediary agencies	-	-	-	-	-	-	-	48,057	402,631
Total revenues	<u>62,552</u>	<u>128,952</u>	<u>7,092</u>	<u>100,000</u>	<u>28,335</u>	<u>9,867</u>	<u>115,452</u>	<u>48,057</u>	<u>402,631</u>
<b>Expenditures:</b>									
Current:									
Instruction	1,082	-	-	95,202	26,986	-	109,633	31,739	283,230
Special education instruction	-	21,768	-	-	-	-	-	-	-
Special education support services - students	-	100,997	6,752	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-	-
Support services - instruction	58,469	-	-	-	-	9,867	-	16,318	119,401
District administration support services	3,001	6,187	340	4,798	1,349	-	5,819	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-	-
Communities services	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-
Total expenditures	<u>62,552</u>	<u>128,952</u>	<u>7,092</u>	<u>100,000</u>	<u>28,335</u>	<u>9,867</u>	<u>115,452</u>	<u>48,057</u>	<u>402,631</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds								
	Literacy 365	Carrs Safeway	ESSER II	Step Grant	Igiugig Sewing String Stories and Dogsleds	Distance Learning and Telemedicine	Denali Commission	ANE SWR Partnership #1	BBNC Native Heritage
Revenues:									
Local sources:									
Charges for services	\$ -	-	-	-	-	-	-	-	-
Other	-	3,723	-	92,400	5,000	-	-	176,775	18,017
Intergovernmental:									
State of Alaska	-	-	-	-	-	-	-	-	-
Federal sources:									
Direct	129,207	-	-	-	-	-	26,625	-	-
Passed through the State of Alaska	-	-	219,879	-	-	-	-	-	-
Passed through other intermediary agencies	-	-	-	-	-	102,300	-	-	-
Total revenues	<u>129,207</u>	<u>3,723</u>	<u>219,879</u>	<u>92,400</u>	<u>5,000</u>	<u>102,300</u>	<u>26,625</u>	<u>176,775</u>	<u>18,017</u>
Expenditures:									
Current:									
Instruction	13,106	3,723	895	92,400	5,000	102,300	26,625	167,786	18,017
Special education instruction	-	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-	-
Support services - students	-	-	164,719	-	-	-	-	-	-
Support services - instruction	109,901	-	43,715	-	-	-	-	-	-
District administration support services	6,200	-	10,550	-	-	-	-	8,989	-
Student transportation - to and from school	-	-	-	-	-	-	-	-	-
Communities services	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-
Total expenditures	<u>129,207</u>	<u>3,723</u>	<u>219,879</u>	<u>92,400</u>	<u>5,000</u>	<u>102,300</u>	<u>26,625</u>	<u>176,775</u>	<u>18,017</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

LAKE AND PENINSULA SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds							Total Special Revenue Funds
	New Visions	ANE SWR Partnership #2	CTE Teaching and Learning Collabrative	Caliaq	Chignik Lagoon Culture Week	Chignik Lake Culture Week	Youth Risk Behavior Survey	
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	-	-	-	-	15,608
Other	-	521,691	-	-	8,000	8,000	-	836,606
Intergovernmental:								
State of Alaska	5,750	-	-	-	-	-	850	259,138
Federal sources:								
Direct	-	-	-	-	-	-	-	281,151
Passed through the State of Alaska	5,250	-	-	-	-	-	-	1,582,329
Passed through other intermediary agencies	-	-	33,524	57,163	-	-	-	643,675
Total revenues	<u>11,000</u>	<u>521,691</u>	<u>33,524</u>	<u>57,163</u>	<u>8,000</u>	<u>8,000</u>	<u>850</u>	<u>3,618,507</u>
Expenditures:								
Current:								
Instruction	11,000	500,856	33,524	57,163	4,309	4,043	-	1,891,250
Special education instruction	-	-	-	-	-	-	-	21,768
Special education support services - students	-	-	-	-	-	-	-	107,749
Support services - students	-	-	-	-	-	-	850	165,569
Support services - instruction	-	-	-	-	3,191	3,457	-	905,301
District administration support services	-	20,835	-	-	500	500	-	104,818
Student transportation - to and from school	-	-	-	-	-	-	-	138,035
Communities services	-	-	-	-	-	-	-	4
Food services	-	-	-	-	-	-	-	436,217
Total expenditures	<u>11,000</u>	<u>521,691</u>	<u>33,524</u>	<u>57,163</u>	<u>8,000</u>	<u>8,000</u>	<u>850</u>	<u>3,770,711</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	(152,204)
Fund balances, beginning of year	-	-	-	-	-	-	-	155,263
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,059</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - State of Alaska	\$ 138,035	121,264	(16,771)
Expenditures:			
Current:			
Student transportation - to and from school:			
Non-certificated salaries	22,630	22,630	-
Employee benefits	11,070	11,070	-
Other purchased services	104,335	104,335	-
Total expenditures	<u>138,035</u>	<u>138,035</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	\$ <u>-</u>	(16,771)	<u>(16,771)</u>
Fund balance, beginning of year		<u>155,263</u>	
Fund balance, end of year		\$ <u><u>138,492</u></u>	

LAKE AND PENINSULA SCHOOL DISTRICT

Broadband Assistance Grant (BAG) Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues - Intergovernmental - State of Alaska	\$ 138,996	131,274	(7,722)
Expenditures:			
Current:			
Support services - instruction -			
Utility services	<u>138,996</u>	<u>131,274</u>	<u>7,722</u>
Excess of revenues over expenditures	\$ <u>          -</u>	-	<u>          -</u>
Fund balance, beginning of year		<u>          -</u>	
Fund balance, end of year		<u>\$ <u>          -</u></u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Comprehensive Literacy Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 301,478	301,478	-
Expenditures:			
Current:			
Instruction:			
Staff travel	15,600	15,759	(159)
Supplies, materials and media	20	28	(8)
Total instruction	<u>15,620</u>	<u>15,787</u>	<u>(167)</u>
Support services - instruction:			
Certificated salaries	58,223	57,298	925
Employee benefits	20,603	19,232	1,371
Professional and technical services	28,280	30,382	(2,102)
Staff travel	164,217	164,252	(35)
Supplies, materials and media	70	62	8
Total support services - instruction	<u>271,393</u>	<u>271,226</u>	<u>167</u>
District administration support services - Indirect costs	<u>14,465</u>	<u>14,465</u>	-
Total expenditures	<u>301,478</u>	<u>301,478</u>	-
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Food Service Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources - charges for services	\$ 20,000	15,608	(4,392)
Intergovernmental - federal sources passed through the State of Alaska	<u>254,000</u>	<u>263,945</u>	<u>9,945</u>
Total revenues	<u>274,000</u>	<u>279,553</u>	<u>5,553</u>
Expenditures:			
Current:			
Community services - Utility services	<u>4</u>	<u>4</u>	<u>-</u>
Food services:			
Non-certificated salaries	207,654	188,251	19,403
Employee benefits	208,180	150,837	57,343
Professional and technical services	747	747	-
Staff travel	7,500	10,316	(2,816)
Supplies, materials and media	<u>358,785</u>	<u>64,831</u>	<u>293,954</u>
Total food services	<u>782,866</u>	<u>414,982</u>	<u>367,884</u>
Total expenditures	<u>782,870</u>	<u>414,986</u>	<u>367,884</u>
Excess (deficiency) of revenues over expenditures	\$ <u><u>(508,870)</u></u>	(135,433)	<u><u>(362,331)</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>(135,433)</u></u>	

LAKE AND PENINSULA SCHOOL DISTRICT

Fresh Fruit and Vegetable Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental - federal sources passed through the State of Alaska	\$ 19,200	19,200	-
Expenditures:			
Current:			
Food services - Supplies, materials and media	19,200	19,200	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	



LAKE AND PENINSULA SCHOOL DISTRICT

Local Food For Schools Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental - federal sources passed through the State of Alaska	\$ 2,035	2,035	-
Expenditures:			
Current:			
Food services - Supplies, materials and media	2,035	2,035	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 201,009	201,009	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	60,286	60,286	-
Employee benefits	19,085	19,630	(545)
Supplies, materials and media	100	-	100
Total instruction	<u>79,471</u>	<u>79,916</u>	<u>(445)</u>
Support services - instruction:			
Certificated salaries	81,042	81,142	(100)
Employee benefits	30,851	30,306	545
Total support services - instruction	<u>111,893</u>	<u>111,448</u>	<u>445</u>
District administration support services - Indirect costs	<u>9,645</u>	<u>9,645</u>	-
Total expenditures	<u>201,009</u>	<u>201,009</u>	-
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Title I-C Migrant Education Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 215,351	214,188	(1,163)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	17,788	17,788	-
Non-certificated salaries	47,160	49,471	(2,311)
Employee benefits	9,950	9,950	-
Housing allowance/subsidy	6,433	6,433	-
Transportation allowance	3,400	3,363	37
Staff Travel	1,555	1,555	-
Other purchased services	7,400	7,400	-
Supplies, materials and media	84,250	80,917	3,333
Total instruction	<u>177,936</u>	<u>176,877</u>	<u>1,059</u>
Support services - instruction:			
Certificated salaries	21,804	21,804	-
Employee benefits	3,177	3,223	(46)
Staff travel	1,606	1,512	94
Supplies, materials and media	495	495	-
Total support services - instruction	<u>27,082</u>	<u>27,034</u>	<u>48</u>
District administration support services - Indirect costs	<u>10,333</u>	<u>10,277</u>	<u>56</u>
Total expenditures	<u>215,351</u>	<u>214,188</u>	<u>1,163</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Migrant Literacy Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 4,838	4,838	-
Expenditures:			
Current:			
Instruction - Supplies, materials and media	4,606	4,606	-
District administration support services - Indirect costs	232	232	-
Total expenditures	4,838	4,838	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Title I-A School Improvement Special Revenue Fund

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

Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 50,000	23,576	(26,424)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	5,200	5,000	200
Non-certificated salaries	14,986	-	14,986
Employee benefits	2,690	1,244	1,446
Staff travel	1,500	1,455	45
Supplies, materials, and media	23,225	14,746	8,479
Total instruction	<u>47,601</u>	<u>22,445</u>	<u>25,156</u>
District administration support services - Indirect costs	2,399	1,131	1,268
Total expenditures	<u>50,000</u>	<u>23,576</u>	<u>26,424</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Title II-A and Title IV-A Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 62,552	62,552	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	1,000	1,000	-
Employee benefits	82	82	-
Total instruction	<u>1,082</u>	<u>1,082</u>	<u>-</u>
Support services - instruction:			
Certificated salaries	27,175	27,175	-
Employee benefits	7,464	7,464	-
Professional and technical services	5,150	5,150	-
Staff travel	7,889	7,889	-
Supplies, materials and media	6,228	6,228	-
Other	4,563	4,563	-
Total support services - instruction	<u>58,469</u>	<u>58,469</u>	<u>-</u>
District administration support services - Indirect costs	<u>3,001</u>	<u>3,001</u>	<u>-</u>
Total expenditures	<u>62,552</u>	<u>62,552</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Title VI-B IDEA Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 128,952	128,952	-
Expenditures:			
Current:			
Special education instruction:			
Professional and technical services	6,053	6,053	-
Staff travel	15,715	15,715	-
Total special education instruction	<u>21,768</u>	<u>21,768</u>	<u>-</u>
Special education support services - students:			
Professional and technical services	99,623	99,623	-
Staff travel	1,374	1,374	-
Total special education support services - students	<u>100,997</u>	<u>100,997</u>	<u>-</u>
District administration support services - Indirect costs	<u>6,187</u>	<u>6,187</u>	<u>-</u>
Total expenditures	<u>128,952</u>	<u>128,952</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Preschool Disabled Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 7,092	7,092	-
Expenditures:			
Current:			
Special education support services - students:			
Certificated salaries	4,962	4,962	-
Employee benefits	1,790	1,790	-
Total special education support services - students	6,752	6,752	-
District administration support services - Indirect costs	340	340	-
Total expenditures	7,092	7,092	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	



## LAKE AND PENINSULA SCHOOL DISTRICT

## COVID Discretionary Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 100,000	100,000	-
Expenditures:			
Current:			
Instruction:			
Staff travel	81,821	81,821	-
Supplies, materials and media	13,381	13,381	-
Total instruction	<u>95,202</u>	<u>95,202</u>	<u>-</u>
District administration support services - Indirect costs	<u>4,798</u>	<u>4,798</u>	<u>-</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Carl Perkins - Secondary Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources passed through the State of Alaska	\$ 28,335	28,335	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	9,914	9,914	-
Non-certificated salaries	6,400	6,391	9
Employee benefits	6,187	6,196	(9)
Professional and technical services	3,176	3,176	-
Staff travel	1,309	1,309	-
Total instruction	<u>26,986</u>	<u>26,986</u>	<u>-</u>
District administration support services - Indirect costs	<u>1,349</u>	<u>1,349</u>	<u>-</u>
Total expenditures	<u>28,335</u>	<u>28,335</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

LAKE AND PENINSULA SCHOOL DISTRICT

RLIS Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources - direct	\$ 9,867	9,867	-
Expenditures:			
Current:			
Support services - instruction - Staff travel	9,867	9,867	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Indian Education Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources - direct	\$ 115,452	115,452	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	-	1,100	(1,100)
Non-certificated salaries	20,000	19,886	114
Employee benefits	25,043	33,597	(8,554)
Staff travel	64,590	53,892	10,698
Supplies, materials and media	-	1,158	(1,158)
Total instruction	<u>109,633</u>	<u>109,633</u>	<u>-</u>
District administration support services - Indirect costs	<u>5,819</u>	<u>5,819</u>	<u>-</u>
Total expenditures	<u>115,452</u>	<u>115,452</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## CHILD Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal sources passed through other intermediary agencies	\$ 48,057	48,057	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	5,757	5,757	-
Non-certificated salaries	177	177	-
Employee benefits	2,135	2,135	-
Professional and technical services	3,500	3,500	-
Supplies, materials and media	20,170	20,170	-
Total instruction	<u>31,739</u>	<u>31,739</u>	<u>-</u>
Support services - instruction:			
Certificated salaries	5,056	5,056	-
Employee benefits	2,484	2,484	-
Staff travel	6,594	6,594	-
Supplies, materials and media	2,184	2,184	-
Total support services - instruction	<u>16,318</u>	<u>16,318</u>	<u>-</u>
Total expenditures	<u>48,057</u>	<u>48,057</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## CHILD II Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal sources passed through other intermediary agencies	\$ 429,849	402,631	(27,218)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	114,563	46,618	67,945
Non-certificated salaries	166,626	106,815	59,811
Employee benefits	108,076	128,662	(20,586)
Utility services	-	1,135	(1,135)
Supplies, materials and media	500	-	500
Total instruction	<u>389,765</u>	<u>283,230</u>	<u>106,535</u>
Support services - instruction:			
Certificated salaries	-	65,687	(65,687)
Employee benefits	-	29,119	(29,119)
Professional and technical services	950	922	28
Staff travel	39,134	22,802	16,332
Utility services	-	356	(356)
Supplies, materials and media	-	364	(364)
Other	-	151	(151)
Total support services - instruction	<u>40,084</u>	<u>119,401</u>	<u>(79,317)</u>
Total expenditures	<u>429,849</u>	<u>402,631</u>	<u>27,218</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Literacy 365 Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal education sources - direct	\$ 129,207	129,207	-
Expenditures:			
Current:			
Instruction -			
Supplies, materials and media	15,000	13,106	1,894
Support services - instruction:			
Certificated salaries	27,716	22,716	5,000
Non-certificated salaries	9,000	11,250	(2,250)
Employee benefits	3,121	4,915	(1,794)
Professional and technical services	7,500	7,500	-
Staff travel	60,670	63,338	(2,668)
Supplies, materials and media	-	182	(182)
Total support services - instruction	108,007	109,901	(1,894)
District administration support services - Indirect costs	6,200	6,200	-
Total expenditures	129,207	129,207	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Carrs Safeway Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 4,000	3,723	(277)
Expenditures:			
Current:			
Instruction -			
Supplies, materials and media	4,000	3,723	277
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	



## LAKE AND PENINSULA SCHOOL DISTRICT

## ESSER II Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	\$ 219,879	219,879	-
Expenditures:			
Current:			
Instruction -			
Supplies, materials and media	1,011	895	116
Support services - students:			
Certificated salaries	66,319	67,069	(750)
Employee benefits	54,208	54,219	(11)
Staff travel	61,238	43,431	17,807
Total support services - students	181,765	164,719	17,046
Support services - instruction:			
Professional and technical services	26,553	26,553	-
Staff travel	-	17,162	(17,162)
Total support services - instruction	26,553	43,715	(17,162)
District administration support services - Indirect costs	10,550	10,550	-
Total expenditures	219,879	219,879	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Step Grant Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues - local sources - other	\$ 92,400	92,400	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	8,000	16,367	(8,367)
Employee benefits	2,000	2,769	(769)
Staff travel	52,400	53,945	(1,545)
Supplies, materials and media	30,000	19,319	10,681
Total expenditures	<u>92,400</u>	<u>92,400</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

LAKE AND PENINSULA SCHOOL DISTRICT

Igiugig Sewing, String Stories and Dogsleds Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 5,000	5,000	-
Expenditures:			
Current:			
Instruction -			
Professional and technical services	5,000	5,000	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Distance Learning and Telemedicine Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Revenues - Intergovernmental - federal sources passed through other intermediary agencies	\$ 565,429	102,300	(463,129)
Expenditures:			
Current:			
Instruction:			
Professional and technical services	300,000	-	300,000
Equipment	265,429	102,300	163,129
Total expenditures	<u>565,429</u>	<u>102,300</u>	<u>463,129</u>
Excess of revenues over expenditures	\$ <u>          -</u>	-	<u>          -</u>
Fund balance, beginning of year		<u>          -</u>	
Fund balance, end of year		\$ <u>          -</u>	

LAKE AND PENINSULA SCHOOL DISTRICT

Denali Commission Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - Intergovernmental - federal sources - direct	\$ 34,546	26,625	(7,921)
Expenditures:			
Current:			
Instruction - Supplies, materials and media	34,546	26,625	7,921
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

## LAKE AND PENINSULA SCHOOL DISTRICT

## ANE SWR Partnership #1 Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 176,775	176,775	-
Expenditures:			
Current:			
Instruction:			
Certificated salaries	25,900	25,867	33
Non-certificated salaries	74,300	74,243	57
Employee benefits	53,032	53,086	(54)
Professional and technical services	7,500	7,500	-
Staff travel	6,224	6,262	(38)
Supplies, materials and media	830	828	2
Total instruction	<u>167,786</u>	<u>167,786</u>	<u>-</u>
District administration support services - Indirect costs	<u>8,989</u>	<u>8,989</u>	<u>-</u>
Total expenditures	<u>176,775</u>	<u>176,775</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## BBNC Native Heritage Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 18,017	18,017	-
Expenditures:			
Current:			
Instruction:			
Professional and technical services	2,000	2,000	-
Supplies, materials and media	15,918	15,918	-
Utility services	99	99	-
Total expenditures	<u>18,017</u>	<u>18,017</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## New Visions Special Revenue Fund

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

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 5,250	5,250	-
State of Alaska	5,750	5,750	-
Total revenues	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Professional and technical services	280	280	-
Staff travel	7,100	7,100	-
Utility services	9	9	-
Other purchased services	2,100	2,100	-
Supplies, materials and media	1,511	1,511	-
Total expenditures	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	



## LAKE AND PENINSULA SCHOOL DISTRICT

## ANE SWR Partnership #2 Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 648,465	521,691	(126,774)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	79,000	77,601	1,399
Non-certificated salaries	334,750	205,228	129,522
Employee benefits	144,816	160,721	(15,905)
Professional and technical services	30,000	25,387	4,613
Staff travel	25,600	18,445	7,155
Supplies, materials and media	8,400	13,474	(5,074)
Total instruction	<u>622,566</u>	<u>500,856</u>	<u>121,710</u>
District administration support services - Indirect costs	<u>25,899</u>	<u>20,835</u>	<u>5,064</u>
Total expenditures	<u>648,465</u>	<u>521,691</u>	<u>126,774</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	-	<u><u>-</u></u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u><u>-</u></u>	

LAKE AND PENINSULA SCHOOL DISTRICT

CTE Teaching and Learning Collaborative Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through other intermediary agencies	\$ 239,367	33,524	(205,843)
Expenditures:			
Current:			
Instruction			
Certificated salaries	113,295	18,600	94,695
Employee benefits	56,648	9,091	47,557
Professional and technical services	897	897	-
Equipment	3,000	-	3,000
Staff travel	65,527	4,936	60,591
Total instruction	<u>239,367</u>	<u>33,524</u>	<u>205,843</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Caliaq Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through other intermediary agencies	\$ 254,940	57,163	(197,777)
Expenditures:			
Current:			
Instruction			
Certificated salaries	69,750	26,129	43,621
Non-Certificated Salaries	33,000	7,627	25,373
Employee benefits	38,018	12,644	25,374
Professional and technical services	43,836	2,934	40,902
Staff travel	10,000	2,692	7,308
Other purchased services	43,836	-	43,836
Supplies, materials and media	16,500	5,137	11,363
Total expenditures	<u>254,940</u>	<u>57,163</u>	<u>197,777</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Chignik Lagoon Culture Week Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 8,000	8,000	-
Expenditures:			
Current:			
Instruction:			
Professional and technical services	3,489	3,489	-
Staff travel	761	820	(59)
Total instruction	<u>4,250</u>	<u>4,309</u>	<u>(59)</u>
Support services - instruction - Supplies, materials and media	<u>3,250</u>	<u>3,191</u>	<u>59</u>
District administration support services - Indirect costs	<u>500</u>	<u>500</u>	<u>-</u>
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Chignik Lake Culture Week Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 8,000	8,000	-
Expenditures:			
Current:			
Instruction			
Professional and technical services	3,489	3,489	-
Staff travel	554	554	-
Total instruction	<u>4,043</u>	<u>4,043</u>	<u>-</u>
Support services - instruction - Supplies, materials and media	<u>3,457</u>	<u>3,457</u>	<u>-</u>
District administration support services - Indirect costs	<u>500</u>	<u>500</u>	<u>-</u>
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Youth Risk Behavior Survey Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues - Intergovernmental - State of Alaska	\$ 850	850	-
Expenditures:			
Current:			
Support services - students - Supplies, materials and media	<u>850</u>	<u>850</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

## LAKE AND PENINSULA SCHOOL DISTRICT

## Youth Cultural Heritage Fast Track Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Other Governmental Funds

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - local sources - other	\$ 3,000	3,000	-
Expenditures:			
Current:			
Instruction:			
Staff travel	2,000	2,000	-
Other purchased services	1,000	1,000	-
Total expenditures	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

LAKE AND PENINSULA SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2023

Total fund balance - School Operating Fund	\$	(34,837)
less exemptions per 4 AAC 09.160(a)		
Encumbrances		129,160
Inventory		219,727
Prepaid items		16,491
Federal impact aid received		<u>404,793</u>
<b>Fund Balance Subject to 10% Limitation</b>	<b>\$</b>	<b><u><u>(805,008)</u></u></b>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	\$	<u>(805,008)</u>	=	<u>(4.80%)</u>
Current year expenditures		<u>16,781,042</u>		



## LAKE AND PENINSULA SCHOOL DISTRICT

## Schedule of Expenditures of Federal Awards

For the Fiscal Year June 30, 2023

<u>Grant Title</u>	<u>Assistance Listing Number</u>	<u>Grant Number</u>	<u>Total Grant Award</u>	<u>Federal Expenditures</u>
U.S. Department of Education:				
Direct sources:				
Impact Aid 2023	84.041	AK-2023-112807	\$ 281,246	281,246
Impact Aid 2021	84.041	AK-2021-112807	<u>123,547</u>	<u>123,547</u>
Total ALN 84.041			<u>404,793</u>	<u>404,793</u>
Literacy 365	84.215G	S215G190056-21	<u>129,207</u>	<u>129,207</u>
Indian Education	84.060A	S060A220784	<u>115,452</u>	<u>115,452</u>
REAP - RLIS Special Qualified Agencies	84.358C	S358C220010	<u>9,867</u>	<u>9,867</u>
Total direct programs			<u>659,319</u>	<u>659,319</u>
Passed through the State of Alaska, Department of Education and Early Development:				
Title I-A, Basic	84.010A	IP 23.LPSD.01	182,240	182,240
Title I-A, Basic	84.010	IP 23.LPSD.01	18,769	18,769
School Improvement	84.010	SI 23.LPSD.01	<u>50,000</u>	<u>23,576</u>
Total ALN 84.010			<u>251,009</u>	<u>224,585</u>
Title I-C, Migrant Education	84.011A	IP 23.LPSD.01	159,963	109,755
Title I-C, Migrant Education	84.011	IP 23.LPSD.01	104,433	104,433
Migrant Literacy	84.011	MB 23.LPSD.01	<u>4,838</u>	<u>4,838</u>
Total ALN 84.011			<u>269,234</u>	<u>219,026</u>
Title II-A, Class Size Reduction	84.367A	IP 23.LPSD.01	<u>41,768</u>	<u>41,768</u>
Title IV-A	84.424A	IP 23.LPSD.01	<u>20,784</u>	<u>20,784</u>
Carl Perkins - Secondary	84.048	EK 23.LPSD.01	10,000	10,000
Carl Perkins - Secondary	84.048A	EK 23.LPSD.01	<u>18,335</u>	<u>18,335</u>
Total ALN 84.048			<u>28,335</u>	<u>28,335</u>
Special Education Cluster:				
Title VI-B	84.027	SE 23.LPSD.01	1,852	1,852
Title VI-B	84.027A	SE 23.LPSD.01	116,387	116,387
COVID-19 Title VI-B IDEA ARP	84.027X	SE 23.LPSD.01	10,713	10,713
Preschool Disabled, Section 619	84.173A	SE 23.LPSD.01	<u>7,092</u>	<u>7,092</u>
Total Special Education Cluster			<u>136,044</u>	<u>136,044</u>
COVID-19 ESSER II	84.425D	ER 23.LPSD.01	219,879	219,879
COVID-19 Discretionary	84.425D	CO 23.LPSD.01	100,000	100,000
COVID-19 ESSER III	84.425U	ER 22.LPSD.01	<u>1,141,682</u>	<u>621,119</u>
Total ALN 84.425			<u>1,461,561</u>	<u>940,998</u>
Comprehensive State Literacy Development	84.371C	AL 23.LPSD.01	<u>301,478</u>	<u>301,478</u>
Total passed through the State of Alaska			<u>2,510,213</u>	<u>1,913,018</u>
Passed through other intermediary agencies:				
Bristol Bay Borough School District:				
Cultural Heritage Improves Learning and Development (CHILD)	84.356A	S356A210018	477,906	450,688
Bristol Bay Native Corporation:				
CTE Teaching and Learning Collaborative	84.356A	S356A220077	<u>239,367</u>	<u>33,524</u>
Total ALN 84.356			<u>717,273</u>	<u>484,212</u>
Cialiaq - Bristol Bay Youth Internship Program	84.299A	S299A22058	<u>355,288</u>	<u>57,163</u>
Total passed through other intermediary agencies			<u>1,072,561</u>	<u>541,375</u>
Total U.S. Department of Education			<u>4,242,093</u>	<u>3,113,712</u>

(continued)

LAKE AND PENINSULA SCHOOL DISTRICT  
 Schedule of Expenditures of Federal Awards, Continued

<u>Grant Title</u>	<u>Assistance Listing Number</u>	<u>Grant Number</u>	<u>Total Grant Award</u>	<u>Federal Expenditures</u>
U.S. Department of Agriculture:				
Passed through the State of Alaska, Department of Education and Early Development				
Child Nutrition Cluster:				
Fresh Fruit and Vegetable Program	10.582	FF 23.LPSD.01	2,400	2,400
Fresh Fruit and Vegetable Program	10.582	FF 23.LPSD.02	16,800	16,800
National School Breakfast Program	10.553	None	55,999	55,999
National School Lunch Program	10.555	None	166,424	165,321
Supply Chain Assistance	10.555	FD 23.LPSD.01	21,878	20,715
USDA Commodities	10.555	None	21,820	21,820
Total Child Nutrition Cluster			<u>285,321</u>	<u>283,055</u>
Food Distribution Admin Fee Reimbursement	10.560	FD 22.LPSD.01	90	90
Local Food for Schools	10.185	LF 23.LPSD.01	2,035	2,035
Passed through the Denali Commission:				
Distance Learning and Telemedicine	10.855	1683-00	565,429	102,300
Total U.S. Department of Agriculture			<u>852,875</u>	<u>387,480</u>
National Endowment for the Arts:				
Passed through Alaska State Council on the Arts:				
New Visions	45.024	FY23NV008	5,250	5,250
Denali Commission:				
Direct:				
Bristol Bay Regional Advanced Distance Services Program	90.100	1683-00	50,000	26,625
Total federal financial assistance			<u>\$ 5,150,218</u>	<u>3,533,067</u>

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Lake and Peninsula School District under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Lake and Peninsula School District, it is not intended to and does not present the basic financial statements of Lake and Peninsula 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. Lake and Peninsula School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform guidance.

**Note 3. Non-monetary Assistance**

Non-monetary assistance is reported in the schedule at fair market value of commodities received and disbursed. For the year ended June 30, 2023, the District received \$21,820 in commodities.

**Note 4. Passed Through Awards**

No amounts were passed through to subrecipients.

## LAKE AND PENINSULA SCHOOL DISTRICT

## Schedule of State Financial Assistance

For the Fiscal Year June 30, 2023

<u>Grant Title</u>	<u>Grant Number</u>	<u>Grant Award</u>	<u>Eligible Expenditures</u>
Alaska Department of Education and Early Development:			
* Foundation	None	\$ 8,456,449	8,456,449
Quality Schools	None	24,296	24,296
Broadband Assistance Grant (BAG)	None	138,996	131,274
Dividend Raffle	None	2,567	2,567
* House Bill 281	None	334,168	334,168
Youth Risk Behavior Study	YR 23.LPSD.01	850	850
Pupil Transportation	None	<u>121,264</u>	<u>121,264</u>
Total Alaska Department of Education and Early Development		<u>9,078,590</u>	<u>9,070,868</u>
Alaska State Council on the Arts:			
New Visions FY23	FY23NV008	5,250	5,250
New Visions FY22	FY22-NV008	<u>5,250</u>	<u>500</u>
Total Alaska Council on the Arts		<u>10,500</u>	<u>5,750</u>
Total State Financial Assistance		\$ <u><u>9,089,090</u></u>	<u><u>9,076,618</u></u>

See accompanying notes to the Schedule.

LAKE AND PENINSULA SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2023

**Note 1. Basis of Presentation**

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Lake and Peninsula School District under programs of the State of Alaska for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Lake and Peninsula School District, it is not intended to and does not present the basic financial statements of Lake and Peninsula 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	\$ 9,076,618
PERS On-Behalf	56,878
TRS On-Behalf	<u>389,259</u>
Total State Financial Assistance	\$ <u>9,522,755</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  
Lake and Peninsula School District  
King Salmon, 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 Lake and Peninsula School District, a component unit of the Lake and Peninsula Borough, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Lake and Peninsula School District's basic financial statements, and have issued our report thereon dated November 14, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Lake and Peninsula 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 Lake and Peninsula School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Lake and Peninsula 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 Lake and Peninsula School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

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



Anchorage, Alaska  
November 14, 2023



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

**Independent Auditor's Report**

Members of the School Board  
Lake and Peninsula School District  
King Salmon, Alaska

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

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

We have audited Lake and Peninsula 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 Lake and Peninsula School District's major federal programs for the year ended June 30, 2023. Lake and Peninsula 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, Lake and Peninsula School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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.



Anchorage, Alaska  
November 14, 2023

LAKE AND PENINSULA SCHOOL DISTRICT  
 Federal Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2023

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

Financial Statements

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

Unmodified

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

\_\_\_ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_ Yes X None reported

Noncompliance material to the financial statements noted?

\_\_\_ Yes X No

Federal Awards

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

Material weakness(es) identified?

\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_ Yes X None reported

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

\_\_\_ Yes X No

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

Unmodified

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

\_\_\_ Yes X No

Identification of major programs:

Assistance Listing Number(s)

84.425

Name of Federal Program or Cluster

ARP ESSER

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

\$ 750,000

Auditee qualified as low-risk auditee?

X Yes \_\_\_ No

LAKE AND PENINSULA SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs, Continued

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

The Lake and Peninsula School District did not have any findings related to the financial statements.

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

The Lake and Peninsula School District did not have any findings that 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  
Lake and Peninsula School District  
King Salmon, Alaska

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

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

We have audited Lake and Peninsula 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 Lake and Peninsula School District's major state programs for the year ended June 30, 2023. Lake and Peninsula School District's major state programs are identified in the accompanying Schedule of State Financial Assistance.

In our opinion, Lake and Peninsula 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, 2023.

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

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

We are required to be independent of Lake and Peninsula 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 state program. Our audit does not provide a legal determination of Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula 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 Lake and Peninsula School District's.

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

### **Report on Internal Control Over Compliance**

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

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

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

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



Anchorage, Alaska  
November 14, 2023



LAKE AND PENINSULA SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness identified?  Yes  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 Tape B programs: \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No

**Section II – Financial Statement Findings**

Lake and Peninsula School District did not have any findings that related to the financial statements.

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

Lake and Peninsula School District did not have any findings related to State awards.