RSB Regular Meeting

Tuesday, January 13, 2026 6:00 PM
ZOOM, 500 Big Dog Salmon Way, Angoon, AK 99820

1. **Call to Order**	**Speaker(s):** Board Chair or Vice Chair
1.1. Reading of the Mission Statement: We support students to become independent adults by promoting exceptional educational and cultural experiences.	**Speaker(s):** Board Chair or Vice Chair
2. **Flag Salute**	**Speaker(s):** Board Chair or Vice Chair
3. **Roll Call**	**Speaker(s):** Board Chair or Vice Chair
4. **Recognition**	**Speaker(s):** Board Chair or Vice Chair
5. **Approval of the Agenda**	**Speaker(s):** Board Chair or Vice Chair
6. **Presentations:**	
6.1. Fiscal Year 2025 Audit Presentation by Jordan Kessler of Altman Rogers.	**Speaker(s):** Jordan Kessler
7. **Opportunity For Public Comment On Non-Agenda Items**	**Speaker(s):** Board Chair or Vice Chair
8. **Consent Agenda**	**Speaker(s):** Board Chair or Vice Chair
8.1. Adopt RSB Minutes from 11/11/25	
8.2. Giovanna Wilde, the 4/5 teacher in Klukwan, has resigned. Her last day was 12/19/25. Accepted by the Superintendent	
8.3. Approve Long Term Sub Mary Jean Duncan in Angoon as the elementary teacher until a teacher can be hired.	
8.4. Approve the hire of Sandra Paul in Angoon as a Paraprofessional	
8.5. Approve the hire of Nicole Bowen as lunchroom monitor in Angoon	
8.6. Approve the hire of Margie Demmert as the lunchroom monitor in Angoon.	
8.7. Approve the hire of Stacie Powlison as Klukwan School Secretary for the remainder of FY 2026	
8.8. Approve the hire of Jason Maxwell as an elementary teacher in Angoon for the remainder of the school year 2026.	
8.9. Approve the contract between CSD and SERRC for accounts payable services for the remainder of FY 2026 for $14,547.50	
9. **Opportunity for Public Comment on Agenda Items**	
10. **Financial Report**	**Speaker(s):** Christina Ferguson
11. **Action Items**	
11.1. Approve First Reading of BP 5111 Admission	**Speaker(s):** Board Chair

11.2.	Approve the security camera wiring proposal for Angoon school.	
11.3.	Accept the Chatham School District FY 2025 Audit done by Altman Rogers.	**Speaker(s):** Board Chair
11.4.	Approve the Indian Policy and Procedures waiver for Impact Aid Compliance	
12.	**Special Reports**	
12.1.	Superintendent Report	**Speaker(s):** David Langford
12.2.	ASB Minutes	
13.	**Information/Discussion Items**	
13.1.	Student Count for E-Rate	
13.2.	BB 9123 Treasurer	**Speaker(s):** Board Chair
14.	**Board Member Comments**	
15.	**Meetings/Work Sessions/and Other Announcements**	
15.1.	The next RSB Regular Meeting will be on February 10th, 2026 at 6:00 PM	**Speaker(s):** Board Chair
15.2.	The Work Session will be on Tuesday, January. 27th, at 6:00 pm	
16.	**Executive Session for Superintendent Evaluation**	
17.	**For The Good of the Order:**	
18.	**Adjournment**	

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

CHATHAM SCHOOL DISTRICT

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Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, Alaska

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Chatham School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Chatham School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Chatham School District, as of June 30, 2025, and the respective changes in financial position, and, where applicable cash flows thereof 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 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 Chatham 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.

Change in Accounting Principle

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

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

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Offices in Juneau and Soldotna A Professional Corporation

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 Chatham 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 Chatham 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 Chatham 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 schedules of revenues, expenditures, and changes in fund balance - original and final budget and actual for major funds, and the District's proportionate share of the net pension/OPEB liabilities, assets, schedules of the District's contributions for the Public Employees' Retirement System and Teachers' Retirement System and the notes to required supplementary information on pages 40-52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of 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 Chatham School District's basic financial statements. The information listed in the table of contents as "Supplementary Information", which includes the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual for major funds, and the combining and individual non-major fund financial statements; Schedule of Compliance- AS 14.17.505 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200,* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the basic financial statements. The Schedule of State Financial Assistance and Notes to Schedule of State Financial Assistance are presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the Chatham 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 Chatham 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 the Chatham School District's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

BASIC FINANCIAL STATEMENTS

Exhibit A-1

CHATHAM SCHOOL DISTRICT

Statement of Net Position

June 30, 2025

Assets and Deferred Outflows of Resources		Governmental Activities
Current:		
Cash and cash equivalents	$	491,243
Accounts receivable		524,526
Prepaid expenses		9,729
Inventory		27,067
Total current		1,052,565
Non-current:		
Capital assets		26,617,903
Accumulated depreciation		(22,345,266)
Net OPEB assets		1,257,275
Total non-current		5,529,912
Deferred outflows of resources -		
Pension/OPEB deferrals		306,719
Total assets and deferred outflows of resources		6,889,196
Liabilities and Deferred Inflows of Resources		
Current liabilities:		
Accounts payable		397,965
Payroll liabilities		115,871
Unearned revenue		32,906
Total current liabilities		546,742
Long-term liabilities:		
Compensated absences		45,561
Due in more than one year - net pension liabilities		2,458,338
Total long-term liabilities		2,503,899
Deferred inflows of resources -		
Pension/OPEB deferrals		77,598
Total liabilities and deferred inflows of resources		3,128,239
Net Position		
Net investment in capital assets		4,272,637
Unrestricted (deficit)		(511,680)
Total net position	$	3,760,957

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

CHATHAM SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position (Deficit): Governmental Activities	Net (Expense) Revenue and Changes in Net Position (Deficit): Business-type Activities	Net (Expense) Revenue and Changes in Net Position (Deficit): Total Governmental Activities
Governmental Activities:							
Instruction	$ 4,041,096	4,472	2,085,390	-	(1,951,234)	-	(1,951,234)
Special education instruction	508,486	-	39,026	-	(469,460)	-	(469,460)
Special education support services - students	147,660	-	47,677	-	(99,983)	-	(99,983)
Support services - students	9,984	-	6,450	-	(3,534)	-	(3,534)
Support services - instruction	521,140	-	9,558	-	(511,582)	-	(511,582)
School administration	363,228	-	26,301	-	(336,927)	-	(336,927)
School administration support services	202,335	-	10,829	-	(191,506)	-	(191,506)
District administration	370,646	-	23,120	-	(347,526)	-	(347,526)
District administration support services	358,398	-	72,351	-	(286,047)	-	(286,047)
Operations and maintenance of plant	999,377	94,070	17,305	-	(888,002)	-	(888,002)
Student activities	172,176	-	87,686	-	(84,490)	-	(84,490)
Student transportation - to and from school	96,009	-	48,806	-	(47,203)	-	(47,203)
Food services	108,828	371	33,545	-	(74,912)	-	(74,912)
Total governmental activities	$ 7,899,363	98,913	2,508,044	-	(5,292,406)	-	(5,292,406)
Business-type Activities -							
Foxes Den	608	-	-	-	-	(608)	(608)
Total	$ 7,899,971	98,913	2,508,044	-	(5,292,406)	(608)	(5,293,014)
General revenues:							
E-Rate					$ 365,357	-	365,357
Grants not restricted to specific programs					4,147,045	-	4,147,045
Interest income					50	-	50
Transfers					(272,855)	272,855	-
Other					89,271	-	89,271
Total general revenues					4,328,868	272,855	4,601,723
Change in net position					(963,538)	272,247	(691,291)
Net position - beginning of year, as originally stated					4,747,235	(272,247)	4,474,988
Change in accounting principle					(22,740)	-	(22,740)
Net position - beginning of year, as restated					4,724,495	(272,247)	4,452,248
Net position - ending					$ 3,760,957	-	3,760,957

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

Exhibit C-1

CHATHAM SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2025

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 370,776	-	120,467	491,243
Accounts receivable	30,797	173,778	319,951	524,526
Due from other funds	441,998	-	439,458	881,456
Prepaid expenses	7,846	-	1,883	9,729
Inventory	21,592	-	5,475	27,067
Total assets	873,009	173,778	887,234	1,934,021
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	224,011	8,402	165,552	397,965
Payroll liabilities	115,871	-	-	115,871
Unearned revenue	175	-	32,731	32,906
Due to other funds	439,458	165,376	276,622	881,456
Total liabilities	779,515	173,778	474,905	1,428,198
Fund Balances:				
Nonspendable	29,438	-	7,358	36,796
Committed	-	-	457,935	457,935
Unassigned	64,056	-	(52,964)	11,092
Total fund balances	93,494	-	412,329	505,823
Total liabilities and fund equity	$ 873,009	173,778	887,234	1,934,021

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

CHATHAM SCHOOL DISTRICT

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2025

Fund balances - total governmental funds		$ 505,823
Total net position reported for governmental activities in the State of Net Position is different because:		
Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.		4,272,637
Long term liabilities are not due in the current period and therefore, are not reported in the funds		
Compensated absences		(45,561)
Proportionate share of the collective net pension liabilities:		
PERS	(1,591,762)	
TRS	(866,576)	(2,458,338)
Proportionate share of the collective net OPEB assets:		
PERS	681,822	
TRS	575,453	1,257,275
Deferred inflows and outflows of resources are the results of timing differences in the actuarial report.		
Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources:		
PERS	196,853	
TRS	109,866	306,719
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources:		
PERS	(24,165)	
TRS	(53,433)	(77,598)
Total net position of governmental activities		3,760,957

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

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Charges for services	$ 4,472	-	94,441	98,913
Interest income	50	-	-	50
E-rate	365,357	-	-	365,357
Other	89,271	-	103,597	192,868
Intergovernmental:				
State of Alaska	4,245,426	-	76,129	4,321,555
Federal sources	199,607	609,933	1,371,826	2,181,366
Total revenues	4,904,183	609,933	1,645,993	7,160,109
Expenditures:				
Current:				
Instruction	1,736,034	609,933	1,293,985	3,639,952
Special education instruction	495,647	-	-	495,647
Special education support services - students	100,786	-	46,992	147,778
Support services - students	2,757	-	-	2,757
Support services - instruction	511,582	-	9,558	521,140
School administration	367,800	-	-	367,800
School administration support services	190,204	-	-	190,204
District administration	367,111	-	-	367,111
District administration support services	283,741	-	64,118	347,859
Operations and maintenance of plant	846,561	-	87,638	934,199
Student activities	110,286	-	61,925	172,211
Student transportation - to and from school	-	-	96,009	96,009
Food services	-	-	102,560	102,560
Total expenditures	5,012,509	609,933	1,762,785	7,385,227
Excess (deficiency) of revenues over (under) expenditures	(108,326)	-	(116,792)	(225,118)
Other financing sources (uses):				
Transfers in	5,288	-	-	5,288
Transfers out	(272,855)	-	(5,288)	(278,143)
Total other financing sources (uses):	(267,567)	-	(5,288)	(272,855)
Net change in fund balance	(375,893)	-	(122,080)	(497,973)
Fund balance, beginning of year, as originally stated	449,639	-	534,409	984,048
Change in accounting principle	19,748	-	-	19,748
Fund balance, beginning of year, as restated	469,387	-	534,409	1,003,796
Fund balances, end of year	$ 93,494	-	412,329	505,823

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

CHATHAM 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, 2025

Net change in fund balances - total governmental funds		$ (497,973)
The change in net position reported for governmental activities in the State of Activities is different because:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(3,073)
Change in unfunded net position and OPEB liability and asset:		
PERS	(93,750)	
TRS	40,805	(52,945)
Changes in deferred inflow and outflow of resources are the results of timing differences in the actuarial report and adjustments to reflect employer and non-employer contributions based on the measurement date of the liabilities:		
PERS	36,091	
TRS	(10,523)	25,568
Governmental funds report capital outlays as expenditures. However, on the Statement of Activities, the costs of those assets are allocated over their estimated useful lives. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital outlays	130,178	
Depreciation expense	(565,293)	(435,115)
Change in net position of governmental activities		$ (963,538)

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Net Position

June 30, 2025

Liabilities and Net Position	
Current liabilities -	$ -
Net position -	-
Total liabilities and net position	$ -

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2025

Operating revenues	$	-
Operating expenses -		
Student activities -		
Other expenses		608
Non-operating revenues (expenses) -		
Transfers in from school operating fund		272,855
Change in net position		272,247
Net position (deficit), beginning of year		(272,247)
Net position (deficit), end of year	$	-

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Cash Flows

Year Ended June 30, 2025

Cash flows from (for) operating activities:		
Cash received from customers	$	-
Cash paid to employees		-
Cash paid to suppliers		(608)
Net cash flows from (for) operating activities		(608)
Cash flows from (for) capital activities		
Sale of property, plant and equipment		-
Cash flows from (for) financing activities:		
Net cash transferred from (to) operating fund		608
Net increase (decrease) in cash and cash equivalents		-
Beginning cash and cash equivalents		-
Ending cash and cash equivalents	$	-
Reconciliation of income (loss) from operations to net cash from (for) operating activities:		
Change in net position (deficit)	$	272,247
Adjustments to reconcile income (loss) from operations to cash flows from operating activities:		
Transfer in - School Operating Fund		(272,855)
Changes in assets and liabilities:		
Accounts receivable		-
Accounts payable		-
Net cash flows from (for) operating activities	$	(608)

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accounting policies of the Chatham School District (School District) conform to accounting principles generally accepted in the United States, as applicable to governmental units.

The Legislature of the State of Alaska established the School District on July 1, 1976. At that time, assets to be used by the School District were turned over by direct transfer or by use permits from the State of Alaska. The School District is operated under the exclusive oversight, management and control of the locally elected five-member School Board. The School Board is the level of government which has governance responsibilities over all activities related to public elementary and secondary education within its jurisdiction. The School District receives financial support from state and federal government sources and must comply with the concomitant requirements of these entities. However, the School District is not included in any other governmental reporting entity as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since the School Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

The School District is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the School District for financial statement purposes, and the School District is not included in any other governmental reporting entity. Consequently, the School District's financial statements present only the funds for which its elected governing board is financially accountable.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The most significant of the School District's accounting policies are described below.

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of 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 statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function 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.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. There are three categories of funds: governmental, proprietary and fiduciary. The district maintains two of these types of funds, governmental and proprietary.

The District reports the following major governmental funds:

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

The *Full-Service Community Schools Special Revenue Fund* accounts for revenues received and expenditures made for the grant passed through the Alaska Association of School Boards “A Strong Start for Southeast Alaskan Students.”

Additionally, a Proprietary Fund is used to account for Foxes Den on a for-profit basis.

The *Foxes Den Enterprise Fund* accounts for a student run restaurant in Gustavus, Alaska. This was closed out through a final transfer in 2025.

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

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

Intergovernmental Revenue

State of Alaska foundation and pupil transportation revenues, and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. On-behalf payments from the State of Alaska are recognized in the year to which they relate.

Local Revenue

Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

The District's policy is when available, to utilize restricted revenues before unrestricted revenues.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, 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 establish 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 Cash Equivalents

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 maintains accounts for specific purposes such as the Student Activity accounts.

2. Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the Fund Financial Statements and are eliminated in the preparation of the Government-Wide Financial Statements.

3. Inventories and Prepaid Items Expenses

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 the lesser of cost or market using the first-in, first-out (FIFO) method. Reported inventories are equally offset by a portion of fund balance classified as nonspendable in the Fund Financial Statements, which indicates 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 prepaid items. Prepaid items in governmental funds are based on the consumption method. The prepaid assets recorded in the governmental fund types do not reflect current available resources, and thus, an equivalent portion of fund balance is classified as nonspendable in the Fund Financial Statements.

4. Capital Assets

Capital assets are recorded in the Government-Wide Financial Statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets are capitalized over $5,000. Maintenance and operational costs are borne by the District. Capital assets in the Government-Wide Financial Statements are depreciated on the straight-line method over useful life of the asset, generally 5 to 30 years for equipment and vehicles and 15 to 30 years for buildings.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized in the Government-Wide Financial Statements and are considered operations and maintenance costs.

5. Unearned Revenue

Unearned revenue in Special Revenue Funds represent amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

6. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A liability is recognized when it is attributable to services already rendered, it accumulates, and it is more likely than not that the District will compensate an employee (either as paid time off or cash payment). Unused leave is accrued utilizing current salary cost as earned by the employee and recorded as a liability in the government-wide financial statement of net position. No accrued leave liability is recorded in the fund financial statements.

7. Pensions/Other Post Employment Benefit (OPEB) Liability (Asset)

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

8. Net Position

In the Government-Wide Financial Statements, net position is divided into three components:

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

9. Fund Balance

In the fund financial statements, fund balance includes five classifications as follows:

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

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

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

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

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

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.

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

10. Fair Value of Financial Instruments

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

II. DETAILED NOTES ON ALL FUNDS

A. Deposits 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 of the fund financial statements as "Cash and cash equivalents" or amounts "Due from/to other funds".

Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District.

Any amount in excess of the Federal Depository Insurance (FDIC) with a maximum of $250,000 is collateralized with securities held by the District's agent in the District's name. All deposits are carried at fair market value plus accrued interest. The School District has not developed a cash or investment policy.

At June 30, 2025, the District's bank balances totaled $544,398. Deposits in each financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2025, the District had balances of $200,125 that were not insured or collateralized.

B. Receivables

Receivables as of June 30, 2025 for governmental funds are as follows:

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Fund	Total
Grants	$ -	173,778	319,951	493,729
Other	30,797	-	-	30,797
Total	$ 30,797	173,778	319,951	524,526

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

C. Capital Assets

The School District owns land, buildings, vehicles and equipment as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Assets not being depreciated:				
Land	$ 348,581	-	-	348,581
Assets being depreciated:				
Buildings	24,813,466	80,208	-	24,893,674
Vehicles	300,947	49,970	-	350,917
Equipment	1,024,731	-	-	1,024,731
Total assets being depreciated	26,139,144	130,178	-	26,269,322
Less accumulated depreciation:				
Buildings	(20,996,169)	(505,397)	-	(21,501,566)
Vehicles	(262,257)	(8,987)	-	(271,244)
Equipment	(521,547)	(50,909)	-	(572,456)
Total accumulated depreciation	(21,779,973)	(565,293)	-	(22,345,266)
Total assets being depreciated, net	4,359,171	(435,115)	-	3,924,056
Total Government Capital Assets Net of Accumulated Depreciation	$ 4,707,752	(435,115)	-	4,272,637

Equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

	Years
Machinery and equipment	5-30
Vehicles	5-30
Building	15-30

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

Instruction	$	486,880
Operation and maintenance of plant		72,145
Food services		6,268
Total depreciation expense per function – governmental	$	565,293

D. Interfund Receivables and Payables

Interfund receivables and payables are shown as “Due To Other Funds” and “Due From Other Funds” in each of the individual funds. These balances at June 30, 2025, were as follows:

Receivable Fund	Payable Fund		Amount
School Operating Fund	Other Governmental Funds	$	276,622
School Operating Fund	Full-Service Community Schools SRF		165,376
Other Governmental Funds	School Operating Fund		439,458
		$	881,456

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.

Transfer Out	Transfer In		Amount
School Operating Fund	Foxes Den Enterprise Fund	$	272,855
Other Governmental Funds	School Operating Fund		5,288
		$	278,143

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

In fiscal year 2025 the District transferred funds from the School Operating Fund to the Foxes Den Enterprise Fund which carried a negative fund balance in the prior period. This transfer was made to close out the Enterprise Fund.

E. Deficit Fund Balance

At June 30, 2025 the Staff Housing Special Revenue Fund had deficit fund balance of $20,849 and the USDA Farm to School has a deficit fund balance of $30,232. These deficits are expected to be covered by transfers of fund balance from the School Operating Fund.

E. Fund Balances

Fund balances, reported for the major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints:

	School Operating Fund	Other Governmental Funds	Totals
Nonspendable:			
Inventory	$ 21,592	5,475	27,067
Prepaid expenses	7,846	1,883	9,729
Total non-spendable	29,438	7,358	36,796
Committed:			
Food service	-	15,708	15,708
Pupil transportation	-	141,633	141,633
Post secondary survival	-	36,605	36,605
Student activities	-	111,590	111,590
Special capital projects	-	141,537	141,537
Playground improvements	-	2,780	2,780
Staff housing repairs	-	2,403	2,403
Kitchen maintenance	-	5,679	5,679
Total committed	-	457,935	457,935
Unassigned	64,056	(52,964)	11,092
Total Fund Balances	$ 93,494	412,329	505,823

III. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to worker's compensation, torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District mitigates significant risk of loss through the acquisition of commercial insurance policies. With the exception of fire, earthquake and flood insurance the deductibles are minimal. There were no outstanding claims or liabilities at the end of the current period. The District's employee health costs are covered through commercial insurance policies.

The District has elected the reimbursable method of accounting for Employment Security Compensation (ESC). Under this method, the actual costs of ESC are reimbursed to the State of Alaska, Department of Labor. The District records the liability for the accrued unpaid portion of these claims.

B. Contingent Liabilities

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

C. Employee Retirement Systems and Plans

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

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

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

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

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

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

Plan Memberships

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

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

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

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

Occupational Death and Disability Plan (ODD)

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

Retiree Medical Plan (RMP)

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

Health Reimbursement Arrangement Plan (HRA)

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

Investments

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

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

Rate of Return

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	134,443	8,933	143,376

Public Employees' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed $44,965 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of $105,195 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

Defined Benefit:	Pension
District's proportionate share of the net pension liability	$ 1,591,762
State's proportionate share of the net pension liability	595,780
Total	$ 2,187,542
	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (639,316)
State's proportionate share of the ARHCT OPEB liability (asset)	(239,744)
Total	$ (879,060)
District's proportionate share of the ODD OPEB liability (asset)	$ (21,923)
District's proportionate share of the RMP OPEB liability (asset)	$ (20,583)
Total District's share of net pension and OPEB liabilities and assets	$ 909,940

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

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.02902%	0.02963%	(0.00061)%
OPEB:			
ARHCT	0.02903%	0.02970%	(0.00067)%
ODD	0.03672%	0.03509%	0.00163%
RMP	0.04416%	0.04203%	0.00213%

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of $286,906 and $23,042, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	15,323	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	134,443	-
Total	$ 149,766	-

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 346	-
Changes of assumptions	17,165	-
Net difference between projected and actual earnings on OPEB plan investments	9,736	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,427	-
District contributions subsequent to the measurement date	-	-
Total	$ 29,674	-

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(5,136)
Changes of assumptions	-	(54)
Net difference between projected and actual earnings on OPEB plan investments	70	-
Changes in proportion and differences between District contributions and proportionate share of contributions	402	(2,257)
District contributions subsequent to the measurement date	2,004	-
Total	$ 2,476	(7,447)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 518	(2,287)
Changes of assumptions	6,965	(13,837)
Net difference between projected and actual earnings on OPEB plan investments	290	-
Changes in proportion and differences between District contributions and proportionate share of contributions	235	(594)
District contributions subsequent to the measurement date	6,929	-
Total	$ 14,937	(16,718)

$134,443 and $8,933 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	$ (42,662)	(16,000)	(1,832)	(2,923)
2026	79,423	64,483	(1,039)	13
2027	(11,724)	(10,335)	(1,387)	(3,081)
2028	(9,714)	(8,474)	(1,248)	(2,148)
2029	-	-	(873)	(1,221)
Thereafter	-	-	(596)	650
Total	$ 15,323	29,674	(6,975)	(8,710)

For the year ended June 30, 2025, the District recognized $(64,726) and $(13,424) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

		1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$	2,120,377	1,591,762	1,144,427
Net OPEB ARHCT liability (asset)	$	(404,805)	(639,316)	(836,662)
Net OPEB ODD liability (asset)	$	(20,591)	(21,923)	(22,966)
Net OPEB RMP liability (asset)	$	3,566	(20,583)	(39,041)

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

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(859,192)	(639,316)	(378,118)
Net OPEB ODD liability (asset)	$	N/A	(21,923)	N/A
Net OPEB RMP liability (asset)	$	(41,477)	(20,583)	7,452

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $88,901 for the year ended June 30, 2025, which included forfeitures of $9,637 which have been applied as employer contributions.

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	35,998	12,158	48,156

Teachers' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed $253,022 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of $241,363 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

Defined Benefit:		Pension
District's proportionate share of the net pension liability	$	866,576
State's proportionate share of the net pension liability		1,493,946
Total	$	2,360,522
		OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$	(483,331)
State's proportionate share of the ARHCT OPEB liability (asset)		(788,040)
Total	$	(1,271,371)
District's proportionate share of the ODD OPEB liability (asset)	$	(24,112)
District's proportionate share of the RMP OPEB liability (asset)	$	(68,010)
Total District's share of net pension and OPEB liabilities and assets	$	291,123

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

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.04685%	0.05513%	(0.00828)%
OPEB:			
ARHCT	0.04845%	0.05610%	(0.00765)%
ODD	0.30262%	0.24241%	0.06021%
RMP	0.30245%	0.24261%	0.05984%

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of $180,050 and $81,166, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	14,448	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	35,998	-
Total	$ 50,446	-

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(118)
Changes of assumptions	5,707	-
Net difference between projected and actual earnings on OPEB plan investments	6,124	-
Changes in proportion and differences between District contributions and proportionate share of contributions	7,237	-
District contributions subsequent to the measurement date	-	-
Total	$ 19,068	(118)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(3,810)
Changes of assumptions	-	(34)
Net difference between projected and actual earnings on OPEB plan investments	102	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,741	(5,328)
District contributions subsequent to the measurement date	1,280	-
Total	$ 3,123	(9,172)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,494	(4,632)
Changes of assumptions	12,689	(26,390)
Net difference between projected and actual earnings on OPEB plan investments	968	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,200	(13,121)
District contributions subsequent to the measurement date	10,878	-
Total	$ 37,229	(44,143)

$35,998 and $12,158 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	$ (39,837)	(9,706)	(1,418)	(5,865)
2026	72,625	40,922	(751)	867
2027	(9,914)	(6,739)	(1,279)	(4,804)
2028	(8,426)	(5,527)	(1,052)	(4,371)
2029	-	-	(970)	(1,880)
Thereafter	-	-	(1,859)	(1,739)
Total	$ 14,448	18,950	(7,329)	(17,792)

For the year ended June 30, 2025, the District recognized $(176,164) and $54,840 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

		1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$	1,257,169	866,576	535,936
Net OPEB ARHCT liability (asset)	$	(333,112)	(483,331)	(609,039)
Net OPEB ODD liability (asset)	$	(24,191)	(24,112)	(24,064)
Net OPEB RMP liability (asset)	$	(17,951)	(68,010)	(105,810)

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

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(622,764)	(483,331)	(316,747)
Net OPEB ODD liability (asset)	$	N/A	(24,112)	N/A
Net OPEB RMP liability (asset)	$	(110,377)	(68,010)	(10,649)

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $160,338 for the year ended June 30, 2025, which included forfeitures of $4,095 which have been applied as employer contributions.

D. Subsequent Accounting Pronouncements

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

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

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

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

E. Implementation of new accounting standards GASB statement No. 101

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

	Governmental Funds	Governmental Activities
Net position, beginning of year July 1, 2024	$ 984,048	$ 4,747,235
Change in accounting principle:		
Compensated absences	19,748	(22,740)
Net position, as adjusted	$ 1,003,796	$ 4,724,495

REQUIRED SUPPLEMENTARY INFORMATION

CHATHAM SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget-Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Charges for services	$ 2,000	2,000	4,472	2,472
Interest income	100	100	50	(50)
E-rate	357,588	357,588	365,357	7,769
Other local revenues	42,000	42,000	89,271	47,271
Intergovernmental:				
State of Alaska	4,177,014	4,177,014	4,245,426	68,412
Federal sources	185,654	185,654	199,607	13,953
Total revenues	4,764,356	4,764,356	4,904,183	139,827
Expenditures -				
Current:				
Instruction	1,588,089	1,588,089	1,736,034	(147,945)
Special education instruction	504,687	504,687	495,647	9,040
Special education support services - students	106,908	106,908	100,786	6,122
Support services - students	3,000	3,000	2,757	243
Support services - instruction	544,973	544,973	511,582	33,391
School administration	351,368	351,368	367,800	(16,432)
School administration support services	187,472	187,472	190,204	(2,732)
District administration	342,824	342,824	367,111	(24,287)
District administration support services	247,115	247,115	283,741	(36,626)
Operations and maintenance of plant	845,478	845,478	846,561	(1,083)
Student activities	113,485	113,485	110,286	3,199
Total expenditures	4,835,399	4,835,399	5,012,509	(177,110)
Excess (deficiency) of revenues over (under) expenditures	(71,043)	(71,043)	(108,326)	(37,283)
Other financing sources (uses):				
Transfers out - Foxes Den Enterprise Fund	-	-	(272,855)	(272,855)
Transfers in - FEMA Special Revenue Fund	-	-	5,288	5,288
Net other financing sources (uses)	-	-	(267,567)	(267,567)
Net change in fund balance	$ (71,043)	(71,043)	(375,893)	(304,850)
Fund balance, beginning of year, as originally stated			449,639	
Change in accounting principle			19,748	
Fund balance, beginning of year, as restated			469,387	
Fund balance, end of year			$ 93,494	

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Full-Service Community Schools Special Revenue Fund

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

Year Ended June 30, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 1,287,897	609,933	(677,964)
Expenditures -			
Current -			
Instruction	1,287,897	609,933	677,964
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0383%	$ 1,856,960	$ 4,999,735	$ 6,856,695	$ 504,163	368.33%	63.96%
2017	0.0243%	$ 1,356,902	$ 167,241	$ 1,524,143	$ 569,881	238.10%	59.55%
2018	0.0225%	$ 1,160,561	$ 431,147	$ 1,591,708	$ 612,939	189.34%	63.37%
2019	0.0258%	$ 1,279,711	$ 371,022	$ 1,650,733	$ 634,083	201.82%	65.19%
2020	0.0249%	$ 1,361,108	$ 540,251	$ 1,901,359	$ 639,133	212.96%	63.42%
2021	0.0224%	$ 1,322,588	$ 546,749	$ 1,869,337	$ 621,045	212.96%	61.61%
2022	0.0232%	$ 850,374	$ 115,919	$ 966,293	$ 602,053	141.25%	76.46%
2023	0.0222%	$ 1,132,625	$ 312,605	$ 1,445,230	$ 769,127	147.26%	67.97%
2024	0.0296%	$ 1,536,429	$ 514,341	$ 2,050,770	$ 909,158	168.99%	68.23%
2025	0.0290%	$ 1,591,762	$ 595,780	$ 2,187,542	$ 973,228	163.55%	67.81%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0224%	$ 189,262	$ 71,042	$ 260,304	$ 612,939	30.88%	89.68%
2019	0.2571%	$ 263,814	$ 77,136	$ 340,950	$ 634,083	41.61%	88.12%
2020	0.0248%	$ 36,788	$ 14,802	$ 51,590	$ 639,133	5.76%	98.13%
2021	0.0223%	$ (101,822)	$ (41,958)	$ (143,780)	$ 621,045	-16.40%	106.15%
2022	0.0233%	$ (598,323)	$ (80,057)	$ (678,380)	$ 602,053	-99.38%	135.54%
2023	0.0220%	$ (433,137)	$ (123,324)	$ (556,461)	$ 769,127	-56.32%	128.51%
2024	0.0297%	$ (682,282)	$ (229,495)	$ (911,777)	$ 909,158	-75.05%	133.96%
2025	0.0290%	$ (639,316)	$ (239,744)	$ (879,060)	$ 973,228	-65.69%	130.59%
Occupational Death and Disability (ODD):							
2018	0.0332%	$ 1,731	$ -	$ 1,731	$ 612,939	0.28%	212.97%
2019	0.0355%	$ 4,520	$ -	$ 4,520	$ 634,083	0.71%	270.62%
2020	0.0344%	$ 8,217	$ -	$ 8,217	$ 639,133	1.29%	297.43%
2021	0.0319%	$ 2,265	$ -	$ 2,265	$ 621,045	0.36%	283.80%
2022	0.0317%	$ (8,508)	$ -	$ (8,508)	$ 602,053	-1.41%	374.22%
2023	0.0325%	$ (14,225)	$ -	$ (14,225)	$ 769,127	-1.85%	348.80%
2024	0.0351%	$ (18,001)	$ -	$ (18,001)	$ 909,158	-1.98%	349.24%
2025	0.0367%	$ (21,923)	$ -	$ (21,923)	$ 973,228	-2.25%	346.81%
Retiree Medical Plan (RMP):							
2018	0.0332%	$ (4,710)	$ -	$ (4,710)	$ 345,719	-1.36%	93.98%
2019	0.0355%	$ (6,898)	$ -	$ (6,898)	$ 402,001	-1.72%	88.71%
2020	0.0273%	$ (6,620)	$ -	$ (6,620)	$ 428,792	-1.54%	83.17%
2021	0.0256%	$ (6,975)	$ -	$ (6,975)	$ 431,507	-1.62%	92.23%
2022	0.0269%	$ (11,864)	$ -	$ (11,864)	$ 463,204	-2.56%	115.10%
2023	0.0382%	$ (13,264)	$ -	$ (13,264)	$ 603,949	-2.20%	120.08%
2024	0.0420%	$ (19,956)	$ -	$ (19,956)	$ 374,245	-5.33%	124.29%
2025	0.0442%	$ (20,583)	$ -	$ (20,583)	$ 425,025	-4.84%	119.87%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 47,840	$ (47,840)	$ -	$ 569,881	8.39%
2017	$ 59,024	$ (59,024)	$ -	$ 612,939	9.63%
2018	$ 62,992	$ (62,992)	$ -	$ 634,083	9.93%
2019	$ 55,145	$ (54,303)	$ 842	$ 639,133	8.63%
2020	$ 55,573	$ (55,225)	$ 348	$ 621,045	8.95%
2021	$ 53,177	$ (53,177)	$ -	$ 602,053	8.83%
2022	$ 75,566	$ (75,566)	$ -	$ 769,127	9.82%
2023	$ 102,708	$ (107,670)	$ (4,962)	$ 909,158	11.30%
2024	$ 111,434	$ (109,587)	$ 1,847	$ 973,228	11.45%
2025	$ 133,001	$ (134,443)	$ (1,442)	$ 1,055,803	12.60%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 17,955	$ (17,955)	$ -	$ 634,083	2.83%
2019	$ 17,963	$ (17,963)	$ -	$ 639,133	2.81%
2020	$ 22,023	$ (22,023)	$ -	$ 621,045	3.55%
2021	$ 10,471	$ (10,471)	$ -	$ 602,053	1.74%
2022	$ 10,735	$ (10,735)	$ -	$ 769,127	1.40%
2023	$ -	$ -	$ -	$ 909,158	0.00%
2024	$ -	$ -	$ -	$ 973,228	0.00%
2025	$ -	$ -	$ -	$ 1,055,803	0.00%
Occupational Death and Disability (ODD):					
2018	$ 643	$ (643)	$ -	$ 634,083	0.10%
2019	$ 1,115	$ (1,115)	$ -	$ 639,133	0.17%
2020	$ 1,199	$ (1,199)	$ -	$ 621,045	0.19%
2021	$ 1,436	$ (1,436)	$ -	$ 602,053	0.24%
2022	$ 1,872	$ (1,872)	$ -	$ 769,127	0.24%
2023	$ 2,149	$ (2,149)	$ -	$ 909,158	0.24%
2024	$ 2,520	$ (2,520)	$ -	$ 973,228	0.26%
2025	$ 2,004	$ (2,004)	$ -	$ 1,055,803	0.19%
Retiree Medical Plan (RMP):					
2018	$ 4,141	$ (4,141)	$ -	$ 402,001	1.03%
2019	$ 4,031	$ (4,031)	$ -	$ 428,792	0.94%
2020	$ 5,976	$ (5,976)	$ -	$ 431,507	1.38%
2021	$ 5,883	$ (5,883)	$ -	$ 463,204	1.27%
2022	$ 6,462	$ (6,462)	$ -	$ 603,949	1.07%
2023	$ 7,881	$ (7,881)	$ -	$ 374,245	2.11%
2024	$ 8,498	$ (8,498)	$ -	$ 425,025	2.00%
2025	$ 6,929	$ (6,929)	$ -	$ 404,097	1.71%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0456%	$ 847,808	$ 1,356,385	$ 2,204,193	$ 1,312,597	64.59%	73.82%
2017	0.0717%	$ 1,637,192	$ 1,939,716	$ 3,576,908	$ 1,354,162	120.90%	68.40%
2018	0.0658%	$ 1,332,534	$ 2,323,173	$ 3,655,707	$ 1,331,515	100.08%	72.39%
2019	0.0640%	$ 1,225,605	$ 1,820,630	$ 3,046,235	$ 1,331,103	92.07%	74.09%
2020	0.0661%	$ 1,235,295	$ 1,831,682	$ 3,066,977	$ 1,278,509	96.62%	74.68%
2021	0.0441%	$ 896,419	$ 1,554,451	$ 2,450,870	$ 1,149,604	77.98%	72.81%
2022	0.0808%	$ 643,257	$ 546,042	$ 1,189,299	$ 1,417,616	45.38%	89.43%
2023	0.0445%	$ 741,218	$ 989,005	$ 1,730,223	$ 1,248,818	59.35%	78.33%
2024	0.0551%	$ 969,405	$ 1,531,289	$ 2,500,694	$ 1,633,789	59.33%	77.62%
2025	0.0469%	$ 866,576	$ 1,493,946	$ 2,360,522	$ 1,739,747	49.81%	77.07%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0224%	$ 189,262	$ 71,042	$ 260,304	$ 1,331,515	14.21%	93.75%
2019	0.0257%	$ 263,814	$ 77,136	$ 340,950	$ 1,331,103	19.82%	90.23%
2020	0.0248%	$ 36,788	$ 14,802	$ 51,590	$ 1,278,509	2.88%	105.50%
2021	0.0223%	$ (101,822)	$ (41,958)	$ (143,780)	$ 1,149,604	-8.86%	113.78%
2022	0.2333%	$ (598,323)	$ (80,057)	$ (678,380)	$ 1,417,616	-42.21%	145.41%
2023	0.0453%	$ (397,376)	$ (509,993)	$ (907,369)	$ 1,248,818	-31.82%	134.84%
2024	0.0561%	$ (566,965)	$ (864,120)	$ (1,431,085)	$ 1,633,789	-34.70%	140.49%
2025	0.0485%	$ (483,331)	$ (788,040)	$ (1,271,371)	$ 1,739,747	-27.78%	137.40%
Occupational Death and Disability (ODD):							
2018	0.0332%	$ 1,731	$ -	$ 1,731	$ 1,331,515	0.13%	1342.59%
2019	0.0355%	$ 4,520	$ -	$ 4,520	$ 1,331,103	0.34%	1304.81%
2020	0.0344%	$ 8,217	$ -	$ 8,217	$ 1,278,509	0.64%	1409.77%
2021	0.0319%	$ 2,265	$ -	$ 2,265	$ 1,149,604	0.20%	931.08%
2022	0.0317%	$ (8,508)	$ -	$ (8,508)	$ 1,417,616	-0.60%	1254.36%
2023	0.2005%	$ (12,111)	$ -	$ (12,111)	$ 1,248,818	-0.97%	1268.28%
2024	0.2424%	$ (16,772)	$ -	$ (16,772)	$ 1,633,789	-1.03%	1410.42%
2025	0.3026%	$ (24,112)	$ -	$ (24,112)	$ 1,739,747	-1.39%	1600.56%
Retiree Medical Plan (RMP):							
2018	0.0332%	$ (4,710)	$ -	$ (4,710)	$ 862,144	-0.55%	118.16%
2019	0.0355%	$ (6,898)	$ -	$ (6,898)	$ 849,788	-0.81%	109.56%
2020	0.0273%	$ (6,620)	$ -	$ (6,620)	$ 988,720	-0.67%	110.03%
2021	0.0256%	$ (6,975)	$ -	$ (6,975)	$ 991,217	-0.70%	125.59%
2022	0.0269%	$ (11,864)	$ -	$ (11,864)	$ 1,124,077	-1.06%	142.54%
2023	0.2002%	$ (38,762)	$ -	$ (38,762)	$ 985,411	-3.93%	140.73%
2024	0.2426%	$ (53,740)	$ -	$ (53,740)	$ 1,072,191	-5.01%	140.71%
2025	0.3025%	$ (68,010)	$ -	$ (68,010)	$ 1,383,234	-4.92%	134.72%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 47,946	$ (47,946)	$ -	$ 1,354,162	3.54%
2017	$ 42,348	$ (42,348)	$ -	$ 1,331,515	3.18%
2018	$ 59,845	$ (59,845)	$ -	$ 1,331,103	4.50%
2019	$ 30,863	$ (16,403)	$ 14,460	$ 1,278,509	2.41%
2020	$ 40,325	$ (49,251)	$ (8,926)	$ 1,149,604	3.51%
2021	$ 32,386	$ (32,386)	$ -	$ 1,417,616	2.28%
2022	$ 31,902	$ (31,902)	$ -	$ 1,248,818	2.55%
2023	$ 53,605	$ (57,601)	$ (3,996)	$ 1,633,789	3.28%
2024	$ 47,054	$ (29,638)	$ 17,416	$ 1,739,747	2.70%
2025	$ 48,622	$ (35,998)	$ 12,624	$ 1,659,985	2.93%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 23,646	$ (23,646)	$ -	$ 1,331,103	1.78%
2019	$ 14,277	$ (14,277)	$ -	$ 1,278,509	1.12%
2020	$ 22,072	$ (22,072)	$ -	$ 1,149,604	1.92%
2021	$ 19,932	$ (19,932)	$ -	$ 1,417,616	1.41%
2022	$ 17,220	$ (17,220)	$ -	$ 1,248,818	1.38%
2023	$ 1,102	$ (1,102)	$ -	$ 1,633,789	0.07%
2024	$ -	$ -	$ -	$ 1,739,747	0.00%
2025	$ -	$ -	$ -	$ 1,659,985	0.00%
Occupational Death and Disability (ODD):					
2018	$ -	$ -	$ -	$ 1,331,103	0.00%
2019	$ -	$ -	$ -	$ 1,278,509	0.00%
2020	$ 791	$ (791)	$ -	$ 1,149,604	0.07%
2021	$ 971	$ (971)	$ -	$ 1,417,616	0.07%
2022	$ 899	$ (899)	$ -	$ 1,248,818	0.07%
2023	$ 996	$ (996)	$ -	$ 1,633,789	0.06%
2024	$ 1,346	$ (1,346)	$ -	$ 1,739,747	0.08%
2025	$ 1,280	$ (1,280)	$ -	$ 1,659,985	0.08%
Retiree Medical Plan (RMP):					
2018	$ 7,733	$ (7,733)	$ -	$ 849,788	0.91%
2019	$ 7,811	$ (7,811)	$ -	$ 988,720	0.79%
2020	$ 12,562	$ (12,562)	$ -	$ 991,217	1.27%
2021	$ 10,454	$ (10,454)	$ -	$ 1,124,077	0.93%
2022	$ 8,179	$ (8,179)	$ -	$ 985,411	0.83%
2023	$ 10,837	$ (10,837)	$ -	$ 1,072,191	1.01%
2024	$ 13,795	$ (13,795)	$ -	$ 1,383,234	1.00%
2025	$ 10,878	$ (10,878)	$ -	$ 1,276,579	0.85%

See accompanying notes to Required Supplementary Information.

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

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

1. Annual budgets for operation are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting.
2. The adopted School Operating Fund budget is submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.
3. The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The originally adopted budget and the final revised and approved budget are presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget and functional areas of expenditures are not to be overspent. Annual appropriations for the School Operating Fund lapse at fiscal year-end.
4. 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. The amount of encumbrances, if significant, is disclosed in the notes to the Basic Financial Statements as commitments. As of June 30, 2025, the District did not have any encumbrances.

Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following major funds:

School Operating Fund:		
Instruction	$	(147,945)
School administration	$	(16,432)
School administration support services	$	(2,732)
District administration	$	(24,287)
District admin support services	$	(36,626)
Operations and maintenance of plant	$	(1,083)

2. Public Employees' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

3. Teachers' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

SUPPLEMENTARY INFORMATION

CHATHAM SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Local sources:			
Charges for services	$ 2,000	4,472	2,472
Earnings on investments	100	50	(50)
E-rate	357,588	365,357	7,769
Other local revenues	42,000	89,271	47,271
Total local sources	401,688	459,150	57,462
State sources:			
Foundation program	3,519,341	3,526,856	7,515
Quality schools	9,643	9,643	-
HB 268 one-time grant	409,836	409,836	-
TRS on-behalf payment	206,144	253,022	46,878
PERS on-behalf payment	31,050	44,966	13,916
Other	1,000	1,103	103
Total state sources	4,177,014	4,245,426	68,412
Federal sources:			
National forest receipts	-	6,132	6,132
Impact aid	185,654	193,475	7,821
Total federal sources	185,654	199,607	13,953
Total revenues	4,764,356	4,904,183	139,827
Expenditures:			
Current:			
Instruction:			
Certificated salaries	780,823	863,095	(82,272)
Non-certificated salaries	143,864	166,348	(22,484)
Employee benefits	475,668	544,217	(68,549)
Housing allowance/subsidy	27,950	9,710	18,240
Professional and technical services	43,752	43,135	617
Staff travel	27,358	30,629	(3,271)
Student travel	592	592	-
Utility services	3,000	88	2,912
Energy	-	586	(586)
Other purchased services	63,250	47,044	16,206
Supplies, materials and media	16,890	18,261	(1,371)
Other expenses	4,942	12,329	(7,387)
Total instruction	1,588,089	1,736,034	(147,945)
Special education instruction:			
Certificated salaries	158,091	174,204	(16,113)
Non-certificated salaries	173,163	151,314	21,849
Employee benefits	161,418	158,858	2,560
Housing allowance/subsidy	7,200	4,000	3,200
Professional and technical services	-	59	(59)
Staff travel	-	2,219	(2,219)
Supplies, materials and media	4,815	4,993	(178)
Total special education instruction	504,687	495,647	9,040

(continued)

CHATHAM 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:			
Current:			
Special education support services - students:			
Certificated salaries	20,000	5,000	15,000
Employee benefits	8,408	2,250	6,158
Professional and technical services	70,000	88,440	(18,440)
Staff travel	6,000	5,096	904
Other expenses	2,500	-	2,500
Total special education support services - students	106,908	100,786	6,122
Support services - students -			
Employee benefits	3,000	2,757	243
Support services - instruction:			
Professional and technical services	102,000	100,786	1,214
Utility services	441,488	407,725	33,763
Energy	-	289	(289)
Other purchased services	-	575	(575)
Supplies, materials and media	725	1,303	(578)
Other expenses	760	904	(144)
Total support services - instruction	544,973	511,582	33,391
School administration:			
Certificated salaries	192,075	191,975	100
Employee benefits	95,408	87,587	7,821
Professional and technical services	9,585	12,736	(3,151)
Staff travel	13,500	16,518	(3,018)
Student travel	-	435	(435)
Utility services	20,000	26,159	(6,159)
Energy	-	1,215	(1,215)
Other purchased services	19,000	27,230	(8,230)
Supplies, materials and media	1,320	1,692	(372)
Other expenses	480	2,253	(1,773)
Total school administration	351,368	367,800	(16,432)
School administration support services:			
Non-certificated salaries	101,910	111,838	(9,928)
Employee benefits	77,661	74,879	2,782
Staff travel	5,278	869	4,409
Supplies, materials and media	2,623	2,618	5
Total school administration support services	187,472	190,204	(2,732)
District administration:			
Certificated salaries	121,140	105,997	15,143
Non-certificated salaries	78,111	98,847	(20,736)
Employee benefits	96,238	98,273	(2,035)
Professional and technical services	500	-	500
Staff travel	33,000	37,893	(4,893)
Utility services	1,500	-	1,500
Supplies, materials and media	1,100	1,001	99
Other expenses	11,235	25,100	(13,865)
Total district administration	342,824	367,111	(24,287)

(continued)

CHATHAM 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:			
Current:			
District administration support services:			
Non-certificated salaries	96,830	93,124	3,706
Employee benefits	42,126	35,088	7,038
Professional and technical services	112,838	142,517	(29,679)
Staff travel	2,000	3,629	(1,629)
Utilities services	500	11	489
Other purchased services	2,000	1,031	969
Insurance and bond premiums	56,525	56,525	-
Supplies, materials and media	1,196	1,419	(223)
Other expenses	8,100	14,513	(6,413)
Indirect cost recovery	(75,000)	(64,116)	(10,884)
Total district administration support services	247,115	283,741	(36,626)
Operations and maintenance of plant:			
Non-certificated salaries	166,823	178,080	(11,257)
Employee benefits	71,882	75,890	(4,008)
Professional and technical services	16,250	6,909	9,341
Staff travel	1,500	2,423	(923)
Utility services	37,680	51,345	(13,665)
Energy	361,575	319,802	41,773
Other purchased services	26,200	38,152	(11,952)
Insurance and bond premiums	112,384	114,382	(1,998)
Supplies, materials and media	24,635	33,042	(8,407)
Other expenses	189	176	13
Equipment	26,360	26,360	-
Total operations and maintenance of plant	845,478	846,561	(1,083)
Student activities:			
Certificated salaries	15,000	10,985	4,015
Non-certificated salaries	14,000	8,300	5,700
Employee benefits	8,240	5,282	2,958
Staff travel	2,000	2,520	(520)
Student travel	70,000	75,402	(5,402)
Supplies, materials and media	2,700	5,733	(3,033)
Other expenses	1,545	2,064	(519)
Total student activities	113,485	110,286	3,199
Total expenditures	4,835,399	5,012,509	(177,110)
Excess (deficiency) of revenues over (under) expenditures	(71,043)	(108,326)	(37,283)
Other financing sources (uses):			
Transfers out - Foxes Den Enterprise Fund	-	(272,855)	(272,855)
Transfers in - FEMA Special Revenue Fund	-	5,288	5,288
Net other financing sources (uses)	-	(267,567)	(267,567)
Net change in fund balance	$ (71,043)	(375,893)	(304,850)
Fund balance, beginning of year, as originally stated		449,639	
Change in accounting principle		19,748	
Fund balance, beginning of year, as restated		469,387	
Fund balance, end of year		$ 93,494	

Exhibit H-2

CHATHAM SCHOOL DISTRICT

Full-Service Community Schools Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 1,287,897	609,933	(677,964)
Expenditures - current:			
Instruction:			
Certificated salaries	371,125	107,823	263,302
Non-certificated salaries	217,147	186,137	31,010
Employee benefits	94,594	77,395	17,199
Professional and technical services	458,495	107,938	350,557
Staff travel	44,424	60,555	(16,131)
Student travel	-	12,183	(12,183)
Supplies, materials and media	67,465	52,928	14,537
Other expenses	34,647	4,974	29,673
Total expenditures	1,287,897	609,933	677,964
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-1

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2025

Assets	Special Revenue Funds						
	Student Transportation	Stronger Connections	Southeast Conference Microgrant	Hunter Education	Food Service	Title VI-B IDEA	Title I-A Basic
Cash and cash equivalents	$ -	-	-	-	-	-	-
Accounts receivable	-	27,363	11,820	-	3,135	10,544	35,987
Due from School Operating Fund	150,974	-	-	7,959	12,573	37,441	-
Prepaid expenses	-	-	-	-	-	-	1,203
Inventory	-	-	-	-	5,475	-	-
	150,974	27,363	11,820	7,959	21,183	47,985	37,190
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	9,341	20,227	2,441	-	-	47,985	-
Unearned revenue	-	-	-	7,959	-	-	-
Due to School Operating Fund	-	7,136	9,379	-	-	-	37,190
Total liabilities	9,341	27,363	11,820	7,959	-	47,985	37,190
Fund balances:							
Nonspendable	-	-	-	-	5,475	-	1,203
Committed	141,633	-	-	-	15,708	-	-
Unassigned	-	-	-	-	-	-	(1,203)
Total fund balances	141,633	-	-	-	21,183	-	-
Total liabilities and fund balances	$ 150,974	27,363	11,820	7,959	21,183	47,985	37,190

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets		Special Revenue Funds					
		SISD Literacy	Carl Perkins	Title II-A Teacher and Principal Training	NFF YCC	Tlingit Native Language	ACA - Staying North
Cash and cash equivalents	$	-	-	-	-	-	-
Accounts receivable		4,256	11,198	6,500	-	138,014	36,647
Due from School Operating Fund		-	-	-	25,923	-	-
Prepaid expenses		-	-	-	-	-	680
Inventory		-	-	-	-	-	-
		4,256	11,198	6,500	25,923	138,014	37,327
Liabilities and Fund Balances							
Liabilities:							
Accounts payable		500	-	4,917	9,362	13,232	19,955
Unearned revenue		-	-	-	16,561	-	-
Due to School Operating Fund		3,756	11,198	1,583	-	124,782	17,372
Total liabilities		4,256	11,198	6,500	25,923	138,014	37,327
Fund balances:							
Nonspendable		-	-	-	-	-	680
Committed		-	-	-	-	-	-
Unassigned		-	-	-	-	-	(680)
Total fund balances		-	-	-	-	-	-
Total liabilities and fund balances	$	4,256	11,198	6,500	25,923	138,014	37,327

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Special Revenue Funds: Indian Education	USDA Farm to School	Staff Housing	Post Secondary Survival	Student Activities	Total Special Revenue Funds
Cash and cash equivalents	$ -	-	8,827	-	111,640	120,467
Accounts receivable	-	34,487	-	-	-	319,951
Due from School Operating Fund	12,607	-	2,977	36,605	-	287,059
Prepaid expenses	-	-	-	-	-	1,883
Inventory	-	-	-	-	-	5,475
	12,607	34,487	11,804	36,605	111,640	734,835
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	4,596	493	32,453	-	50	165,552
Unearned revenue	8,011	-	200	-	-	32,731
Due to School Operating Fund	-	64,226	-	-	-	276,622
Total liabilities	12,607	64,719	32,653	-	50	474,905
Fund balances:						
Nonspendable	-	-	-	-	-	7,358
Committed	-	-	-	36,605	111,590	305,536
Unassigned	-	(30,232)	(20,849)	-	-	(52,964)
Total fund balances	-	(30,232)	(20,849)	36,605	111,590	259,930
Total liabilities and fund balances	$ 12,607	34,487	11,804	36,605	111,640	734,835

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Capital Project Funds: Special Capital Projects	TKE Playground Improvements	Staff Housing Repairs	Kitchen Maintenance	Total Capital Project Funds	Total Other Governmental Funds
Cash and cash equivalents	$ -	-	-	-	-	120,467
Accounts receivable	-	-	-	-	-	319,951
Due from School Operating Fund	141,537	2,780	2,403	5,679	152,399	439,458
Prepaid expenses	-	-	-	-	-	1,883
Inventory	-	-	-	-	-	5,475
	141,537	2,780	2,403	5,679	152,399	887,234
Liabilities and Fund Balances						
Balances						
Liabilities:						
Accounts payable	-	-	-	-	-	165,552
Unearned revenue	-	-	-	-	-	32,731
Due to School Operating Fund	-	-	-	-	-	276,622
Total liabilities	-	-	-	-	-	474,905
Fund balances:						
Nonspendable	-	-	-	-	-	7,358
Committed	141,537	2,780	2,403	5,679	152,399	457,935
Unassigned	-	-	-	-	-	(52,964)
Total fund balances	141,537	2,780	2,403	5,679	152,399	412,329
Total liabilities and fund balances	$ 141,537	2,780	2,403	5,679	152,399	887,234

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2025

	Special Revenue Funds						
	Student Transportation	Stronger Connections	Broadband Assistance Grant	Eco Trust	Southeast Conference Microgrant	Hunter Education	Safety and Well Being
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	5,797	11,820	-	-
Intergovernmental:							
State of Alaska	48,806	-	9,558	-	-	17,765	-
Federal sources:							
Pass through	-	27,363	-	-	-	-	2,708
Direct	-	-	-	-	-	-	-
Total revenues	48,806	27,363	9,558	5,797	11,820	17,765	2,708
Expenditures:							
Current:							
Instruction	-	25,909	-	5,797	11,192	17,765	2,564
Special education support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	9,558	-	-	-	-
District administration support services	-	1,454	-	-	628	-	144
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	96,009	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	96,009	27,363	9,558	5,797	11,820	17,765	2,708
Excess (deficiency) of revenues over (under) expenditures	(47,203)	-	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	-	-	-
Net change in fund balance	(47,203)	-	-	-	-	-	-
Fund balances, beginning of year	188,836	-	-	-	-	-	-
Fund balances, end of year	$ 141,633	-	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds						
	EHCY Travel	Food Service	Fresh Fruit and Vegetable Program	Section 619 Special Education	Title VI-B IDEA	Title I-A Basic	SISD Literacy
Revenues:							
Local sources:							
Charges for services	$ -	371	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Pass through	437	33,065	480	1,939	47,689	56,658	16,916
Direct	-	-	-	-	-	-	-
Total revenues	437	33,436	480	1,939	47,689	56,658	16,916
Expenditures:							
Current:							
Instruction	414	-	-	-	-	53,648	16,916
Special education support services - students	-	-	-	1,836	45,156	-	-
Support services - instruction	-	-	-	-	-	-	-
District administration support services	23	-	-	103	2,533	3,010	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Food services	-	102,080	480	-	-	-	-
Total expenditures	437	102,080	480	1,939	47,689	56,658	16,916
Excess (deficiency) of revenues over (under) expenditures	-	(68,644)	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	-	-	-
Net change in fund balance	-	(68,644)	-	-	-	-	-
Fund balances, beginning of year	-	89,827	-	-	-	-	-
Fund balances, end of year	$ -	21,183	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds						
	Carl Perkins	Title II-A Teacher and Principal Training	ARP After School	NFF YCC	FEMA	Tlingit Native Language	ACA - Staying North
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Pass through	15,067	9,514	62,436	57,046	-	-	499,471
Direct	-	-	-	-	-	462,281	-
Total revenues	15,067	9,514	62,436	57,046	-	462,281	499,471
Expenditures:							
Current:							
Instruction	14,349	9,009	61,123	54,011	-	439,085	475,593
Special education support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-
District administration support services	718	505	1,313	3,035	-	23,196	23,878
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	15,067	9,514	62,436	57,046	-	462,281	499,471
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	(5,288)	-	-
Net change in fund balance	-	-	-	-	(5,288)	-	-
Fund balances, beginning of year	-	-	-	-	5,288	-	-
Fund balances, end of year	$ -	-	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds					
	Indian Education	USDA Farm to School	Staff Housing	Post Secondary Survival	Student Activities	Total Special Revenue Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	94,070	-	-	94,441
Other	-	-	-	-	85,980	103,597
Intergovernmental:						
State of Alaska	-	-	-	-	-	76,129
Federal sources:						
Pass through	-	-	-	-	-	830,789
Direct	11,989	66,767	-	-	-	541,037
Total revenues	11,989	66,767	94,070	-	85,980	1,645,993
Expenditures:						
Current:						
Instruction	11,937	93,473	-	1,200	-	1,293,985
Special education support services - students	-	-	-	-	-	46,992
Support services - instruction	-	-	-	-	-	9,558
District administration support services	52	3,526	-	-	-	64,118
Operations and maintenance of plant	-	-	87,638	-	-	87,638
Student activities	-	-	-	-	61,925	61,925
Student transportation - to and from school	-	-	-	-	-	96,009
Food services	-	-	-	-	-	102,560
Total expenditures	11,989	96,999	87,638	1,200	61,925	1,762,785
Excess (deficiency) of revenues over (under) expenditures	-	(30,232)	6,432	(1,200)	24,055	(116,792)
Other financing uses - transfers out	-	-	-	-	-	(5,288)
Net change in fund balance	-	(30,232)	6,432	(1,200)	24,055	(122,080)
Fund balances, beginning of year	-	-	(27,281)	37,805	87,535	382,010
Fund balances, end of year	$ -	(30,232)	(20,849)	36,605	111,590	259,930

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Capital Project Funds					
	Special Capital Projects Fund	TKE Playground Improvements	Staff Housing Repairs	Kitchen Maintenance	Total Capital Project Funds	Total Other Governmental Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	-	-	-	94,441
Other	-	-	-	-	-	103,597
Intergovernmental:						
State of Alaska	-	-	-	-	-	76,129
Federal sources:						
Pass through	-	-	-	-	-	830,789
Direct	-	-	-	-	-	541,037
Total revenues	-	-	-	-	-	1,645,993
Expenditures:						
Current:						
Instruction	-	-	-	-	-	1,293,985
Special education support services - students	-	-	-	-	-	46,992
Support services - instruction	-	-	-	-	-	9,558
District administration support services	-	-	-	-	-	64,118
Operations and maintenance of plant	-	-	-	-	-	87,638
Student activities	-	-	-	-	-	61,925
Student transportation - to and from school	-	-	-	-	-	96,009
Food services	-	-	-	-	-	102,560
Total expenditures	-	-	-	-	-	1,762,785
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	(116,792)
Other financing uses - transfers out	-	-	-	-	-	(5,288)
Net change in fund balance	-	-	-	-	-	(122,080)
Fund balances, beginning of year	141,537	2,780	2,403	5,679	152,399	534,409
Fund balances, end of year	$ 141,537	2,780	2,403	5,679	152,399	412,329

CHATHAM SCHOOL DISTRICT

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 48,806	48,806	-
Expenditures - current -			
Student transportation - to and from school:			
Non-certificated salaries	-	27,989	(27,989)
Employee benefits	-	29,985	(29,985)
Professional and technical services	-	8,038	(8,038)
Staff travel	-	3,488	(3,488)
Student travel	48,806	12,928	35,878
Energy	-	138	(138)
Other purchased expenses	-	1,253	(1,253)
Supplies, materials and media	-	12,190	(12,190)
Total expenditures	48,806	96,009	(47,203)
Excess (deficiency) of revenues over expenditures over (under) expenditures	$ -	(47,203)	(47,203)
Fund balance, beginning of year		188,836	
Fund balance, end of year		$ 141,633	

CHATHAM SCHOOL DISTRICT

Stronger Connections Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 46,965	27,363	(19,602)
Expenditures - current -			
Instruction:			
Professional and technical services	23,727	20,226	3,501
Staff travel	10,680	-	10,680
Student travel	5,683	5,683	-
Supplies, materials and media	4,380	-	4,380
Total instruction	44,470	25,909	18,561
District administration support services -			
Indirect costs	2,495	1,454	1,041
Total expenditures	46,965	27,363	19,602
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Broadband Assistance Grant Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 9,558	9,558	-
Expenditures - current -			
Support services - instruction -			
Utility services	9,558	9,558	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-6

CHATHAM SCHOOL DISTRICT

Eco Trust Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ 8,000	5,797	(2,203)
Expenditures - current -			
Instruction:			
Non-certificated salaries	6,000	5,188	812
Employee benefits	609	609	-
Supplies, materials and media	1,391	-	1,391
Total expenditures	8,000	5,797	2,203
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-7

CHATHAM SCHOOL DISTRICT

Southeast Conference Microgrant Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ 15,000	11,820	(3,180)
Expenditures - current -			
Instruction:			
Staff travel	-	1,292	(1,292)
Student travel	14,203	9,822	4,381
Supplies, materials and media	-	78	(78)
Total instruction	14,203	11,192	3,011
District administration support services -			
Indirect costs	797	628	169
Total expenditures	15,000	11,820	3,180
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Hunter Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 25,725	17,765	(7,960)
Expenditures - current -			
Instruction:			
Certificated salaries	10,000	4,000	6,000
Non-certificated salaries	5,000	8,000	(3,000)
Employee benefits	2,777	2,247	530
Staff travel	5,000	2,673	2,327
Supplies, materials and media	1,581	845	736
Total instruction	24,358	17,765	6,593
District administration support services -			
Indirect costs	1,367	-	1,367
Total expenditures	25,725	17,765	7,960
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Safety and Well Being Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 3,000	2,708	(292)
Expenditures - current:			
Instruction -			
Staff travel	2,841	2,564	277
District administration support services -			
Indirect costs	159	144	15
Total expenditures	3,000	2,708	292
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

EHCY Travel Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 1,000	437	(563)
Expenditures - current:			
Instruction -			
Staff travel	947	414	533
District administration support services -			
Indirect costs	53	23	30
Total expenditures	1,000	437	563
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Food Service Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues -			
Local sources -			
Charges for services	$ 1,000	371	(629)
Intergovernmental -			
Federal sources - passed through the State of Alaska	25,000	33,065	8,065
Total revenues	26,000	33,436	7,436
Expenditures - current -			
Food services:			
Non-certificated salaries	36,000	40,121	(4,121)
Employee benefits	14,000	15,776	(1,776)
Professional and technical services	500	2,336	(1,836)
Staff travel	15,000	10,248	4,752
Energy	500	179	321
Supplies, materials and media	40,000	33,420	6,580
Other expenses	200	-	200
Total expenditures	106,200	102,080	4,120
Excess (deficiency) of revenues over (under) expenditures	$ (80,200)	(68,644)	11,556
Fund balance, beginning of year		89,827	
Fund balance, end of year		$ 21,183	

CHATHAM SCHOOL DISTRICT

Fresh Fruit and Vegetable Program Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 2,019	480	(1,539)
Expenditures - current -			
Food services -			
Supplies, materials and media	2,019	480	1,539
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Section 619 Special Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 6,362	1,939	(4,423)
Expenditures - current:			
Special education support services - students -			
Supplies, materials and media	6,024	1,836	4,188
District administration support services -			
Indirect costs	338	103	235
Total expenditures	6,362	1,939	4,423
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title VI-B IDEA Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 47,689	47,689	-
Expenditures - current:			
Special education support services - students:			
Professional and technical services	37,624	39,894	(2,270)
Staff travel	5,801	5,262	539
Supplies, materials and media	1,331	-	1,331
Other expenses	400	-	400
Total special education support services - students	45,156	45,156	-
District administration support services -			
Indirect costs	2,533	2,533	-
Total expenditures	47,689	47,689	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 150,477	56,658	(93,819)
Expenditures - current:			
Instruction:			
Non-certificated salaries	88,000	33,559	54,441
Employee benefits	47,034	15,828	31,206
Supplies, materials and media	7,450	4,261	3,189
Total instruction	142,484	53,648	88,836
District administration support services -			
Indirect costs	7,993	3,010	4,983
Total expenditures	150,477	56,658	93,819
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

SISD Literacy Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediate agencies	$ 17,285	16,916	(369)
Expenditures - current -			
Instruction:			
Certificated salaries	2,285	2,285	-
Employee benefits	-	1,108	(1,108)
Professional and technical services	-	1,100	(1,100)
Staff travel	-	2,661	(2,661)
Other purchased services	-	495	(495)
Supplies, materials and media	13,000	2,488	10,512
Other expenses	2,000	6,779	(4,779)
Total expenditures	17,285	16,916	369
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Carl Perkins Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 22,000	15,067	(6,933)
Expenditures - current:			
Instruction:			
Certificated salaries	-	5,000	(5,000)
Non-certificated salaries	5,000	-	5,000
Employee benefits	1,708	1,608	100
Professional and technical services	1,997	1,900	97
Supplies, materials and media	5,348	5,841	(493)
Equipment	7,244	-	7,244
Total instruction	21,297	14,349	6,948
District administration support services -			
Indirect costs	703	718	(15)
Total expenditures	22,000	15,067	6,933
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title II-A Teacher and Principal Training Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 43,130	9,514	(33,616)
Expenditures - current:			
Instruction:			
Certificated salaries	4,300	-	4,300
Employee benefits	2,000	-	2,000
Professional and technical services	6,000	4,900	1,100
Staff travel	27,700	4,091	23,609
Other expenses	839	18	821
Total instruction	40,839	9,009	31,830
District administration support services -			
Indirect costs	2,291	505	1,786
Total expenditures	43,130	9,514	33,616
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

ARP After School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 62,436	62,436	-
Expenditures - current:			
Instruction:			
Certificated salaries	600	600	-
Employee benefits	99	99	-
Professional and technical services	5,700	5,446	254
Staff travel	8,300	8,923	(623)
Supplies, materials and media	8,699	8,330	369
Equipment	37,725	37,725	-
Total instruction	61,123	61,123	-
District administration support services -			
Indirect costs	1,313	1,313	-
Total expenditures	62,436	62,436	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

NFF YCC Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 73,606	57,046	(16,560)
Expenditures - current:			
Instruction:			
Non-certificated salaries	47,530	18,025	29,505
Employee benefits	8,108	1,830	6,278
Professional and technical services	-	23,350	(23,350)
Staff travel	5,447	5,743	(296)
Student travel	1,100	-	1,100
Supplies, materials and media	6,641	5,063	1,578
Total instruction	68,826	54,011	14,815
District administration support services -			
Indirect costs	4,780	3,035	1,745
Total expenditures	73,606	57,046	16,560
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-21

CHATHAM SCHOOL DISTRICT

FEMA Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	-	-
Expenditures	-	-	-
Excess of revenues over expenditures	-	-	-
Other financing uses - transfers out	-	(5,288)	(5,288)
Net change in fund balance	$ -	(5,288)	(5,288)
Fund balance, beginning of year		5,288	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Tlingit Native Language Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 690,711	462,281	(228,430)
Expenditures - current:			
Instruction:			
Certificated salaries	272,330	178,677	93,653
Non-certificated salaries	83,717	71,799	11,918
Employee benefits	123,850	69,508	54,342
Professional and technical services	116,214	107,000	9,214
Staff travel	24,844	10,473	14,371
Supplies, materials and media	15,583	1,628	13,955
Other expenses	21,821	-	21,821
Total instruction	658,359	439,085	219,274
District administration support services -			
Indirect costs	32,352	23,196	9,156
Total expenditures	690,711	462,281	228,430
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-23

CHATHAM SCHOOL DISTRICT

ACA - Staying North Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 659,332	499,471	(159,861)
Expenditures - current:			
Instruction:			
Certificated salaries	211,000	172,092	38,908
Non-certificated salaries	-	8,590	(8,590)
Employee benefits	90,550	56,919	33,631
Professional and technical services	179,762	63,608	116,154
Staff travel	10,000	7,068	2,932
Energy	24,000	44,064	(20,064)
Supplies, materials and media	30,000	73,282	(43,282)
Equipment	70,000	49,970	20,030
Total instruction	615,312	475,593	139,719
District administration support services -			
Indirect costs	44,020	23,878	20,142
Total expenditures	659,332	499,471	159,861
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Indian Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 31,625	11,989	(19,636)
Expenditures - current:			
Instruction:			
Certificated salaries	-	1,520	(1,520)
Non-certificated salaries	20,524	2,447	18,077
Employee benefits	5,072	490	4,582
Staff travel	1,461	-	1,461
Supplies, materials and media	2,218	7,480	(5,262)
Total instruction	29,275	11,937	17,338
District administration support services -			
Indirect costs	2,350	52	2,298
Total expenditures	31,625	11,989	19,636
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

USDA Farm to School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 68,876	66,767	(2,109)
Expenditures - current:			
Instruction:			
Certificated salaries	-	5,500	(5,500)
Non-certificated salaries	-	22,400	(22,400)
Employee benefits	-	3,617	(3,617)
Professional and technical services	30,000	20,292	9,708
Staff travel	13,562	4,221	9,341
Supplies, materials and media	18,283	21,320	(3,037)
Equipment	-	16,123	(16,123)
Total instruction	61,845	93,473	(31,628)
District administration support services -			
Indirect costs	7,031	3,526	3,505
Total expenditures	68,876	96,999	(28,123)
Excess of revenues over expenditures	$ -	(30,232)	(30,232)
Fund balance, beginning of year		-	
Fund balance, end of year		$ (30,232)	

CHATHAM SCHOOL DISTRICT

Staff Housing Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Charges for services - rental income	$ 78,000	94,070	16,070
Expenditures - current -			
Operations and maintenance of plant:			
Utility services	6,500	4,896	1,604
Energy	33,800	36,232	(2,432)
Other purchased services	5,000	507	4,493
Insurance and bond premiums	21,651	21,651	-
Supplies, materials and media	-	24,352	(24,352)
Other expenses	100	-	100
Total expenditures	67,051	87,638	(20,587)
Excess (deficiency) of revenues over expenditures over (under) expenditures	$ 10,949	6,432	(4,517)
Fund balance (deficit), beginning of year		(27,281)	
Fund balance (deficit), end of year		$ (20,849)	

CHATHAM SCHOOL DISTRICT

Post Secondary Survival Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	-	-
Expenditures - current -			
Instruction -			
Other expenses	-	1,200	(1,200)
Excess (deficiency) of revenues over (under) expenditures	$ -	(1,200)	1,200
Fund balance, beginning of year		37,805	
Fund balance, end of year		$ 36,605	

CHATHAM SCHOOL DISTRICT

Student Activities Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ -	85,980	85,980
Expenditures - current -			
Student activities:			
Professional and technical services	-	7,795	(7,795)
Student travel	-	2,985	(2,985)
Other purchased services	-	2,110	(2,110)
Supplies, material and media	-	47,791	(47,791)
Other expenses	-	1,244	(1,244)
Total expenditures	-	61,925	(61,925)
Excess of revenues over expenditures	$ -	24,055	24,055
Fund balance, beginning of year		87,535	
Fund balance, end of year		$ 111,590	

Exhibit I-29

CHATHAM SCHOOL DISTRICT

Special Capital Projects Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		141,537
Fund balance, end of year	$	141,537

CHATHAM SCHOOL DISTRICT

TKE Playground Improvements Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,780
Fund balance, end of year	$	2,780

CHATHAM SCHOOL DISTRICT

Staff Housing Repairs Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,403
Fund balance, end of year	$	2,403

Exhibit I-32

CHATHAM SCHOOL DISTRICT

Kitchen Maintenance Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		5,679
Fund balance, end of year	$	5,679

Exhibit J-1

CHATHAM SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2025

Total fund balance - School Operating Fund	$	93,494
less exemptions per 4 AAC 09.160(a)		
Inventory		21,592
Prepaid expenses		7,846
Impact aid		193,475
Fund Balance Subject to 10% Limitation	$	(129,419)

Nonexempt fund balance as a percentage of current year expenditures:

Fund balance subject to limitation	(129,419)	=	-2.6%
Current year expenditures	5,012,509		

CHATHAM SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Grant Title	Grant Number	Assistance Listing Number	Total Federal Expended
U.S. Department of Education:			
Passed through the State of Alaska Department of Education and Early Development:			
Title I-A Basic	IP 25.CMSD.01	84.010	$ 49,868
Stronger Connections	CM 25.CMSD.01	84.424A	27,363
Title IV-A Student Support and Academic Enrichment	IP 25.CMSD.01	84.424A	6,790
Total ALN 84.424			34,153
Title II-A Improving Teacher Quality	IP 25.CMSD.01	84.367A	9,514
Carl Perkins Vocational Ed Secondary	EK 25.CMSD.01	84.048A	15,067
COVID-19 - ARP Act After School	CO 25.CMSD.01	84.425U	62,436
EHCY Travel	AH 25.CMSD.01	84.196	437
Special Education Cluster:			
Title VI-B Special Education	SE 25.CMSD.01	84.027A	47,689
Title VI-B Section 619 Preschool Disabled	SE 25.CMSD.01	84.173A	1,939
Total Special Education Cluster			49,628
Passed through Southeast Island School District -			
SISD Comprehensive State Literacy Development	AL 25.SISS.01	84.371C	16,916
Research and Development Cluster:			
Passed through the Association of Alaska School Boards -			
Southeast Alaska Full-Service Community Schools	S215J220051	84.215J	609,933
Passed through the Angoon Community Association -			
Stay North: ACA NACTEP	V101A210009	84.101A	499,471
Total Research and Development Cluster			1,109,404
Direct programs:			
Indian Education	S060A240466	84.060A	11,989
Tlingit Native Language	S299A200021	84.299A	462,281
Federal Impact Aid	None	84.041	180,693
Total U.S. Department of Education			2,002,386

(continued)

CHATHAM SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, continued

Grant Title	Grant Number	Assistance Listing Number	Total Federal Expended
U.S. Department of Agriculture:			
USDA Farm to School	238AK100L3203	10.575	66,767
Passed through the State of Alaska Department of Education and Early Development:			
Child Nutrition Cluster:			
School Breakfast Program	None	10.553	4,701
National School Lunch Program	None	10.555	28,364
Fresh Fruit and Vegetable Program	FF 25.CMSD.02	10.582	480
Total Child Nutrition Cluster			33,545
Passed through the State of Alaska Department of Commerce and Economic Development:			
National Forest Receipts Title I	None	10.665	6,132
Total U.S. Department of Agriculture			106,444
U.S. Department of Health and Human Services:			
Passed through the State of Alaska Department of Education and Early Development:			
Safety and Well Being	SW 25.CMSD.01	93.243	2,708
Total Expenditure of Federal Awards			$ 2,111,538

See accompanying notes to the schedule.

CHATHAM SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Chatham School District (the "District") under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the basic financial statements of the 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. Chatham School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Passed Through Awards

No amounts were passed through to subrecipients.

Note 4. Reconciliation to the Basic Financial Statements

Impact Aid revenue is recognized when received; however, expenditures are applied to the prior year and a reserve is established annually for Impact Aid received under the current application.

Federal expenditures per the Schedule	$	2,111,538
Contract revenues reported as federal revenues in the basic financial statements		57,046
Statutory Impact Aid reserved in FY24		(180,693)
Statutory Impact Aid received and reserved in FY25		193,475
Total federal revenues per Basic Financial Statements	$	2,181,366

Exhibit L-1

CHATHAM SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2025

Grant Title	Grant Number	Total State Expended
Department of Education and Early Development:		
Direct programs:		
* Public School Foundation Program	None	$ 3,526,856
* HB 268 One-Time Grant	None	409,836
Quality Schools	None	9,643
Pupil Transportation	None	44,113
HB 268 Supplemental Pupil Transportation	None	4,693
Hunter Education	HE 25.CMSD.01	17,765
Education Dividend Raffle Funds	None	1,103
Broadband Assistance	BA 25.CMSD.01	9,558
Total Department of Education and Early Development		4,023,567
Total State Financial Assistance		$ 4,023,567

See accompanying notes to the schedule.

CHATHAM SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2025

Note 1. Basis of Presentation

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

State expenditures per previous page	$	4,023,567
PERS On-Behalf		44,966
TRS On-Behalf		253,022
Total revenue from State of Alaska per basic financials	$	4,321,555

COMPLIANCE REPORTS

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Chatham School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Chatham School District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2025-001 to be a material weakness.

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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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding 2025-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Chatham 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*.

Chatham School Districts' Response to Findings

Government Audit Standards requires the auditor to perform limited procedures on the Districts' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Chatham School Districts' Response was not subjected to the other audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chatham 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 Chatham School District's major federal programs for the year ended June 30, 2025. Chatham School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Chatham 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 Chatham 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 Chatham School District's federal programs.

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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 Chatham 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 Chatham 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 Chatham 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 Chatham 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 Chatham 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying federal schedule of findings and questioned costs as Finding 2025-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the noncompliance findings identified in our audit described in the accompanying federal schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Members of the School Board
Chatham School District

Report on Internal Control over Compliance

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, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying federal schedule of findings and questioned costs as Finding 2025-003 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying federal schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

CHATHAM SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Financial Statements

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

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

Internal control over financial reporting:
- Material weakness identified? __X__ Yes _____ No
- Significant deficiency identified? __X__ Yes _____ None reported

Noncompliance material to the financial statements noted? ____ Yes __X__ No

Federal Awards

Internal control over major federal programs (2 CFR 200.516(a)(1)):
- Material weakness identified? ____ Yes __X__ No
- Significant deficiency identified? __X__ Yes _____ None reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516(a)(2))? ____ Yes __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)	Name of Federal Program or Cluster
84.215 / 84.101	Research and Development Cluster

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

Auditee qualified as low-risk auditee? ____ Yes __X__ No

Section II – Financial Statement Findings

Finding 2025-001 **Lack of Internal Control over Credit Card Transactions**
Material Weakness

Criteria: Credit cards should have proper controls to prevent financial misstatements due to either fraud or error.

Condition and Context: During review of credit card transactions, we noted several issues that we consider to be deficiencies in internal controls. Based on our review, we did not received timely supporting invoice documentation for 6 transactions in our sample of 40. Additionally, we noted several instances of transactions not having sufficient segregation of duties regarding approval and review of transactions.

Cause: Lack of internal controls over credit cards transactions and insufficient policies and procedures to prevent, detect and correct errors timely.

Effect: Lack of internal controls over credit card transactions could result in expenditures being miscoded in the general ledger or allow improper or unauthorized transactions to remain undetected. Miscoded transactions could result in eligible grant expenditures to not be reimbursed by the granting agency.

Repeat Finding: Yes.

Recommendation: We recommend the District send receipts and purchase orders to the Business Manager immediately after each transaction. We also recommend that the District take this opportunity to review and strengthen the Standard Operating Procedure over credit cards (SOP No. 5(5)). Segregation of duties should be required so the same person initiating the transactions is not the person responsible for approving and reviewing transactions. This could be accomplished through Board review of credit card transactions at monthly meetings. We also recommend the District utilize approval systems through online retailers when available.

Management's Response: Management concurs with the finding. See Corrective Action Plan.

Finding 2025-002 **Lack of Internal Control over Bank Reconciliations**
Significant Deficiency

Criteria: Uncleared check activity on the bank statement reconciliations should be routinely reviewed and adjusted to ensure bank balances are accurately stated in the financial statements. Alaska Statue (AS) 34.45 requires governmental agencies and other entities to file unclaimed property reports with the State of Alaska Department of Revenue.

Condition and Context: We noted that many old outstanding checks and other old uncleared reconciling items, some over one year old, are being carried on the monthly cash reconciliations.

Cause: Lack of internal controls over bank reconciliations.

Effect: Potentially to misstatement cash and/or accounts payable balances.

Repeat Finding: No.

Recommendation: We recommend that checks and other uncleared reconciling items that are over six months old be investigated and removed from the bank reconciliation and that the original transaction be reversed. Checks older than six months should be voided and reissued. Research should be done periodically to eliminate large numbers of old items being carried from month to month. If the old items are determined to be legitimately outstanding, a new check should be issued or remitted to the State of Alaska as unclaimed property.

Management's Response: Management concurs with the finding. See Corrective Action Plan.

Section III – Federal Award Findings and Questioned Costs

Finding 2025-003	**Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**
Federal Agencies:	U.S. Department of Education – passed through Association of Alaska School Board
Federal Programs:	"Southeast Alaska Full Service Community Schools": Research and Development Cluster
ALN:	84.215J
Award Numbers:	S215J220051
Award Years:	2023
Type of Finding:	Significant deficiency in internal control over compliance and noncompliance.
Criteria:	Internal control procedures should be in place to ensure that proper controls are in place to prevent financial misstatements due to either fraud or error.
Condition and Context:	During our tests of transactions for internal controls over compliance and compliance we identified one transaction with no purchase order or approval. There was also no authorization for this transaction to be coded to the grant.
Cause:	Lack of internal control over credit card transactions.
Effect:	Lack of internal controls over credit cards could result in expenditures being miscoded to the program or allow improper or unauthorized transactions to not be prevented, detected, or corrected in a timely manner.
Questioned Costs:	Questioned costs are under the reporting threshold of $25,000.
Repeat Finding:	Yes.
Recommendation:	We recommend the District adhere to their internal control policies to ensure accurate controls over credit card transactions.
Managements Response:	Management agrees with this finding. See Corrective Action Plan.

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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
Chatham School District
Angoon, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Qualified 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 of the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Chatham 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 determination of Chatham School District's compliance with the compliance requirements referred to above.

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Matter Giving Rise to Qualified Opinion on Foundation – Public School Funding and HB 268 One-Time Funding

As described in the accompanying State Schedule of Findings and Questioned costs, Chatham School District did not comply with the requirements regarding Foundation – Public School Funding and HB 268 One-Time Funding as described in Finding 2025-004 for Reporting. Compliance with such requirements are necessary, in our opinion, for Chatham School District to comply with the requirements applicable to that program.

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 Chatham 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 Chatham 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 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 Chatham School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Chatham 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 Chatham 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 Chatham 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

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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

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 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 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. We consider the deficiency in internal control over compliance described in the accompanying state schedule of findings and questioned costs as Finding 2025-004 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the noncompliance and internal control over compliance findings identified in our compliance audit described in the accompanying state schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

CHATHAM SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the Financial statements audited were prepared in Accordance with GAAP:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?	X	Yes		None reported
Noncompliance material to financial statements noted?		Yes	X	No

State Awards

Internal control over major programs:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?		Yes	X	None reported
Type of auditors' report issued on compliance for major program:	Qualified			
Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

Section II – Financial Statement Findings

See the Federal Schedule of Findings and Questioned Costs for financial statement findings.

Section III – State Award Findings and Questioned Costs

Finding 2025-004	**Noncompliance with Reporting Requirements**
State Agency:	Department of Education and Early Development
Grant Name:	Foundation (Public School Funding) and HB One-Time Funding
Grant Number:	None.
Type of Finding:	Material weakness in internal control over compliance and noncompliance.
Criteria:	Per AS 14.17.600, within two weeks after the end of the 20-day school-day period ending the fourth Friday in October, each public school district shall transmit a report to DEED that reports its ADM for that counting period along with other student count information need to determine state foundation aid. Per 4 AAC 07.060(a), each district shall maintain for each student a cumulative record, which includes attendance records.
Condition and Context:	We selected a sample of student counts reported to DEED during the year under audit. While testing the data elements suggested in the compliance supplement, we could not obtain documentation the students were enrolled or attended the District during the period of reporting.
Questioned Costs:	None.
Cause:	Lack of internal control over reporting requirements.
Effect:	The District is not in compliance with AS 14.17.600 and 4 AAC 07.060(a) in accurately reporting students which could jeopardize future funding.
Repeat Finding:	Yes.
Recommendation:	We recommend that the District adhere to existing internal controls for reporting and to store critical documents electronically to make the easily accessible.
Management's Response:	Management concurs with the finding. See Corrective Action Plan.

Chatham School District

David Langford
DISTRICT SUPERINTENDENT

Chatham School District
Board of Education

MRS. STACEY PROCTOR, PRES
MS. JEN TODD, VP
MS LEANN WEIKLE, TREASURER
MR. ALBERT KOOKESH, III
MR JACK STRONG

P.O. BOX 109 ANGOON, ALASKA 99820 PHONE: 788-3302 or 788-3682 FAX: 788-3252

Chatham School District
Mission Statement

In partnership with families and communities, the Chatham School District will provide safe and stable educational experiences built upon the uniqueness of each community, to educate students to become self-sufficient adults who will be contributing members of our diverse and changing world. Revised: 8-7-2008

Summary Schedule of Prior Audit Findings

June 30, 2025

S*ection II – Financial Statement Findings*

Finding 2024-001 **Cash Receipts and Recording Revenue – Enterprise Fund**
Material Weakness

Condition and Context: During the audit, we discovered that revenue for the Foxes Den Enterprise Fund was being recorded monthly during the bank reconciliation process. Credit card sales were being entered based on deposits from a third party transaction processing company. Cash sales were only being entered when the restaurant sent a money order to the District Office. Additionally, supporting documentation of daily sales and cash counts did not demonstrate that there was sufficient segregation of duty between recording sales, collecting cash, and performing beginning and end of day cash counts.

Status: This finding has been resolved.

Finding 2024-002 **Lack of Internal Control over Credit Card Transactions**
Material Weakness

Condition and Context: During review of credit card transactions, we noted several issues that we consider to be deficiencies in internal controls. Based on our review, we noted numerous instances of transactions not having sufficient segregation of duties regarding approval and review of transactions. Additionally, supporting documentation provided was not sufficient to determine that Amazon purchases were properly authorized and reviewed due to purchase orders covering numerous invoices. We also did not receive timely supporting invoice documentation for 3 transactions in our sample of 40.

Status: This finding was repeated as Finding 2025-001.

Section III – Federal Award Findings and Questioned Costs

Finding 2024-003 **Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

Significant deficiency in internal control over compliance and noncompliance

Condition and Context: During our tests of transactions for internal controls over compliance and compliance we identified one transaction that was coded to the incorrect federal grant. Originally, it was coded to the incorrect object code per the DEED uniform chart of accounts. When the transaction was corrected, the fund number was changed to what the object code should have been resulting in the cost being charged to the incorrect program.

Status: This finding was repeated as Finding 2025-003.

Section IV – State Award Findings and Questioned Costs

Finding 2024-004 **Material Noncompliance with Reporting Requirements**

Significant deficiency in internal control over compliance and noncompliance

Condition and Context: The Projected FY25 ADM report was due November 5th, 2023 and was submitted on November 8th, 2023. The 20-school-day count ADM information was due on November 10th, 2023 and submitted on November 14th, 2023.

Status: This finding was repeated as Finding 2025-004.

Chatham School District

David Langford
DISTRICT SUPERINTENDENT

Chatham School District
Board of Education

MRS. STACEY PROCTOR, PRES
MS. JEN TODD, VP
MS LEANN WEIKLE, TREASURER
MR. ALBERT KOOKESH, III
MR JACK STRONG

P.O. BOX 109 ANGOON, ALASKA 99820 PHONE: 788-3302 or 788-3682 FAX: 788-3252

Chatham School District
Mission Statement

In partnership with families and communities, the Chatham School District will provide safe and stable educational experiences built upon the uniqueness of each community, to educate students to become self-sufficient adults who will be contributing members of our diverse and changing world. Revised: 8-7-2008

Corrective Action Plan

June 30, 2025

Financial Statement Findings

Finding 2025-001 **Lack of Internal Control over Credit Card Transactions**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District recognizes the need for stronger internal controls surrounding credit card transactions. The following corrective actions will be implemented:

1. **Policy Revision and Approval:**

   The District will update the existing credit card standard operating procedure to require prior written approval for all credit card purchases, clear documentation of business purpose, and supporting receipts for each transaction. The policy will be signed and attested to by all card holders.

2. **Segregation of Duties:**

   Credit card statements will be reviewed by someone other than the cardholder before payment. The Business Manager will reconcile the statements monthly, and the Superintendent will conduct a secondary review for oversight.

3. **Training and Accountability:**

   All staff with credit card access will receive training on allowable purchases, documentation standards, and reporting requirements. Repeat violations will result in disciplinary action.

4. **Monthly Audit Review:**

   Beginning July 2025, the District's internal finance team will conduct monthly spot checks to ensure compliance with policies, documenting findings for the Superintendent's review.

Proposed Completion Date: June 30, 2026.

Finding 2025-002 **Lack of Internal Control over Bank Reconciliations**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District acknowledges weaknesses in the bank reconciliation process and will take the following corrective actions:

1. **Timely Reconciliations:**

   All bank accounts will be reconciled monthly within 30 days of statement receipt.

2. **Segregation of Duties:**

   The Finance staff will prepare all reconciliations, while the Superintendent or designee will independently review and approve them, verifying alignment with the general ledger and supporting documentation.

3. **Resolution of Uncashed Checks (Outstanding Items):**

   The District will develop and implement a procedure for identifying and resolving uncashed (outstanding) checks in accordance with GASB accounting principles and state unclaimed property laws.

   - Checks outstanding for more than six months will be investigated to determine whether reissuance, cancellation, or escheatment is required.
   - Documentation of all follow-up efforts (e.g., communication with payees, stop payment orders, and reissuance authorizations) will be retained.
   - Adjustments related to voided or reissued checks will be recorded in the general ledger to ensure that liabilities are properly stated.
   - An annual review of stale-dated checks will be completed prior to fiscal year-end closeout to maintain compliance with GASB Statement No. 9 (Reporting Cash Flows) and GASB Statement No. 34 (Basic Financial Statements for State and Local Governments).

4. **Documentation and Review Procedures:**

   Supporting documentation (bank statements, outstanding check lists, deposit records, and review notes) will be maintained in a secure digital file for audit purposes. A standardized reconciliation checklist will be used to ensure accuracy and consistency across periods.

5. **Training:**

   The Business Manager will provide to CSD finance staff on governmental accounting controls and reconciliation practices.

Proposed Completion Date: June 30, 2026.

Federal Award Findings

Finding 2025-003 **Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District will strengthen controls to ensure all expenditures charged to federal programs are allowable, properly documented, and comply with the Uniform Guidance (2 CFR Part 200).

1. **Policy and Procedure Development:**

   Written procedures will be implemented defining allowable costs, budget approval processes, and documentation requirements for federal programs.

2. **Pre-Approval and Documentation:**

   All expenditures charged to federal awards must receive prior approval from the Program Director and Business Manager, accompanied by invoices, purchase orders, and justification forms referencing the applicable federal cost principle.

3. **Monthly Monitoring:**

   The Business Manager will review program expenditures monthly for compliance with allowable cost principles and promptly correct any mischarges.

4. **Training:**

   Federal program staff and members of the CSD Grants Committee will receive annual training on allowable costs, cost allocation, and time-and-effort reporting.

Proposed Completion Date: June 30, 2026.

State Award Findings

Finding 2025-004 **Noncompliance with Reporting Requirements**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District acknowledges that complete OASIS student enrollment forms and supporting documentation were not available for audit review during the fiscal year. This limited the auditors' ability to verify reported enrollment counts submitted to the Alaska Department of Education and Early Development (DEED). The District will implement the following corrective actions:

1. **Standardized Record Retention and Access:**

   The District will establish a formal retention procedure for all OASIS student enrollment forms, ensuring they are securely stored in both digital and physical formats for a minimum of seven years in compliance with DEED requirements and state record retention laws.

2. **Centralized Digital Archive:**

   A secure electronic storage system (using the District's student information system or designated shared drive) will be created to maintain scanned copies of all OASIS documentation, including enrollment verification, withdrawal forms, and residency evidence. Access will be restricted to authorized personnel and available for auditor review upon request.

3. **Verification and Cross-Checking:**

   Prior to OASIS submission, the Business Manager and School Secretary will cross-verify enrollment counts, student residency documentation, and submission data. A reconciliation report will be printed and signed by both preparers and reviewed by the Superintendent.

4. **Audit Preparation Protocol:**

   Each year before the annual audit, the District will compile a complete OASIS audit file, including enrollment data, supporting documentation, and reconciliation reports, to ensure availability to auditors in accordance with DEED OASIS Handbook standards.

5. **Training and Oversight:**

   Administrative and school office staff responsible for maintaining enrollment records will receive annual training on OASIS data collection, submission procedures, and audit documentation requirements provided by DEED or ALASBO.

Proposed Completion Date: June 30, 2026.

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

CHATHAM SCHOOL DISTRICT

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Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, Alaska

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Chatham School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Chatham School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Chatham School District, as of June 30, 2025, and the respective changes in financial position, and, where applicable cash flows thereof 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 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 Chatham 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.

Change in Accounting Principle

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

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

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Offices in Juneau and Soldotna A Professional Corporation

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 Chatham 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 Chatham 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 Chatham 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 schedules of revenues, expenditures, and changes in fund balance - original and final budget and actual for major funds, and the District's proportionate share of the net pension/OPEB liabilities, assets, schedules of the District's contributions for the Public Employees' Retirement System and Teachers' Retirement System and the notes to required supplementary information on pages 40-52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of 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 Chatham School District's basic financial statements. The information listed in the table of contents as "Supplementary Information", which includes the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual for major funds, and the combining and individual non-major fund financial statements; Schedule of Compliance- AS 14.17.505 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200,* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the basic financial statements. The Schedule of State Financial Assistance and Notes to Schedule of State Financial Assistance are presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the Chatham 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 Chatham 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 the Chatham School District's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

BASIC FINANCIAL STATEMENTS

Exhibit A-1

CHATHAM SCHOOL DISTRICT

Statement of Net Position

June 30, 2025

Assets and Deferred Outflows of Resources		Governmental Activities
Current:		
Cash and cash equivalents	$	491,243
Accounts receivable		524,526
Prepaid expenses		9,729
Inventory		27,067
Total current		1,052,565
Non-current:		
Capital assets		26,617,903
Accumulated depreciation		(22,345,266)
Net OPEB assets		1,257,275
Total non-current		5,529,912
Deferred outflows of resources -		
Pension/OPEB deferrals		306,719
Total assets and deferred outflows of resources		6,889,196
Liabilities and Deferred Inflows of Resources		
Current liabilities:		
Accounts payable		397,965
Payroll liabilities		115,871
Unearned revenue		32,906
Total current liabilities		546,742
Long-term liabilities:		
Compensated absences		45,561
Due in more than one year - net pension liabilities		2,458,338
Total long-term liabilities		2,503,899
Deferred inflows of resources -		
Pension/OPEB deferrals		77,598
Total liabilities and deferred inflows of resources		3,128,239
Net Position		
Net investment in capital assets		4,272,637
Unrestricted (deficit)		(511,680)
Total net position	$	3,760,957

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

CHATHAM SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position (Deficit): Governmental Activities	Net (Expense) Revenue and Changes in Net Position (Deficit): Business-type Activities	Net (Expense) Revenue and Changes in Net Position (Deficit): Total Governmental Activities
Governmental Activities:							
Instruction	$ 4,041,096	4,472	2,085,390	-	(1,951,234)	-	(1,951,234)
Special education instruction	508,486	-	39,026	-	(469,460)	-	(469,460)
Special education support services - students	147,660	-	47,677	-	(99,983)	-	(99,983)
Support services - students	9,984	-	6,450	-	(3,534)	-	(3,534)
Support services - instruction	521,140	-	9,558	-	(511,582)	-	(511,582)
School administration	363,228	-	26,301	-	(336,927)	-	(336,927)
School administration support services	202,335	-	10,829	-	(191,506)	-	(191,506)
District administration	370,646	-	23,120	-	(347,526)	-	(347,526)
District administration support services	358,398	-	72,351	-	(286,047)	-	(286,047)
Operations and maintenance of plant	999,377	94,070	17,305	-	(888,002)	-	(888,002)
Student activities	172,176	-	87,686	-	(84,490)	-	(84,490)
Student transportation - to and from school	96,009	-	48,806	-	(47,203)	-	(47,203)
Food services	108,828	371	33,545	-	(74,912)	-	(74,912)
Total governmental activities	$ 7,899,363	98,913	2,508,044	-	(5,292,406)	-	(5,292,406)
Business-type Activities -							
Foxes Den	608	-	-	-	-	(608)	(608)
Total	$ 7,899,971	98,913	2,508,044	-	(5,292,406)	(608)	(5,293,014)
General revenues:							
E-Rate					$ 365,357	-	365,357
Grants not restricted to specific programs					4,147,045	-	4,147,045
Interest income					50	-	50
Transfers					(272,855)	272,855	-
Other					89,271	-	89,271
Total general revenues					4,328,868	272,855	4,601,723
Change in net position					(963,538)	272,247	(691,291)
Net position - beginning of year, as originally stated					4,747,235	(272,247)	4,474,988
Change in accounting principle					(22,740)	-	(22,740)
Net position - beginning of year, as restated					4,724,495	(272,247)	4,452,248
Net position - ending					$ 3,760,957	-	3,760,957

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

Exhibit C-1

CHATHAM SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2025

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 370,776	-	120,467	491,243
Accounts receivable	30,797	173,778	319,951	524,526
Due from other funds	441,998	-	439,458	881,456
Prepaid expenses	7,846	-	1,883	9,729
Inventory	21,592	-	5,475	27,067
Total assets	873,009	173,778	887,234	1,934,021
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	224,011	8,402	165,552	397,965
Payroll liabilities	115,871	-	-	115,871
Unearned revenue	175	-	32,731	32,906
Due to other funds	439,458	165,376	276,622	881,456
Total liabilities	779,515	173,778	474,905	1,428,198
Fund Balances:				
Nonspendable	29,438	-	7,358	36,796
Committed	-	-	457,935	457,935
Unassigned	64,056	-	(52,964)	11,092
Total fund balances	93,494	-	412,329	505,823
Total liabilities and fund equity	$ 873,009	173,778	887,234	1,934,021

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

CHATHAM SCHOOL DISTRICT

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2025

Fund balances - total governmental funds		$ 505,823
Total net position reported for governmental activities in the State of Net Position is different because:		
Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.		4,272,637
Long term liabilities are not due in the current period and therefore, are not reported in the funds		
Compensated absences		(45,561)
Proportionate share of the collective net pension liabilities:		
PERS	(1,591,762)	
TRS	(866,576)	(2,458,338)
Proportionate share of the collective net OPEB assets:		
PERS	681,822	
TRS	575,453	1,257,275
Deferred inflows and outflows of resources are the results of timing differences in the actuarial report.		
Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources:		
PERS	196,853	
TRS	109,866	306,719
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources:		
PERS	(24,165)	
TRS	(53,433)	(77,598)
Total net position of governmental activities		3,760,957

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

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Charges for services	$ 4,472	-	94,441	98,913
Interest income	50	-	-	50
E-rate	365,357	-	-	365,357
Other	89,271	-	103,597	192,868
Intergovernmental:				
State of Alaska	4,245,426	-	76,129	4,321,555
Federal sources	199,607	609,933	1,371,826	2,181,366
Total revenues	4,904,183	609,933	1,645,993	7,160,109
Expenditures:				
Current:				
Instruction	1,736,034	609,933	1,293,985	3,639,952
Special education instruction	495,647	-	-	495,647
Special education support services - students	100,786	-	46,992	147,778
Support services - students	2,757	-	-	2,757
Support services - instruction	511,582	-	9,558	521,140
School administration	367,800	-	-	367,800
School administration support services	190,204	-	-	190,204
District administration	367,111	-	-	367,111
District administration support services	283,741	-	64,118	347,859
Operations and maintenance of plant	846,561	-	87,638	934,199
Student activities	110,286	-	61,925	172,211
Student transportation - to and from school	-	-	96,009	96,009
Food services	-	-	102,560	102,560
Total expenditures	5,012,509	609,933	1,762,785	7,385,227
Excess (deficiency) of revenues over (under) expenditures	(108,326)	-	(116,792)	(225,118)
Other financing sources (uses):				
Transfers in	5,288	-	-	5,288
Transfers out	(272,855)	-	(5,288)	(278,143)
Total other financing sources (uses):	(267,567)	-	(5,288)	(272,855)
Net change in fund balance	(375,893)	-	(122,080)	(497,973)
Fund balance, beginning of year, as originally stated	449,639	-	534,409	984,048
Change in accounting principle	19,748	-	-	19,748
Fund balance, beginning of year, as restated	469,387	-	534,409	1,003,796
Fund balances, end of year	$ 93,494	-	412,329	505,823

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

CHATHAM 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, 2025

Net change in fund balances - total governmental funds		$ (497,973)
The change in net position reported for governmental activities in the State of Activities is different because:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(3,073)
Change in unfunded net position and OPEB liability and asset:		
PERS	(93,750)	
TRS	40,805	(52,945)
Changes in deferred inflow and outflow of resources are the results of timing differences in the actuarial report and adjustments to reflect employer and non-employer contributions based on the measurement date of the liabilities:		
PERS	36,091	
TRS	(10,523)	25,568
Governmental funds report capital outlays as expenditures. However, on the Statement of Activities, the costs of those assets are allocated over their estimated useful lives. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital outlays	130,178	
Depreciation expense	(565,293)	(435,115)
Change in net position of governmental activities		$ (963,538)

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Net Position

June 30, 2025

Liabilities and Net Position	
Current liabilities -	$ -
Net position -	-
Total liabilities and net position	$ -

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2025

Operating revenues	$	-
Operating expenses -		
Student activities -		
Other expenses		608
Non-operating revenues (expenses) -		
Transfers in from school operating fund		272,855
Change in net position		272,247
Net position (deficit), beginning of year		(272,247)
Net position (deficit), end of year	$	-

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Cash Flows

Year Ended June 30, 2025

Cash flows from (for) operating activities:		
Cash received from customers	$	-
Cash paid to employees		-
Cash paid to suppliers		(608)
Net cash flows from (for) operating activities		(608)
Cash flows from (for) capital activities		
Sale of property, plant and equipment		-
Cash flows from (for) financing activities:		
Net cash transferred from (to) operating fund		608
Net increase (decrease) in cash and cash equivalents		-
Beginning cash and cash equivalents		-
Ending cash and cash equivalents	$	-
Reconciliation of income (loss) from operations to net cash from (for) operating activities:		
Change in net position (deficit)	$	272,247
Adjustments to reconcile income (loss) from operations to cash flows from operating activities:		
Transfer in - School Operating Fund		(272,855)
Changes in assets and liabilities:		
Accounts receivable		-
Accounts payable		-
Net cash flows from (for) operating activities	$	(608)

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accounting policies of the Chatham School District (School District) conform to accounting principles generally accepted in the United States, as applicable to governmental units.

The Legislature of the State of Alaska established the School District on July 1, 1976. At that time, assets to be used by the School District were turned over by direct transfer or by use permits from the State of Alaska. The School District is operated under the exclusive oversight, management and control of the locally elected five-member School Board. The School Board is the level of government which has governance responsibilities over all activities related to public elementary and secondary education within its jurisdiction. The School District receives financial support from state and federal government sources and must comply with the concomitant requirements of these entities. However, the School District is not included in any other governmental reporting entity as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since the School Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

The School District is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the School District for financial statement purposes, and the School District is not included in any other governmental reporting entity. Consequently, the School District's financial statements present only the funds for which its elected governing board is financially accountable.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The most significant of the School District's accounting policies are described below.

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of 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 statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function 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.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. There are three categories of funds: governmental, proprietary and fiduciary. The district maintains two of these types of funds, governmental and proprietary.

The District reports the following major governmental funds:

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

The *Full-Service Community Schools Special Revenue Fund* accounts for revenues received and expenditures made for the grant passed through the Alaska Association of School Boards “A Strong Start for Southeast Alaskan Students.”

Additionally, a Proprietary Fund is used to account for Foxes Den on a for-profit basis.

The *Foxes Den Enterprise Fund* accounts for a student run restaurant in Gustavus, Alaska. This was closed out through a final transfer in 2025.

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

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

Intergovernmental Revenue

State of Alaska foundation and pupil transportation revenues, and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. On-behalf payments from the State of Alaska are recognized in the year to which they relate.

Local Revenue

Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

The District's policy is when available, to utilize restricted revenues before unrestricted revenues.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, 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 establish 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 Cash Equivalents

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 maintains accounts for specific purposes such as the Student Activity accounts.

2. Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the Fund Financial Statements and are eliminated in the preparation of the Government-Wide Financial Statements.

3. Inventories and Prepaid Items Expenses

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 the lesser of cost or market using the first-in, first-out (FIFO) method. Reported inventories are equally offset by a portion of fund balance classified as nonspendable in the Fund Financial Statements, which indicates 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 prepaid items. Prepaid items in governmental funds are based on the consumption method. The prepaid assets recorded in the governmental fund types do not reflect current available resources, and thus, an equivalent portion of fund balance is classified as nonspendable in the Fund Financial Statements.

4. Capital Assets

Capital assets are recorded in the Government-Wide Financial Statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets are capitalized over $5,000. Maintenance and operational costs are borne by the District. Capital assets in the Government-Wide Financial Statements are depreciated on the straight-line method over useful life of the asset, generally 5 to 30 years for equipment and vehicles and 15 to 30 years for buildings.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized in the Government-Wide Financial Statements and are considered operations and maintenance costs.

5. Unearned Revenue

Unearned revenue in Special Revenue Funds represent amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

6. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A liability is recognized when it is attributable to services already rendered, it accumulates, and it is more likely than not that the District will compensate an employee (either as paid time off or cash payment). Unused leave is accrued utilizing current salary cost as earned by the employee and recorded as a liability in the government-wide financial statement of net position. No accrued leave liability is recorded in the fund financial statements.

7. Pensions/Other Post Employment Benefit (OPEB) Liability (Asset)

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

8. Net Position

In the Government-Wide Financial Statements, net position is divided into three components:

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

9. Fund Balance

In the fund financial statements, fund balance includes five classifications as follows:

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

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

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

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

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

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.

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

10. Fair Value of Financial Instruments

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

II. DETAILED NOTES ON ALL FUNDS

A. Deposits 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 of the fund financial statements as "Cash and cash equivalents" or amounts "Due from/to other funds".

Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District.

Any amount in excess of the Federal Depository Insurance (FDIC) with a maximum of $250,000 is collateralized with securities held by the District's agent in the District's name. All deposits are carried at fair market value plus accrued interest. The School District has not developed a cash or investment policy.

At June 30, 2025, the District's bank balances totaled $544,398. Deposits in each financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2025, the District had balances of $200,125 that were not insured or collateralized.

B. Receivables

Receivables as of June 30, 2025 for governmental funds are as follows:

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Fund	Total
Grants	$ -	173,778	319,951	493,729
Other	30,797	-	-	30,797
Total	$ 30,797	173,778	319,951	524,526

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

C. Capital Assets

The School District owns land, buildings, vehicles and equipment as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Assets not being depreciated:				
Land	$ 348,581	-	-	348,581
Assets being depreciated:				
Buildings	24,813,466	80,208	-	24,893,674
Vehicles	300,947	49,970	-	350,917
Equipment	1,024,731	-	-	1,024,731
Total assets being depreciated	26,139,144	130,178	-	26,269,322
Less accumulated depreciation:				
Buildings	(20,996,169)	(505,397)	-	(21,501,566)
Vehicles	(262,257)	(8,987)	-	(271,244)
Equipment	(521,547)	(50,909)	-	(572,456)
Total accumulated depreciation	(21,779,973)	(565,293)	-	(22,345,266)
Total assets being depreciated, net	4,359,171	(435,115)	-	3,924,056
Total Government Capital Assets Net of Accumulated Depreciation	$ 4,707,752	(435,115)	-	4,272,637

Equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

	Years
Machinery and equipment	5-30
Vehicles	5-30
Building	15-30

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

Instruction	$	486,880
Operation and maintenance of plant		72,145
Food services		6,268
Total depreciation expense per function – governmental	$	565,293

D. Interfund Receivables and Payables

Interfund receivables and payables are shown as “Due To Other Funds” and “Due From Other Funds” in each of the individual funds. These balances at June 30, 2025, were as follows:

Receivable Fund	Payable Fund		Amount
School Operating Fund	Other Governmental Funds	$	276,622
School Operating Fund	Full-Service Community Schools SRF		165,376
Other Governmental Funds	School Operating Fund		439,458
		$	881,456

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.

Transfer Out	Transfer In		Amount
School Operating Fund	Foxes Den Enterprise Fund	$	272,855
Other Governmental Funds	School Operating Fund		5,288
		$	278,143

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

In fiscal year 2025 the District transferred funds from the School Operating Fund to the Foxes Den Enterprise Fund which carried a negative fund balance in the prior period. This transfer was made to close out the Enterprise Fund.

E. Deficit Fund Balance

At June 30, 2025 the Staff Housing Special Revenue Fund had deficit fund balance of $20,849 and the USDA Farm to School has a deficit fund balance of $30,232. These deficits are expected to be covered by transfers of fund balance from the School Operating Fund.

E. Fund Balances

Fund balances, reported for the major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints:

	School Operating Fund	Other Governmental Funds	Totals
Nonspendable:			
Inventory	$ 21,592	5,475	27,067
Prepaid expenses	7,846	1,883	9,729
Total non-spendable	29,438	7,358	36,796
Committed:			
Food service	-	15,708	15,708
Pupil transportation	-	141,633	141,633
Post secondary survival	-	36,605	36,605
Student activities	-	111,590	111,590
Special capital projects	-	141,537	141,537
Playground improvements	-	2,780	2,780
Staff housing repairs	-	2,403	2,403
Kitchen maintenance	-	5,679	5,679
Total committed	-	457,935	457,935
Unassigned	64,056	(52,964)	11,092
Total Fund Balances	$ 93,494	412,329	505,823

III. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to worker's compensation, torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District mitigates significant risk of loss through the acquisition of commercial insurance policies. With the exception of fire, earthquake and flood insurance the deductibles are minimal. There were no outstanding claims or liabilities at the end of the current period. The District's employee health costs are covered through commercial insurance policies.

The District has elected the reimbursable method of accounting for Employment Security Compensation (ESC). Under this method, the actual costs of ESC are reimbursed to the State of Alaska, Department of Labor. The District records the liability for the accrued unpaid portion of these claims.

B. Contingent Liabilities

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

C. Employee Retirement Systems and Plans

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

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

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

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

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

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

Plan Memberships

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

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

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

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

Occupational Death and Disability Plan (ODD)

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

Retiree Medical Plan (RMP)

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

Health Reimbursement Arrangement Plan (HRA)

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

Investments

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

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

Rate of Return

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	134,443	8,933	143,376

Public Employees' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed $44,965 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of $105,195 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

Defined Benefit:	Pension
District's proportionate share of the net pension liability	$ 1,591,762
State's proportionate share of the net pension liability	595,780
Total	$ 2,187,542
	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (639,316)
State's proportionate share of the ARHCT OPEB liability (asset)	(239,744)
Total	$ (879,060)
District's proportionate share of the ODD OPEB liability (asset)	$ (21,923)
District's proportionate share of the RMP OPEB liability (asset)	$ (20,583)
Total District's share of net pension and OPEB liabilities and assets	$ 909,940

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

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.02902%	0.02963%	(0.00061)%
OPEB:			
ARHCT	0.02903%	0.02970%	(0.00067)%
ODD	0.03672%	0.03509%	0.00163%
RMP	0.04416%	0.04203%	0.00213%

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of $286,906 and $23,042, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	15,323	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	134,443	-
Total	$ 149,766	-

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 346	-
Changes of assumptions	17,165	-
Net difference between projected and actual earnings on OPEB plan investments	9,736	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,427	-
District contributions subsequent to the measurement date	-	-
Total	$ 29,674	-

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(5,136)
Changes of assumptions	-	(54)
Net difference between projected and actual earnings on OPEB plan investments	70	-
Changes in proportion and differences between District contributions and proportionate share of contributions	402	(2,257)
District contributions subsequent to the measurement date	2,004	-
Total	$ 2,476	(7,447)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 518	(2,287)
Changes of assumptions	6,965	(13,837)
Net difference between projected and actual earnings on OPEB plan investments	290	-
Changes in proportion and differences between District contributions and proportionate share of contributions	235	(594)
District contributions subsequent to the measurement date	6,929	-
Total	$ 14,937	(16,718)

$134,443 and $8,933 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	$ (42,662)	(16,000)	(1,832)	(2,923)
2026	79,423	64,483	(1,039)	13
2027	(11,724)	(10,335)	(1,387)	(3,081)
2028	(9,714)	(8,474)	(1,248)	(2,148)
2029	-	-	(873)	(1,221)
Thereafter	-	-	(596)	650
Total	$ 15,323	29,674	(6,975)	(8,710)

For the year ended June 30, 2025, the District recognized $(64,726) and $(13,424) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

		1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$	2,120,377	1,591,762	1,144,427
Net OPEB ARHCT liability (asset)	$	(404,805)	(639,316)	(836,662)
Net OPEB ODD liability (asset)	$	(20,591)	(21,923)	(22,966)
Net OPEB RMP liability (asset)	$	3,566	(20,583)	(39,041)

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

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(859,192)	(639,316)	(378,118)
Net OPEB ODD liability (asset)	$	N/A	(21,923)	N/A
Net OPEB RMP liability (asset)	$	(41,477)	(20,583)	7,452

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $88,901 for the year ended June 30, 2025, which included forfeitures of $9,637 which have been applied as employer contributions.

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	35,998	12,158	48,156

Teachers' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed $253,022 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of $241,363 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

Defined Benefit:		Pension
District's proportionate share of the net pension liability	$	866,576
State's proportionate share of the net pension liability		1,493,946
Total	$	2,360,522
		OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$	(483,331)
State's proportionate share of the ARHCT OPEB liability (asset)		(788,040)
Total	$	(1,271,371)
District's proportionate share of the ODD OPEB liability (asset)	$	(24,112)
District's proportionate share of the RMP OPEB liability (asset)	$	(68,010)
Total District's share of net pension and OPEB liabilities and assets	$	291,123

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

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.04685%	0.05513%	(0.00828)%
OPEB:			
ARHCT	0.04845%	0.05610%	(0.00765)%
ODD	0.30262%	0.24241%	0.06021%
RMP	0.30245%	0.24261%	0.05984%

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of $180,050 and $81,166, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	14,448	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	35,998	-
Total	$ 50,446	-

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(118)
Changes of assumptions	5,707	-
Net difference between projected and actual earnings on OPEB plan investments	6,124	-
Changes in proportion and differences between District contributions and proportionate share of contributions	7,237	-
District contributions subsequent to the measurement date	-	-
Total	$ 19,068	(118)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(3,810)
Changes of assumptions	-	(34)
Net difference between projected and actual earnings on OPEB plan investments	102	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,741	(5,328)
District contributions subsequent to the measurement date	1,280	-
Total	$ 3,123	(9,172)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,494	(4,632)
Changes of assumptions	12,689	(26,390)
Net difference between projected and actual earnings on OPEB plan investments	968	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,200	(13,121)
District contributions subsequent to the measurement date	10,878	-
Total	$ 37,229	(44,143)

$35,998 and $12,158 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	$ (39,837)	(9,706)	(1,418)	(5,865)
2026	72,625	40,922	(751)	867
2027	(9,914)	(6,739)	(1,279)	(4,804)
2028	(8,426)	(5,527)	(1,052)	(4,371)
2029	-	-	(970)	(1,880)
Thereafter	-	-	(1,859)	(1,739)
Total	$ 14,448	18,950	(7,329)	(17,792)

For the year ended June 30, 2025, the District recognized $(176,164) and $54,840 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

		1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$	1,257,169	866,576	535,936
Net OPEB ARHCT liability (asset)	$	(333,112)	(483,331)	(609,039)
Net OPEB ODD liability (asset)	$	(24,191)	(24,112)	(24,064)
Net OPEB RMP liability (asset)	$	(17,951)	(68,010)	(105,810)

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

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(622,764)	(483,331)	(316,747)
Net OPEB ODD liability (asset)	$	N/A	(24,112)	N/A
Net OPEB RMP liability (asset)	$	(110,377)	(68,010)	(10,649)

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $160,338 for the year ended June 30, 2025, which included forfeitures of $4,095 which have been applied as employer contributions.

D. Subsequent Accounting Pronouncements

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

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

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

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

E. Implementation of new accounting standards GASB statement No. 101

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

	Governmental Funds	Governmental Activities
Net position, beginning of year July 1, 2024	$ 984,048	$ 4,747,235
Change in accounting principle:		
Compensated absences	19,748	(22,740)
Net position, as adjusted	$ 1,003,796	$ 4,724,495

REQUIRED SUPPLEMENTARY INFORMATION

CHATHAM SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget-Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Charges for services	$ 2,000	2,000	4,472	2,472
Interest income	100	100	50	(50)
E-rate	357,588	357,588	365,357	7,769
Other local revenues	42,000	42,000	89,271	47,271
Intergovernmental:				
State of Alaska	4,177,014	4,177,014	4,245,426	68,412
Federal sources	185,654	185,654	199,607	13,953
Total revenues	4,764,356	4,764,356	4,904,183	139,827
Expenditures -				
Current:				
Instruction	1,588,089	1,588,089	1,736,034	(147,945)
Special education instruction	504,687	504,687	495,647	9,040
Special education support services - students	106,908	106,908	100,786	6,122
Support services - students	3,000	3,000	2,757	243
Support services - instruction	544,973	544,973	511,582	33,391
School administration	351,368	351,368	367,800	(16,432)
School administration support services	187,472	187,472	190,204	(2,732)
District administration	342,824	342,824	367,111	(24,287)
District administration support services	247,115	247,115	283,741	(36,626)
Operations and maintenance of plant	845,478	845,478	846,561	(1,083)
Student activities	113,485	113,485	110,286	3,199
Total expenditures	4,835,399	4,835,399	5,012,509	(177,110)
Excess (deficiency) of revenues over (under) expenditures	(71,043)	(71,043)	(108,326)	(37,283)
Other financing sources (uses):				
Transfers out - Foxes Den Enterprise Fund	-	-	(272,855)	(272,855)
Transfers in - FEMA Special Revenue Fund	-	-	5,288	5,288
Net other financing sources (uses)	-	-	(267,567)	(267,567)
Net change in fund balance	$ (71,043)	(71,043)	(375,893)	(304,850)
Fund balance, beginning of year, as originally stated			449,639	
Change in accounting principle			19,748	
Fund balance, beginning of year, as restated			469,387	
Fund balance, end of year			$ 93,494	

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Full-Service Community Schools Special Revenue Fund

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

Year Ended June 30, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 1,287,897	609,933	(677,964)
Expenditures -			
Current -			
Instruction	1,287,897	609,933	677,964
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0383%	$ 1,856,960	$ 4,999,735	$ 6,856,695	$ 504,163	368.33%	63.96%
2017	0.0243%	$ 1,356,902	$ 167,241	$ 1,524,143	$ 569,881	238.10%	59.55%
2018	0.0225%	$ 1,160,561	$ 431,147	$ 1,591,708	$ 612,939	189.34%	63.37%
2019	0.0258%	$ 1,279,711	$ 371,022	$ 1,650,733	$ 634,083	201.82%	65.19%
2020	0.0249%	$ 1,361,108	$ 540,251	$ 1,901,359	$ 639,133	212.96%	63.42%
2021	0.0224%	$ 1,322,588	$ 546,749	$ 1,869,337	$ 621,045	212.96%	61.61%
2022	0.0232%	$ 850,374	$ 115,919	$ 966,293	$ 602,053	141.25%	76.46%
2023	0.0222%	$ 1,132,625	$ 312,605	$ 1,445,230	$ 769,127	147.26%	67.97%
2024	0.0296%	$ 1,536,429	$ 514,341	$ 2,050,770	$ 909,158	168.99%	68.23%
2025	0.0290%	$ 1,591,762	$ 595,780	$ 2,187,542	$ 973,228	163.55%	67.81%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0224%	$ 189,262	$ 71,042	$ 260,304	$ 612,939	30.88%	89.68%
2019	0.2571%	$ 263,814	$ 77,136	$ 340,950	$ 634,083	41.61%	88.12%
2020	0.0248%	$ 36,788	$ 14,802	$ 51,590	$ 639,133	5.76%	98.13%
2021	0.0223%	$ (101,822)	$ (41,958)	$ (143,780)	$ 621,045	-16.40%	106.15%
2022	0.0233%	$ (598,323)	$ (80,057)	$ (678,380)	$ 602,053	-99.38%	135.54%
2023	0.0220%	$ (433,137)	$ (123,324)	$ (556,461)	$ 769,127	-56.32%	128.51%
2024	0.0297%	$ (682,282)	$ (229,495)	$ (911,777)	$ 909,158	-75.05%	133.96%
2025	0.0290%	$ (639,316)	$ (239,744)	$ (879,060)	$ 973,228	-65.69%	130.59%
Occupational Death and Disability (ODD):							
2018	0.0332%	$ 1,731	$ -	$ 1,731	$ 612,939	0.28%	212.97%
2019	0.0355%	$ 4,520	$ -	$ 4,520	$ 634,083	0.71%	270.62%
2020	0.0344%	$ 8,217	$ -	$ 8,217	$ 639,133	1.29%	297.43%
2021	0.0319%	$ 2,265	$ -	$ 2,265	$ 621,045	0.36%	283.80%
2022	0.0317%	$ (8,508)	$ -	$ (8,508)	$ 602,053	-1.41%	374.22%
2023	0.0325%	$ (14,225)	$ -	$ (14,225)	$ 769,127	-1.85%	348.80%
2024	0.0351%	$ (18,001)	$ -	$ (18,001)	$ 909,158	-1.98%	349.24%
2025	0.0367%	$ (21,923)	$ -	$ (21,923)	$ 973,228	-2.25%	346.81%
Retiree Medical Plan (RMP):							
2018	0.0332%	$ (4,710)	$ -	$ (4,710)	$ 345,719	-1.36%	93.98%
2019	0.0355%	$ (6,898)	$ -	$ (6,898)	$ 402,001	-1.72%	88.71%
2020	0.0273%	$ (6,620)	$ -	$ (6,620)	$ 428,792	-1.54%	83.17%
2021	0.0256%	$ (6,975)	$ -	$ (6,975)	$ 431,507	-1.62%	92.23%
2022	0.0269%	$ (11,864)	$ -	$ (11,864)	$ 463,204	-2.56%	115.10%
2023	0.0382%	$ (13,264)	$ -	$ (13,264)	$ 603,949	-2.20%	120.08%
2024	0.0420%	$ (19,956)	$ -	$ (19,956)	$ 374,245	-5.33%	124.29%
2025	0.0442%	$ (20,583)	$ -	$ (20,583)	$ 425,025	-4.84%	119.87%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 47,840	$ (47,840)	$ -	$ 569,881	8.39%
2017	$ 59,024	$ (59,024)	$ -	$ 612,939	9.63%
2018	$ 62,992	$ (62,992)	$ -	$ 634,083	9.93%
2019	$ 55,145	$ (54,303)	$ 842	$ 639,133	8.63%
2020	$ 55,573	$ (55,225)	$ 348	$ 621,045	8.95%
2021	$ 53,177	$ (53,177)	$ -	$ 602,053	8.83%
2022	$ 75,566	$ (75,566)	$ -	$ 769,127	9.82%
2023	$ 102,708	$ (107,670)	$ (4,962)	$ 909,158	11.30%
2024	$ 111,434	$ (109,587)	$ 1,847	$ 973,228	11.45%
2025	$ 133,001	$ (134,443)	$ (1,442)	$ 1,055,803	12.60%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 17,955	$ (17,955)	$ -	$ 634,083	2.83%
2019	$ 17,963	$ (17,963)	$ -	$ 639,133	2.81%
2020	$ 22,023	$ (22,023)	$ -	$ 621,045	3.55%
2021	$ 10,471	$ (10,471)	$ -	$ 602,053	1.74%
2022	$ 10,735	$ (10,735)	$ -	$ 769,127	1.40%
2023	$ -	$ -	$ -	$ 909,158	0.00%
2024	$ -	$ -	$ -	$ 973,228	0.00%
2025	$ -	$ -	$ -	$ 1,055,803	0.00%
Occupational Death and Disability (ODD):					
2018	$ 643	$ (643)	$ -	$ 634,083	0.10%
2019	$ 1,115	$ (1,115)	$ -	$ 639,133	0.17%
2020	$ 1,199	$ (1,199)	$ -	$ 621,045	0.19%
2021	$ 1,436	$ (1,436)	$ -	$ 602,053	0.24%
2022	$ 1,872	$ (1,872)	$ -	$ 769,127	0.24%
2023	$ 2,149	$ (2,149)	$ -	$ 909,158	0.24%
2024	$ 2,520	$ (2,520)	$ -	$ 973,228	0.26%
2025	$ 2,004	$ (2,004)	$ -	$ 1,055,803	0.19%
Retiree Medical Plan (RMP):					
2018	$ 4,141	$ (4,141)	$ -	$ 402,001	1.03%
2019	$ 4,031	$ (4,031)	$ -	$ 428,792	0.94%
2020	$ 5,976	$ (5,976)	$ -	$ 431,507	1.38%
2021	$ 5,883	$ (5,883)	$ -	$ 463,204	1.27%
2022	$ 6,462	$ (6,462)	$ -	$ 603,949	1.07%
2023	$ 7,881	$ (7,881)	$ -	$ 374,245	2.11%
2024	$ 8,498	$ (8,498)	$ -	$ 425,025	2.00%
2025	$ 6,929	$ (6,929)	$ -	$ 404,097	1.71%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0456%	$ 847,808	$ 1,356,385	$ 2,204,193	$ 1,312,597	64.59%	73.82%
2017	0.0717%	$ 1,637,192	$ 1,939,716	$ 3,576,908	$ 1,354,162	120.90%	68.40%
2018	0.0658%	$ 1,332,534	$ 2,323,173	$ 3,655,707	$ 1,331,515	100.08%	72.39%
2019	0.0640%	$ 1,225,605	$ 1,820,630	$ 3,046,235	$ 1,331,103	92.07%	74.09%
2020	0.0661%	$ 1,235,295	$ 1,831,682	$ 3,066,977	$ 1,278,509	96.62%	74.68%
2021	0.0441%	$ 896,419	$ 1,554,451	$ 2,450,870	$ 1,149,604	77.98%	72.81%
2022	0.0808%	$ 643,257	$ 546,042	$ 1,189,299	$ 1,417,616	45.38%	89.43%
2023	0.0445%	$ 741,218	$ 989,005	$ 1,730,223	$ 1,248,818	59.35%	78.33%
2024	0.0551%	$ 969,405	$ 1,531,289	$ 2,500,694	$ 1,633,789	59.33%	77.62%
2025	0.0469%	$ 866,576	$ 1,493,946	$ 2,360,522	$ 1,739,747	49.81%	77.07%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0224%	$ 189,262	$ 71,042	$ 260,304	$ 1,331,515	14.21%	93.75%
2019	0.0257%	$ 263,814	$ 77,136	$ 340,950	$ 1,331,103	19.82%	90.23%
2020	0.0248%	$ 36,788	$ 14,802	$ 51,590	$ 1,278,509	2.88%	105.50%
2021	0.0223%	$ (101,822)	$ (41,958)	$ (143,780)	$ 1,149,604	-8.86%	113.78%
2022	0.2333%	$ (598,323)	$ (80,057)	$ (678,380)	$ 1,417,616	-42.21%	145.41%
2023	0.0453%	$ (397,376)	$ (509,993)	$ (907,369)	$ 1,248,818	-31.82%	134.84%
2024	0.0561%	$ (566,965)	$ (864,120)	$ (1,431,085)	$ 1,633,789	-34.70%	140.49%
2025	0.0485%	$ (483,331)	$ (788,040)	$ (1,271,371)	$ 1,739,747	-27.78%	137.40%
Occupational Death and Disability (ODD):							
2018	0.0332%	$ 1,731	$ -	$ 1,731	$ 1,331,515	0.13%	1342.59%
2019	0.0355%	$ 4,520	$ -	$ 4,520	$ 1,331,103	0.34%	1304.81%
2020	0.0344%	$ 8,217	$ -	$ 8,217	$ 1,278,509	0.64%	1409.77%
2021	0.0319%	$ 2,265	$ -	$ 2,265	$ 1,149,604	0.20%	931.08%
2022	0.0317%	$ (8,508)	$ -	$ (8,508)	$ 1,417,616	-0.60%	1254.36%
2023	0.2005%	$ (12,111)	$ -	$ (12,111)	$ 1,248,818	-0.97%	1268.28%
2024	0.2424%	$ (16,772)	$ -	$ (16,772)	$ 1,633,789	-1.03%	1410.42%
2025	0.3026%	$ (24,112)	$ -	$ (24,112)	$ 1,739,747	-1.39%	1600.56%
Retiree Medical Plan (RMP):							
2018	0.0332%	$ (4,710)	$ -	$ (4,710)	$ 862,144	-0.55%	118.16%
2019	0.0355%	$ (6,898)	$ -	$ (6,898)	$ 849,788	-0.81%	109.56%
2020	0.0273%	$ (6,620)	$ -	$ (6,620)	$ 988,720	-0.67%	110.03%
2021	0.0256%	$ (6,975)	$ -	$ (6,975)	$ 991,217	-0.70%	125.59%
2022	0.0269%	$ (11,864)	$ -	$ (11,864)	$ 1,124,077	-1.06%	142.54%
2023	0.2002%	$ (38,762)	$ -	$ (38,762)	$ 985,411	-3.93%	140.73%
2024	0.2426%	$ (53,740)	$ -	$ (53,740)	$ 1,072,191	-5.01%	140.71%
2025	0.3025%	$ (68,010)	$ -	$ (68,010)	$ 1,383,234	-4.92%	134.72%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 47,946	$ (47,946)	$ -	$ 1,354,162	3.54%
2017	$ 42,348	$ (42,348)	$ -	$ 1,331,515	3.18%
2018	$ 59,845	$ (59,845)	$ -	$ 1,331,103	4.50%
2019	$ 30,863	$ (16,403)	$ 14,460	$ 1,278,509	2.41%
2020	$ 40,325	$ (49,251)	$ (8,926)	$ 1,149,604	3.51%
2021	$ 32,386	$ (32,386)	$ -	$ 1,417,616	2.28%
2022	$ 31,902	$ (31,902)	$ -	$ 1,248,818	2.55%
2023	$ 53,605	$ (57,601)	$ (3,996)	$ 1,633,789	3.28%
2024	$ 47,054	$ (29,638)	$ 17,416	$ 1,739,747	2.70%
2025	$ 48,622	$ (35,998)	$ 12,624	$ 1,659,985	2.93%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 23,646	$ (23,646)	$ -	$ 1,331,103	1.78%
2019	$ 14,277	$ (14,277)	$ -	$ 1,278,509	1.12%
2020	$ 22,072	$ (22,072)	$ -	$ 1,149,604	1.92%
2021	$ 19,932	$ (19,932)	$ -	$ 1,417,616	1.41%
2022	$ 17,220	$ (17,220)	$ -	$ 1,248,818	1.38%
2023	$ 1,102	$ (1,102)	$ -	$ 1,633,789	0.07%
2024	$ -	$ -	$ -	$ 1,739,747	0.00%
2025	$ -	$ -	$ -	$ 1,659,985	0.00%
Occupational Death and Disability (ODD):					
2018	$ -	$ -	$ -	$ 1,331,103	0.00%
2019	$ -	$ -	$ -	$ 1,278,509	0.00%
2020	$ 791	$ (791)	$ -	$ 1,149,604	0.07%
2021	$ 971	$ (971)	$ -	$ 1,417,616	0.07%
2022	$ 899	$ (899)	$ -	$ 1,248,818	0.07%
2023	$ 996	$ (996)	$ -	$ 1,633,789	0.06%
2024	$ 1,346	$ (1,346)	$ -	$ 1,739,747	0.08%
2025	$ 1,280	$ (1,280)	$ -	$ 1,659,985	0.08%
Retiree Medical Plan (RMP):					
2018	$ 7,733	$ (7,733)	$ -	$ 849,788	0.91%
2019	$ 7,811	$ (7,811)	$ -	$ 988,720	0.79%
2020	$ 12,562	$ (12,562)	$ -	$ 991,217	1.27%
2021	$ 10,454	$ (10,454)	$ -	$ 1,124,077	0.93%
2022	$ 8,179	$ (8,179)	$ -	$ 985,411	0.83%
2023	$ 10,837	$ (10,837)	$ -	$ 1,072,191	1.01%
2024	$ 13,795	$ (13,795)	$ -	$ 1,383,234	1.00%
2025	$ 10,878	$ (10,878)	$ -	$ 1,276,579	0.85%

See accompanying notes to Required Supplementary Information.

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

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

1. Annual budgets for operation are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting.
2. The adopted School Operating Fund budget is submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.
3. The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The originally adopted budget and the final revised and approved budget are presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget and functional areas of expenditures are not to be overspent. Annual appropriations for the School Operating Fund lapse at fiscal year-end.
4. 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. The amount of encumbrances, if significant, is disclosed in the notes to the Basic Financial Statements as commitments. As of June 30, 2025, the District did not have any encumbrances.

Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following major funds:

School Operating Fund:		
Instruction	$	(147,945)
School administration	$	(16,432)
School administration support services	$	(2,732)
District administration	$	(24,287)
District admin support services	$	(36,626)
Operations and maintenance of plant	$	(1,083)

2. Public Employees' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

3. Teachers' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

SUPPLEMENTARY INFORMATION

CHATHAM SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Local sources:			
Charges for services	$ 2,000	4,472	2,472
Earnings on investments	100	50	(50)
E-rate	357,588	365,357	7,769
Other local revenues	42,000	89,271	47,271
Total local sources	401,688	459,150	57,462
State sources:			
Foundation program	3,519,341	3,526,856	7,515
Quality schools	9,643	9,643	-
HB 268 one-time grant	409,836	409,836	-
TRS on-behalf payment	206,144	253,022	46,878
PERS on-behalf payment	31,050	44,966	13,916
Other	1,000	1,103	103
Total state sources	4,177,014	4,245,426	68,412
Federal sources:			
National forest receipts	-	6,132	6,132
Impact aid	185,654	193,475	7,821
Total federal sources	185,654	199,607	13,953
Total revenues	4,764,356	4,904,183	139,827
Expenditures:			
Current:			
Instruction:			
Certificated salaries	780,823	863,095	(82,272)
Non-certificated salaries	143,864	166,348	(22,484)
Employee benefits	475,668	544,217	(68,549)
Housing allowance/subsidy	27,950	9,710	18,240
Professional and technical services	43,752	43,135	617
Staff travel	27,358	30,629	(3,271)
Student travel	592	592	-
Utility services	3,000	88	2,912
Energy	-	586	(586)
Other purchased services	63,250	47,044	16,206
Supplies, materials and media	16,890	18,261	(1,371)
Other expenses	4,942	12,329	(7,387)
Total instruction	1,588,089	1,736,034	(147,945)
Special education instruction:			
Certificated salaries	158,091	174,204	(16,113)
Non-certificated salaries	173,163	151,314	21,849
Employee benefits	161,418	158,858	2,560
Housing allowance/subsidy	7,200	4,000	3,200
Professional and technical services	-	59	(59)
Staff travel	-	2,219	(2,219)
Supplies, materials and media	4,815	4,993	(178)
Total special education instruction	504,687	495,647	9,040

(continued)

CHATHAM 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:			
Current:			
Special education support services - students:			
Certificated salaries	20,000	5,000	15,000
Employee benefits	8,408	2,250	6,158
Professional and technical services	70,000	88,440	(18,440)
Staff travel	6,000	5,096	904
Other expenses	2,500	-	2,500
Total special education support services - students	106,908	100,786	6,122
Support services - students -			
Employee benefits	3,000	2,757	243
Support services - instruction:			
Professional and technical services	102,000	100,786	1,214
Utility services	441,488	407,725	33,763
Energy	-	289	(289)
Other purchased services	-	575	(575)
Supplies, materials and media	725	1,303	(578)
Other expenses	760	904	(144)
Total support services - instruction	544,973	511,582	33,391
School administration:			
Certificated salaries	192,075	191,975	100
Employee benefits	95,408	87,587	7,821
Professional and technical services	9,585	12,736	(3,151)
Staff travel	13,500	16,518	(3,018)
Student travel	-	435	(435)
Utility services	20,000	26,159	(6,159)
Energy	-	1,215	(1,215)
Other purchased services	19,000	27,230	(8,230)
Supplies, materials and media	1,320	1,692	(372)
Other expenses	480	2,253	(1,773)
Total school administration	351,368	367,800	(16,432)
School administration support services:			
Non-certificated salaries	101,910	111,838	(9,928)
Employee benefits	77,661	74,879	2,782
Staff travel	5,278	869	4,409
Supplies, materials and media	2,623	2,618	5
Total school administration support services	187,472	190,204	(2,732)
District administration:			
Certificated salaries	121,140	105,997	15,143
Non-certificated salaries	78,111	98,847	(20,736)
Employee benefits	96,238	98,273	(2,035)
Professional and technical services	500	-	500
Staff travel	33,000	37,893	(4,893)
Utility services	1,500	-	1,500
Supplies, materials and media	1,100	1,001	99
Other expenses	11,235	25,100	(13,865)
Total district administration	342,824	367,111	(24,287)

(continued)

CHATHAM 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:			
Current:			
District administration support services:			
Non-certificated salaries	96,830	93,124	3,706
Employee benefits	42,126	35,088	7,038
Professional and technical services	112,838	142,517	(29,679)
Staff travel	2,000	3,629	(1,629)
Utilities services	500	11	489
Other purchased services	2,000	1,031	969
Insurance and bond premiums	56,525	56,525	-
Supplies, materials and media	1,196	1,419	(223)
Other expenses	8,100	14,513	(6,413)
Indirect cost recovery	(75,000)	(64,116)	(10,884)
Total district administration support services	247,115	283,741	(36,626)
Operations and maintenance of plant:			
Non-certificated salaries	166,823	178,080	(11,257)
Employee benefits	71,882	75,890	(4,008)
Professional and technical services	16,250	6,909	9,341
Staff travel	1,500	2,423	(923)
Utility services	37,680	51,345	(13,665)
Energy	361,575	319,802	41,773
Other purchased services	26,200	38,152	(11,952)
Insurance and bond premiums	112,384	114,382	(1,998)
Supplies, materials and media	24,635	33,042	(8,407)
Other expenses	189	176	13
Equipment	26,360	26,360	-
Total operations and maintenance of plant	845,478	846,561	(1,083)
Student activities:			
Certificated salaries	15,000	10,985	4,015
Non-certificated salaries	14,000	8,300	5,700
Employee benefits	8,240	5,282	2,958
Staff travel	2,000	2,520	(520)
Student travel	70,000	75,402	(5,402)
Supplies, materials and media	2,700	5,733	(3,033)
Other expenses	1,545	2,064	(519)
Total student activities	113,485	110,286	3,199
Total expenditures	4,835,399	5,012,509	(177,110)
Excess (deficiency) of revenues over (under) expenditures	(71,043)	(108,326)	(37,283)
Other financing sources (uses):			
Transfers out - Foxes Den Enterprise Fund	-	(272,855)	(272,855)
Transfers in - FEMA Special Revenue Fund	-	5,288	5,288
Net other financing sources (uses)	-	(267,567)	(267,567)
Net change in fund balance	$ (71,043)	(375,893)	(304,850)
Fund balance, beginning of year, as originally stated		449,639	
Change in accounting principle		19,748	
Fund balance, beginning of year, as restated		469,387	
Fund balance, end of year		$ 93,494	

Exhibit H-2

CHATHAM SCHOOL DISTRICT

Full-Service Community Schools Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 1,287,897	609,933	(677,964)
Expenditures - current:			
Instruction:			
Certificated salaries	371,125	107,823	263,302
Non-certificated salaries	217,147	186,137	31,010
Employee benefits	94,594	77,395	17,199
Professional and technical services	458,495	107,938	350,557
Staff travel	44,424	60,555	(16,131)
Student travel	-	12,183	(12,183)
Supplies, materials and media	67,465	52,928	14,537
Other expenses	34,647	4,974	29,673
Total expenditures	1,287,897	609,933	677,964
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-1

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2025

Assets	Special Revenue Funds						
	Student Transportation	Stronger Connections	Southeast Conference Microgrant	Hunter Education	Food Service	Title VI-B IDEA	Title I-A Basic
Cash and cash equivalents	$ -	-	-	-	-	-	-
Accounts receivable	-	27,363	11,820	-	3,135	10,544	35,987
Due from School Operating Fund	150,974	-	-	7,959	12,573	37,441	-
Prepaid expenses	-	-	-	-	-	-	1,203
Inventory	-	-	-	-	5,475	-	-
	150,974	27,363	11,820	7,959	21,183	47,985	37,190
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	9,341	20,227	2,441	-	-	47,985	-
Unearned revenue	-	-	-	7,959	-	-	-
Due to School Operating Fund	-	7,136	9,379	-	-	-	37,190
Total liabilities	9,341	27,363	11,820	7,959	-	47,985	37,190
Fund balances:							
Nonspendable	-	-	-	-	5,475	-	1,203
Committed	141,633	-	-	-	15,708	-	-
Unassigned	-	-	-	-	-	-	(1,203)
Total fund balances	141,633	-	-	-	21,183	-	-
Total liabilities and fund balances	$ 150,974	27,363	11,820	7,959	21,183	47,985	37,190

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets		Special Revenue Funds					
		SISD Literacy	Carl Perkins	Title II-A Teacher and Principal Training	NFF YCC	Tlingit Native Language	ACA - Staying North
Cash and cash equivalents	$	-	-	-	-	-	-
Accounts receivable		4,256	11,198	6,500	-	138,014	36,647
Due from School Operating Fund		-	-	-	25,923	-	-
Prepaid expenses		-	-	-	-	-	680
Inventory		-	-	-	-	-	-
		4,256	11,198	6,500	25,923	138,014	37,327
Liabilities and Fund Balances							
Liabilities:							
Accounts payable		500	-	4,917	9,362	13,232	19,955
Unearned revenue		-	-	-	16,561	-	-
Due to School Operating Fund		3,756	11,198	1,583	-	124,782	17,372
Total liabilities		4,256	11,198	6,500	25,923	138,014	37,327
Fund balances:							
Nonspendable		-	-	-	-	-	680
Committed		-	-	-	-	-	-
Unassigned		-	-	-	-	-	(680)
Total fund balances		-	-	-	-	-	-
Total liabilities and fund balances	$	4,256	11,198	6,500	25,923	138,014	37,327

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Special Revenue Funds: Indian Education	USDA Farm to School	Staff Housing	Post Secondary Survival	Student Activities	Total Special Revenue Funds
Cash and cash equivalents	$ -	-	8,827	-	111,640	120,467
Accounts receivable	-	34,487	-	-	-	319,951
Due from School Operating Fund	12,607	-	2,977	36,605	-	287,059
Prepaid expenses	-	-	-	-	-	1,883
Inventory	-	-	-	-	-	5,475
	12,607	34,487	11,804	36,605	111,640	734,835
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	4,596	493	32,453	-	50	165,552
Unearned revenue	8,011	-	200	-	-	32,731
Due to School Operating Fund	-	64,226	-	-	-	276,622
Total liabilities	12,607	64,719	32,653	-	50	474,905
Fund balances:						
Nonspendable	-	-	-	-	-	7,358
Committed	-	-	-	36,605	111,590	305,536
Unassigned	-	(30,232)	(20,849)	-	-	(52,964)
Total fund balances	-	(30,232)	(20,849)	36,605	111,590	259,930
Total liabilities and fund balances	$ 12,607	34,487	11,804	36,605	111,640	734,835

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Capital Project Funds: Special Capital Projects	TKE Playground Improvements	Staff Housing Repairs	Kitchen Maintenance	Total Capital Project Funds	Total Other Governmental Funds
Cash and cash equivalents	$ -	-	-	-	-	120,467
Accounts receivable	-	-	-	-	-	319,951
Due from School Operating Fund	141,537	2,780	2,403	5,679	152,399	439,458
Prepaid expenses	-	-	-	-	-	1,883
Inventory	-	-	-	-	-	5,475
	141,537	2,780	2,403	5,679	152,399	887,234
Liabilities and Fund Balances						
Balances						
Liabilities:						
Accounts payable	-	-	-	-	-	165,552
Unearned revenue	-	-	-	-	-	32,731
Due to School Operating Fund	-	-	-	-	-	276,622
Total liabilities	-	-	-	-	-	474,905
Fund balances:						
Nonspendable	-	-	-	-	-	7,358
Committed	141,537	2,780	2,403	5,679	152,399	457,935
Unassigned	-	-	-	-	-	(52,964)
Total fund balances	141,537	2,780	2,403	5,679	152,399	412,329
Total liabilities and fund balances	$ 141,537	2,780	2,403	5,679	152,399	887,234

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2025

	Special Revenue Funds						
	Student Transportation	Stronger Connections	Broadband Assistance Grant	Eco Trust	Southeast Conference Microgrant	Hunter Education	Safety and Well Being
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	5,797	11,820	-	-
Intergovernmental:							
State of Alaska	48,806	-	9,558	-	-	17,765	-
Federal sources:							
Pass through	-	27,363	-	-	-	-	2,708
Direct	-	-	-	-	-	-	-
Total revenues	48,806	27,363	9,558	5,797	11,820	17,765	2,708
Expenditures:							
Current:							
Instruction	-	25,909	-	5,797	11,192	17,765	2,564
Special education support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	9,558	-	-	-	-
District administration support services	-	1,454	-	-	628	-	144
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	96,009	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	96,009	27,363	9,558	5,797	11,820	17,765	2,708
Excess (deficiency) of revenues over (under) expenditures	(47,203)	-	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	-	-	-
Net change in fund balance	(47,203)	-	-	-	-	-	-
Fund balances, beginning of year	188,836	-	-	-	-	-	-
Fund balances, end of year	$ 141,633	-	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds						
	EHCY Travel	Food Service	Fresh Fruit and Vegetable Program	Section 619 Special Education	Title VI-B IDEA	Title I-A Basic	SISD Literacy
Revenues:							
Local sources:							
Charges for services	$ -	371	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Pass through	437	33,065	480	1,939	47,689	56,658	16,916
Direct	-	-	-	-	-	-	-
Total revenues	437	33,436	480	1,939	47,689	56,658	16,916
Expenditures:							
Current:							
Instruction	414	-	-	-	-	53,648	16,916
Special education support services - students	-	-	-	1,836	45,156	-	-
Support services - instruction	-	-	-	-	-	-	-
District administration support services	23	-	-	103	2,533	3,010	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Food services	-	102,080	480	-	-	-	-
Total expenditures	437	102,080	480	1,939	47,689	56,658	16,916
Excess (deficiency) of revenues over (under) expenditures	-	(68,644)	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	-	-	-
Net change in fund balance	-	(68,644)	-	-	-	-	-
Fund balances, beginning of year	-	89,827	-	-	-	-	-
Fund balances, end of year	$ -	21,183	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds						
	Carl Perkins	Title II-A Teacher and Principal Training	ARP After School	NFF YCC	FEMA	Tlingit Native Language	ACA - Staying North
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Pass through	15,067	9,514	62,436	57,046	-	-	499,471
Direct	-	-	-	-	-	462,281	-
Total revenues	15,067	9,514	62,436	57,046	-	462,281	499,471
Expenditures:							
Current:							
Instruction	14,349	9,009	61,123	54,011	-	439,085	475,593
Special education support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-
District administration support services	718	505	1,313	3,035	-	23,196	23,878
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	15,067	9,514	62,436	57,046	-	462,281	499,471
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	(5,288)	-	-
Net change in fund balance	-	-	-	-	(5,288)	-	-
Fund balances, beginning of year	-	-	-	-	5,288	-	-
Fund balances, end of year	$ -	-	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds					
	Indian Education	USDA Farm to School	Staff Housing	Post Secondary Survival	Student Activities	Total Special Revenue Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	94,070	-	-	94,441
Other	-	-	-	-	85,980	103,597
Intergovernmental:						
State of Alaska	-	-	-	-	-	76,129
Federal sources:						
Pass through	-	-	-	-	-	830,789
Direct	11,989	66,767	-	-	-	541,037
Total revenues	11,989	66,767	94,070	-	85,980	1,645,993
Expenditures:						
Current:						
Instruction	11,937	93,473	-	1,200	-	1,293,985
Special education support services - students	-	-	-	-	-	46,992
Support services - instruction	-	-	-	-	-	9,558
District administration support services	52	3,526	-	-	-	64,118
Operations and maintenance of plant	-	-	87,638	-	-	87,638
Student activities	-	-	-	-	61,925	61,925
Student transportation - to and from school	-	-	-	-	-	96,009
Food services	-	-	-	-	-	102,560
Total expenditures	11,989	96,999	87,638	1,200	61,925	1,762,785
Excess (deficiency) of revenues over (under) expenditures	-	(30,232)	6,432	(1,200)	24,055	(116,792)
Other financing uses - transfers out	-	-	-	-	-	(5,288)
Net change in fund balance	-	(30,232)	6,432	(1,200)	24,055	(122,080)
Fund balances, beginning of year	-	-	(27,281)	37,805	87,535	382,010
Fund balances, end of year	$ -	(30,232)	(20,849)	36,605	111,590	259,930

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Capital Project Funds					
	Special Capital Projects Fund	TKE Playground Improvements	Staff Housing Repairs	Kitchen Maintenance	Total Capital Project Funds	Total Other Governmental Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	-	-	-	94,441
Other	-	-	-	-	-	103,597
Intergovernmental:						
State of Alaska	-	-	-	-	-	76,129
Federal sources:						
Pass through	-	-	-	-	-	830,789
Direct	-	-	-	-	-	541,037
Total revenues	-	-	-	-	-	1,645,993
Expenditures:						
Current:						
Instruction	-	-	-	-	-	1,293,985
Special education support services - students	-	-	-	-	-	46,992
Support services - instruction	-	-	-	-	-	9,558
District administration support services	-	-	-	-	-	64,118
Operations and maintenance of plant	-	-	-	-	-	87,638
Student activities	-	-	-	-	-	61,925
Student transportation - to and from school	-	-	-	-	-	96,009
Food services	-	-	-	-	-	102,560
Total expenditures	-	-	-	-	-	1,762,785
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	(116,792)
Other financing uses - transfers out	-	-	-	-	-	(5,288)
Net change in fund balance	-	-	-	-	-	(122,080)
Fund balances, beginning of year	141,537	2,780	2,403	5,679	152,399	534,409
Fund balances, end of year	$ 141,537	2,780	2,403	5,679	152,399	412,329

CHATHAM SCHOOL DISTRICT

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 48,806	48,806	-
Expenditures - current -			
Student transportation - to and from school:			
Non-certificated salaries	-	27,989	(27,989)
Employee benefits	-	29,985	(29,985)
Professional and technical services	-	8,038	(8,038)
Staff travel	-	3,488	(3,488)
Student travel	48,806	12,928	35,878
Energy	-	138	(138)
Other purchased expenses	-	1,253	(1,253)
Supplies, materials and media	-	12,190	(12,190)
Total expenditures	48,806	96,009	(47,203)
Excess (deficiency) of revenues over expenditures over (under) expenditures	$ -	(47,203)	(47,203)
Fund balance, beginning of year		188,836	
Fund balance, end of year		$ 141,633	

CHATHAM SCHOOL DISTRICT

Stronger Connections Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 46,965	27,363	(19,602)
Expenditures - current -			
Instruction:			
Professional and technical services	23,727	20,226	3,501
Staff travel	10,680	-	10,680
Student travel	5,683	5,683	-
Supplies, materials and media	4,380	-	4,380
Total instruction	44,470	25,909	18,561
District administration support services -			
Indirect costs	2,495	1,454	1,041
Total expenditures	46,965	27,363	19,602
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Broadband Assistance Grant Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 9,558	9,558	-
Expenditures - current -			
Support services - instruction -			
Utility services	9,558	9,558	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-6

CHATHAM SCHOOL DISTRICT

Eco Trust Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ 8,000	5,797	(2,203)
Expenditures - current -			
Instruction:			
Non-certificated salaries	6,000	5,188	812
Employee benefits	609	609	-
Supplies, materials and media	1,391	-	1,391
Total expenditures	8,000	5,797	2,203
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-7

CHATHAM SCHOOL DISTRICT

Southeast Conference Microgrant Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ 15,000	11,820	(3,180)
Expenditures - current -			
Instruction:			
Staff travel	-	1,292	(1,292)
Student travel	14,203	9,822	4,381
Supplies, materials and media	-	78	(78)
Total instruction	14,203	11,192	3,011
District administration support services -			
Indirect costs	797	628	169
Total expenditures	15,000	11,820	3,180
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Hunter Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 25,725	17,765	(7,960)
Expenditures - current -			
Instruction:			
Certificated salaries	10,000	4,000	6,000
Non-certificated salaries	5,000	8,000	(3,000)
Employee benefits	2,777	2,247	530
Staff travel	5,000	2,673	2,327
Supplies, materials and media	1,581	845	736
Total instruction	24,358	17,765	6,593
District administration support services -			
Indirect costs	1,367	-	1,367
Total expenditures	25,725	17,765	7,960
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Safety and Well Being Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 3,000	2,708	(292)
Expenditures - current:			
Instruction -			
Staff travel	2,841	2,564	277
District administration support services -			
Indirect costs	159	144	15
Total expenditures	3,000	2,708	292
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

EHCY Travel Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 1,000	437	(563)
Expenditures - current:			
Instruction -			
Staff travel	947	414	533
District administration support services -			
Indirect costs	53	23	30
Total expenditures	1,000	437	563
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Food Service Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues -			
Local sources -			
Charges for services	$ 1,000	371	(629)
Intergovernmental -			
Federal sources - passed through the State of Alaska	25,000	33,065	8,065
Total revenues	26,000	33,436	7,436
Expenditures - current -			
Food services:			
Non-certificated salaries	36,000	40,121	(4,121)
Employee benefits	14,000	15,776	(1,776)
Professional and technical services	500	2,336	(1,836)
Staff travel	15,000	10,248	4,752
Energy	500	179	321
Supplies, materials and media	40,000	33,420	6,580
Other expenses	200	-	200
Total expenditures	106,200	102,080	4,120
Excess (deficiency) of revenues over (under) expenditures	$ (80,200)	(68,644)	11,556
Fund balance, beginning of year		89,827	
Fund balance, end of year		$ 21,183	

CHATHAM SCHOOL DISTRICT

Fresh Fruit and Vegetable Program Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 2,019	480	(1,539)
Expenditures - current -			
Food services -			
Supplies, materials and media	2,019	480	1,539
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Section 619 Special Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 6,362	1,939	(4,423)
Expenditures - current:			
Special education support services - students -			
Supplies, materials and media	6,024	1,836	4,188
District administration support services -			
Indirect costs	338	103	235
Total expenditures	6,362	1,939	4,423
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title VI-B IDEA Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 47,689	47,689	-
Expenditures - current:			
Special education support services - students:			
Professional and technical services	37,624	39,894	(2,270)
Staff travel	5,801	5,262	539
Supplies, materials and media	1,331	-	1,331
Other expenses	400	-	400
Total special education support services - students	45,156	45,156	-
District administration support services -			
Indirect costs	2,533	2,533	-
Total expenditures	47,689	47,689	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 150,477	56,658	(93,819)
Expenditures - current:			
Instruction:			
Non-certificated salaries	88,000	33,559	54,441
Employee benefits	47,034	15,828	31,206
Supplies, materials and media	7,450	4,261	3,189
Total instruction	142,484	53,648	88,836
District administration support services -			
Indirect costs	7,993	3,010	4,983
Total expenditures	150,477	56,658	93,819
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

SISD Literacy Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediate agencies	$ 17,285	16,916	(369)
Expenditures - current -			
Instruction:			
Certificated salaries	2,285	2,285	-
Employee benefits	-	1,108	(1,108)
Professional and technical services	-	1,100	(1,100)
Staff travel	-	2,661	(2,661)
Other purchased services	-	495	(495)
Supplies, materials and media	13,000	2,488	10,512
Other expenses	2,000	6,779	(4,779)
Total expenditures	17,285	16,916	369
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Carl Perkins Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 22,000	15,067	(6,933)
Expenditures - current:			
Instruction:			
Certificated salaries	-	5,000	(5,000)
Non-certificated salaries	5,000	-	5,000
Employee benefits	1,708	1,608	100
Professional and technical services	1,997	1,900	97
Supplies, materials and media	5,348	5,841	(493)
Equipment	7,244	-	7,244
Total instruction	21,297	14,349	6,948
District administration support services -			
Indirect costs	703	718	(15)
Total expenditures	22,000	15,067	6,933
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title II-A Teacher and Principal Training Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 43,130	9,514	(33,616)
Expenditures - current:			
Instruction:			
Certificated salaries	4,300	-	4,300
Employee benefits	2,000	-	2,000
Professional and technical services	6,000	4,900	1,100
Staff travel	27,700	4,091	23,609
Other expenses	839	18	821
Total instruction	40,839	9,009	31,830
District administration support services -			
Indirect costs	2,291	505	1,786
Total expenditures	43,130	9,514	33,616
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

ARP After School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 62,436	62,436	-
Expenditures - current:			
Instruction:			
Certificated salaries	600	600	-
Employee benefits	99	99	-
Professional and technical services	5,700	5,446	254
Staff travel	8,300	8,923	(623)
Supplies, materials and media	8,699	8,330	369
Equipment	37,725	37,725	-
Total instruction	61,123	61,123	-
District administration support services -			
Indirect costs	1,313	1,313	-
Total expenditures	62,436	62,436	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

NFF YCC Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 73,606	57,046	(16,560)
Expenditures - current:			
Instruction:			
Non-certificated salaries	47,530	18,025	29,505
Employee benefits	8,108	1,830	6,278
Professional and technical services	-	23,350	(23,350)
Staff travel	5,447	5,743	(296)
Student travel	1,100	-	1,100
Supplies, materials and media	6,641	5,063	1,578
Total instruction	68,826	54,011	14,815
District administration support services -			
Indirect costs	4,780	3,035	1,745
Total expenditures	73,606	57,046	16,560
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-21

CHATHAM SCHOOL DISTRICT

FEMA Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	-	-
Expenditures	-	-	-
Excess of revenues over expenditures	-	-	-
Other financing uses - transfers out	-	(5,288)	(5,288)
Net change in fund balance	$ -	(5,288)	(5,288)
Fund balance, beginning of year		5,288	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Tlingit Native Language Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 690,711	462,281	(228,430)
Expenditures - current:			
Instruction:			
Certificated salaries	272,330	178,677	93,653
Non-certificated salaries	83,717	71,799	11,918
Employee benefits	123,850	69,508	54,342
Professional and technical services	116,214	107,000	9,214
Staff travel	24,844	10,473	14,371
Supplies, materials and media	15,583	1,628	13,955
Other expenses	21,821	-	21,821
Total instruction	658,359	439,085	219,274
District administration support services -			
Indirect costs	32,352	23,196	9,156
Total expenditures	690,711	462,281	228,430
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-23

CHATHAM SCHOOL DISTRICT

ACA - Staying North Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 659,332	499,471	(159,861)
Expenditures - current:			
Instruction:			
Certificated salaries	211,000	172,092	38,908
Non-certificated salaries	-	8,590	(8,590)
Employee benefits	90,550	56,919	33,631
Professional and technical services	179,762	63,608	116,154
Staff travel	10,000	7,068	2,932
Energy	24,000	44,064	(20,064)
Supplies, materials and media	30,000	73,282	(43,282)
Equipment	70,000	49,970	20,030
Total instruction	615,312	475,593	139,719
District administration support services -			
Indirect costs	44,020	23,878	20,142
Total expenditures	659,332	499,471	159,861
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Indian Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 31,625	11,989	(19,636)
Expenditures - current:			
Instruction:			
Certificated salaries	-	1,520	(1,520)
Non-certificated salaries	20,524	2,447	18,077
Employee benefits	5,072	490	4,582
Staff travel	1,461	-	1,461
Supplies, materials and media	2,218	7,480	(5,262)
Total instruction	29,275	11,937	17,338
District administration support services -			
Indirect costs	2,350	52	2,298
Total expenditures	31,625	11,989	19,636
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

USDA Farm to School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 68,876	66,767	(2,109)
Expenditures - current:			
Instruction:			
Certificated salaries	-	5,500	(5,500)
Non-certificated salaries	-	22,400	(22,400)
Employee benefits	-	3,617	(3,617)
Professional and technical services	30,000	20,292	9,708
Staff travel	13,562	4,221	9,341
Supplies, materials and media	18,283	21,320	(3,037)
Equipment	-	16,123	(16,123)
Total instruction	61,845	93,473	(31,628)
District administration support services -			
Indirect costs	7,031	3,526	3,505
Total expenditures	68,876	96,999	(28,123)
Excess of revenues over expenditures	$ -	(30,232)	(30,232)
Fund balance, beginning of year		-	
Fund balance, end of year		$ (30,232)	

CHATHAM SCHOOL DISTRICT

Staff Housing Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Charges for services - rental income	$ 78,000	94,070	16,070
Expenditures - current -			
Operations and maintenance of plant:			
Utility services	6,500	4,896	1,604
Energy	33,800	36,232	(2,432)
Other purchased services	5,000	507	4,493
Insurance and bond premiums	21,651	21,651	-
Supplies, materials and media	-	24,352	(24,352)
Other expenses	100	-	100
Total expenditures	67,051	87,638	(20,587)
Excess (deficiency) of revenues over expenditures over (under) expenditures	$ 10,949	6,432	(4,517)
Fund balance (deficit), beginning of year		(27,281)	
Fund balance (deficit), end of year		$ (20,849)	

CHATHAM SCHOOL DISTRICT

Post Secondary Survival Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	-	-
Expenditures - current -			
Instruction -			
Other expenses	-	1,200	(1,200)
Excess (deficiency) of revenues over (under) expenditures	$ -	(1,200)	1,200
Fund balance, beginning of year		37,805	
Fund balance, end of year		$ 36,605	

CHATHAM SCHOOL DISTRICT

Student Activities Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ -	85,980	85,980
Expenditures - current -			
Student activities:			
Professional and technical services	-	7,795	(7,795)
Student travel	-	2,985	(2,985)
Other purchased services	-	2,110	(2,110)
Supplies, material and media	-	47,791	(47,791)
Other expenses	-	1,244	(1,244)
Total expenditures	-	61,925	(61,925)
Excess of revenues over expenditures	$ -	24,055	24,055
Fund balance, beginning of year		87,535	
Fund balance, end of year		$ 111,590	

Exhibit I-29

CHATHAM SCHOOL DISTRICT

Special Capital Projects Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		141,537
Fund balance, end of year	$	141,537

CHATHAM SCHOOL DISTRICT

TKE Playground Improvements Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,780
Fund balance, end of year	$	2,780

CHATHAM SCHOOL DISTRICT

Staff Housing Repairs Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,403
Fund balance, end of year	$	2,403

Exhibit I-32

CHATHAM SCHOOL DISTRICT

Kitchen Maintenance Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		5,679
Fund balance, end of year	$	5,679

Exhibit J-1

CHATHAM SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2025

Total fund balance - School Operating Fund	$	93,494
less exemptions per 4 AAC 09.160(a)		
Inventory		21,592
Prepaid expenses		7,846
Impact aid		193,475
Fund Balance Subject to 10% Limitation	$	(129,419)

Nonexempt fund balance as a percentage of current year expenditures:

Fund balance subject to limitation	(129,419)	=	-2.6%
Current year expenditures	5,012,509		

CHATHAM SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Grant Title	Grant Number	Assistance Listing Number	Total Federal Expended
U.S. Department of Education:			
Passed through the State of Alaska Department of Education and Early Development:			
Title I-A Basic	IP 25.CMSD.01	84.010	$ 49,868
Stronger Connections	CM 25.CMSD.01	84.424A	27,363
Title IV-A Student Support and Academic Enrichment	IP 25.CMSD.01	84.424A	6,790
Total ALN 84.424			34,153
Title II-A Improving Teacher Quality	IP 25.CMSD.01	84.367A	9,514
Carl Perkins Vocational Ed Secondary	EK 25.CMSD.01	84.048A	15,067
COVID-19 - ARP Act After School	CO 25.CMSD.01	84.425U	62,436
EHCY Travel	AH 25.CMSD.01	84.196	437
Special Education Cluster:			
Title VI-B Special Education	SE 25.CMSD.01	84.027A	47,689
Title VI-B Section 619 Preschool Disabled	SE 25.CMSD.01	84.173A	1,939
Total Special Education Cluster			49,628
Passed through Southeast Island School District -			
SISD Comprehensive State Literacy Development	AL 25.SISS.01	84.371C	16,916
Research and Development Cluster:			
Passed through the Association of Alaska School Boards -			
Southeast Alaska Full-Service Community Schools	S215J220051	84.215J	609,933
Passed through the Angoon Community Association -			
Stay North: ACA NACTEP	V101A210009	84.101A	499,471
Total Research and Development Cluster			1,109,404
Direct programs:			
Indian Education	S060A240466	84.060A	11,989
Tlingit Native Language	S299A200021	84.299A	462,281
Federal Impact Aid	None	84.041	180,693
Total U.S. Department of Education			2,002,386

(continued)

CHATHAM SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, continued

Grant Title	Grant Number	Assistance Listing Number	Total Federal Expended
U.S. Department of Agriculture:			
USDA Farm to School	238AK100L3203	10.575	66,767
Passed through the State of Alaska Department of Education and Early Development:			
Child Nutrition Cluster:			
School Breakfast Program	None	10.553	4,701
National School Lunch Program	None	10.555	28,364
Fresh Fruit and Vegetable Program	FF 25.CMSD.02	10.582	480
Total Child Nutrition Cluster			33,545
Passed through the State of Alaska Department of Commerce and Economic Development:			
National Forest Receipts Title I	None	10.665	6,132
Total U.S. Department of Agriculture			106,444
U.S. Department of Health and Human Services:			
Passed through the State of Alaska Department of Education and Early Development:			
Safety and Well Being	SW 25.CMSD.01	93.243	2,708
Total Expenditure of Federal Awards			$ 2,111,538

See accompanying notes to the schedule.

CHATHAM SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Chatham School District (the "District") under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the basic financial statements of the 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. Chatham School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Passed Through Awards

No amounts were passed through to subrecipients.

Note 4. Reconciliation to the Basic Financial Statements

Impact Aid revenue is recognized when received; however, expenditures are applied to the prior year and a reserve is established annually for Impact Aid received under the current application.

Federal expenditures per the Schedule	$	2,111,538
Contract revenues reported as federal revenues in the basic financial statements		57,046
Statutory Impact Aid reserved in FY24		(180,693)
Statutory Impact Aid received and reserved in FY25		193,475
Total federal revenues per Basic Financial Statements	$	2,181,366

Exhibit L-1

CHATHAM SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2025

Grant Title	Grant Number	Total State Expended
Department of Education and Early Development:		
Direct programs:		
* Public School Foundation Program	None	$ 3,526,856
* HB 268 One-Time Grant	None	409,836
Quality Schools	None	9,643
Pupil Transportation	None	44,113
HB 268 Supplemental Pupil Transportation	None	4,693
Hunter Education	HE 25.CMSD.01	17,765
Education Dividend Raffle Funds	None	1,103
Broadband Assistance	BA 25.CMSD.01	9,558
Total Department of Education and Early Development		4,023,567
Total State Financial Assistance		$ 4,023,567

See accompanying notes to the schedule.

CHATHAM SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2025

Note 1. Basis of Presentation

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

State expenditures per previous page	$	4,023,567
PERS On-Behalf		44,966
TRS On-Behalf		253,022
Total revenue from State of Alaska per basic financials	$	4,321,555

COMPLIANCE REPORTS

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Chatham School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Chatham School District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2025-001 to be a material weakness.

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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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding 2025-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Chatham 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*.

Chatham School Districts' Response to Findings

Government Audit Standards requires the auditor to perform limited procedures on the Districts' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Chatham School Districts' Response was not subjected to the other audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chatham 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 Chatham School District's major federal programs for the year ended June 30, 2025. Chatham School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Chatham 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 Chatham 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 Chatham School District's federal programs.

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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 Chatham 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 Chatham 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 Chatham 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 Chatham 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 Chatham 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying federal schedule of findings and questioned costs as Finding 2025-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the noncompliance findings identified in our audit described in the accompanying federal schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Members of the School Board
Chatham School District

Report on Internal Control over Compliance

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, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying federal schedule of findings and questioned costs as Finding 2025-003 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying federal schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

CHATHAM SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Financial Statements

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

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

Internal control over financial reporting:
- Material weakness identified? __X__ Yes _____ No
- Significant deficiency identified? __X__ Yes _____ None reported

Noncompliance material to the financial statements noted? ____ Yes __X__ No

Federal Awards

Internal control over major federal programs (2 CFR 200.516(a)(1)):
- Material weakness identified? ____ Yes __X__ No
- Significant deficiency identified? __X__ Yes _____ None reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516(a)(2))? ____ Yes __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)	Name of Federal Program or Cluster
84.215 / 84.101	Research and Development Cluster

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

Auditee qualified as low-risk auditee? ____ Yes __X__ No

Section II – Financial Statement Findings

Finding 2025-001 **Lack of Internal Control over Credit Card Transactions**
Material Weakness

Criteria: Credit cards should have proper controls to prevent financial misstatements due to either fraud or error.

Condition and Context: During review of credit card transactions, we noted several issues that we consider to be deficiencies in internal controls. Based on our review, we did not received timely supporting invoice documentation for 6 transactions in our sample of 40. Additionally, we noted several instances of transactions not having sufficient segregation of duties regarding approval and review of transactions.

Cause: Lack of internal controls over credit cards transactions and insufficient policies and procedures to prevent, detect and correct errors timely.

Effect: Lack of internal controls over credit card transactions could result in expenditures being miscoded in the general ledger or allow improper or unauthorized transactions to remain undetected. Miscoded transactions could result in eligible grant expenditures to not be reimbursed by the granting agency.

Repeat Finding: Yes.

Recommendation: We recommend the District send receipts and purchase orders to the Business Manager immediately after each transaction. We also recommend that the District take this opportunity to review and strengthen the Standard Operating Procedure over credit cards (SOP No. 5(5)). Segregation of duties should be required so the same person initiating the transactions is not the person responsible for approving and reviewing transactions. This could be accomplished through Board review of credit card transactions at monthly meetings. We also recommend the District utilize approval systems through online retailers when available.

Management's Response: Management concurs with the finding. See Corrective Action Plan.

Finding 2025-002 **Lack of Internal Control over Bank Reconciliations**
Significant Deficiency

Criteria: Uncleared check activity on the bank statement reconciliations should be routinely reviewed and adjusted to ensure bank balances are accurately stated in the financial statements. Alaska Statue (AS) 34.45 requires governmental agencies and other entities to file unclaimed property reports with the State of Alaska Department of Revenue.

Condition and Context: We noted that many old outstanding checks and other old uncleared reconciling items, some over one year old, are being carried on the monthly cash reconciliations.

Cause: Lack of internal controls over bank reconciliations.

Effect: Potentially to misstatement cash and/or accounts payable balances.

Repeat Finding: No.

Recommendation: We recommend that checks and other uncleared reconciling items that are over six months old be investigated and removed from the bank reconciliation and that the original transaction be reversed. Checks older than six months should be voided and reissued. Research should be done periodically to eliminate large numbers of old items being carried from month to month. If the old items are determined to be legitimately outstanding, a new check should be issued or remitted to the State of Alaska as unclaimed property.

Management's Response: Management concurs with the finding. See Corrective Action Plan.

Section III – Federal Award Findings and Questioned Costs

Finding 2025-003	**Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**
Federal Agencies:	U.S. Department of Education – passed through Association of Alaska School Board
Federal Programs:	"Southeast Alaska Full Service Community Schools": Research and Development Cluster
ALN:	84.215J
Award Numbers:	S215J220051
Award Years:	2023
Type of Finding:	Significant deficiency in internal control over compliance and noncompliance.
Criteria:	Internal control procedures should be in place to ensure that proper controls are in place to prevent financial misstatements due to either fraud or error.
Condition and Context:	During our tests of transactions for internal controls over compliance and compliance we identified one transaction with no purchase order or approval. There was also no authorization for this transaction to be coded to the grant.
Cause:	Lack of internal control over credit card transactions.
Effect:	Lack of internal controls over credit cards could result in expenditures being miscoded to the program or allow improper or unauthorized transactions to not be prevented, detected, or corrected in a timely manner.
Questioned Costs:	Questioned costs are under the reporting threshold of $25,000.
Repeat Finding:	Yes.
Recommendation:	We recommend the District adhere to their internal control policies to ensure accurate controls over credit card transactions.
Managements Response:	Management agrees with this finding. See Corrective Action Plan.

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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
Chatham School District
Angoon, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Qualified 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 of the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Chatham 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 determination of Chatham School District's compliance with the compliance requirements referred to above.

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Matter Giving Rise to Qualified Opinion on Foundation – Public School Funding and HB 268 One-Time Funding

As described in the accompanying State Schedule of Findings and Questioned costs, Chatham School District did not comply with the requirements regarding Foundation – Public School Funding and HB 268 One-Time Funding as described in Finding 2025-004 for Reporting. Compliance with such requirements are necessary, in our opinion, for Chatham School District to comply with the requirements applicable to that program.

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 Chatham 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 Chatham 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 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 Chatham School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Chatham 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 Chatham 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 Chatham 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

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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

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 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 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. We consider the deficiency in internal control over compliance described in the accompanying state schedule of findings and questioned costs as Finding 2025-004 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the noncompliance and internal control over compliance findings identified in our compliance audit described in the accompanying state schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

CHATHAM SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the Financial statements audited were prepared in Accordance with GAAP:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?	X	Yes		None reported
Noncompliance material to financial statements noted?		Yes	X	No

State Awards

Internal control over major programs:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?		Yes	X	None reported
Type of auditors' report issued on compliance for major program:	Qualified			
Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

Section II – Financial Statement Findings

See the Federal Schedule of Findings and Questioned Costs for financial statement findings.

Section III – State Award Findings and Questioned Costs

Finding 2025-004	**Noncompliance with Reporting Requirements**
State Agency:	Department of Education and Early Development
Grant Name:	Foundation (Public School Funding) and HB One-Time Funding
Grant Number:	None.
Type of Finding:	Material weakness in internal control over compliance and noncompliance.
Criteria:	Per AS 14.17.600, within two weeks after the end of the 20-day school-day period ending the fourth Friday in October, each public school district shall transmit a report to DEED that reports its ADM for that counting period along with other student count information need to determine state foundation aid. Per 4 AAC 07.060(a), each district shall maintain for each student a cumulative record, which includes attendance records.
Condition and Context:	We selected a sample of student counts reported to DEED during the year under audit. While testing the data elements suggested in the compliance supplement, we could not obtain documentation the students were enrolled or attended the District during the period of reporting.
Questioned Costs:	None.
Cause:	Lack of internal control over reporting requirements.
Effect:	The District is not in compliance with AS 14.17.600 and 4 AAC 07.060(a) in accurately reporting students which could jeopardize future funding.
Repeat Finding:	Yes.
Recommendation:	We recommend that the District adhere to existing internal controls for reporting and to store critical documents electronically to make the easily accessible.
Management's Response:	Management concurs with the finding. See Corrective Action Plan.

Chatham School District

David Langford
DISTRICT SUPERINTENDENT

Chatham School District
Board of Education

MRS. STACEY PROCTOR, PRES
MS. JEN TODD, VP
MS LEANN WEIKLE, TREASURER
MR. ALBERT KOOKESH, III
MR JACK STRONG

P.O. BOX 109 ANGOON, ALASKA 99820 PHONE: 788-3302 or 788-3682 FAX: 788-3252

Chatham School District
Mission Statement

In partnership with families and communities, the Chatham School District will provide safe and stable educational experiences built upon the uniqueness of each community, to educate students to become self-sufficient adults who will be contributing members of our diverse and changing world. Revised: 8-7-2008

Summary Schedule of Prior Audit Findings

June 30, 2025

S*ection II – Financial Statement Findings*

Finding 2024-001 **Cash Receipts and Recording Revenue – Enterprise Fund**
Material Weakness

Condition and Context: During the audit, we discovered that revenue for the Foxes Den Enterprise Fund was being recorded monthly during the bank reconciliation process. Credit card sales were being entered based on deposits from a third party transaction processing company. Cash sales were only being entered when the restaurant sent a money order to the District Office. Additionally, supporting documentation of daily sales and cash counts did not demonstrate that there was sufficient segregation of duty between recording sales, collecting cash, and performing beginning and end of day cash counts.

Status: This finding has been resolved.

Finding 2024-002 **Lack of Internal Control over Credit Card Transactions**
Material Weakness

Condition and Context: During review of credit card transactions, we noted several issues that we consider to be deficiencies in internal controls. Based on our review, we noted numerous instances of transactions not having sufficient segregation of duties regarding approval and review of transactions. Additionally, supporting documentation provided was not sufficient to determine that Amazon purchases were properly authorized and reviewed due to purchase orders covering numerous invoices. We also did not receive timely supporting invoice documentation for 3 transactions in our sample of 40.

Status: This finding was repeated as Finding 2025-001.

Section III – Federal Award Findings and Questioned Costs

Finding 2024-003 **Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

Significant deficiency in internal control over compliance and noncompliance

Condition and Context: During our tests of transactions for internal controls over compliance and compliance we identified one transaction that was coded to the incorrect federal grant. Originally, it was coded to the incorrect object code per the DEED uniform chart of accounts. When the transaction was corrected, the fund number was changed to what the object code should have been resulting in the cost being charged to the incorrect program.

Status: This finding was repeated as Finding 2025-003.

Section IV – State Award Findings and Questioned Costs

Finding 2024-004 **Material Noncompliance with Reporting Requirements**

Significant deficiency in internal control over compliance and noncompliance

Condition and Context: The Projected FY25 ADM report was due November 5th, 2023 and was submitted on November 8th, 2023. The 20-school-day count ADM information was due on November 10th, 2023 and submitted on November 14th, 2023.

Status: This finding was repeated as Finding 2025-004.

Chatham School District

David Langford
DISTRICT SUPERINTENDENT

Chatham School District
Board of Education

MRS. STACEY PROCTOR, PRES
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Chatham School District
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Corrective Action Plan

June 30, 2025

Financial Statement Findings

Finding 2025-001 **Lack of Internal Control over Credit Card Transactions**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District recognizes the need for stronger internal controls surrounding credit card transactions. The following corrective actions will be implemented:

1. **Policy Revision and Approval:**

   The District will update the existing credit card standard operating procedure to require prior written approval for all credit card purchases, clear documentation of business purpose, and supporting receipts for each transaction. The policy will be signed and attested to by all card holders.

2. **Segregation of Duties:**

   Credit card statements will be reviewed by someone other than the cardholder before payment. The Business Manager will reconcile the statements monthly, and the Superintendent will conduct a secondary review for oversight.

3. **Training and Accountability:**

   All staff with credit card access will receive training on allowable purchases, documentation standards, and reporting requirements. Repeat violations will result in disciplinary action.

4. **Monthly Audit Review:**

   Beginning July 2025, the District's internal finance team will conduct monthly spot checks to ensure compliance with policies, documenting findings for the Superintendent's review.

Proposed Completion Date: June 30, 2026.

Finding 2025-002 **Lack of Internal Control over Bank Reconciliations**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District acknowledges weaknesses in the bank reconciliation process and will take the following corrective actions:

1. **Timely Reconciliations:**

   All bank accounts will be reconciled monthly within 30 days of statement receipt.

2. **Segregation of Duties:**

   The Finance staff will prepare all reconciliations, while the Superintendent or designee will independently review and approve them, verifying alignment with the general ledger and supporting documentation.

3. **Resolution of Uncashed Checks (Outstanding Items):**

   The District will develop and implement a procedure for identifying and resolving uncashed (outstanding) checks in accordance with GASB accounting principles and state unclaimed property laws.

   - Checks outstanding for more than six months will be investigated to determine whether reissuance, cancellation, or escheatment is required.
   - Documentation of all follow-up efforts (e.g., communication with payees, stop payment orders, and reissuance authorizations) will be retained.
   - Adjustments related to voided or reissued checks will be recorded in the general ledger to ensure that liabilities are properly stated.
   - An annual review of stale-dated checks will be completed prior to fiscal year-end closeout to maintain compliance with GASB Statement No. 9 (Reporting Cash Flows) and GASB Statement No. 34 (Basic Financial Statements for State and Local Governments).

4. **Documentation and Review Procedures:**

   Supporting documentation (bank statements, outstanding check lists, deposit records, and review notes) will be maintained in a secure digital file for audit purposes. A standardized reconciliation checklist will be used to ensure accuracy and consistency across periods.

5. **Training:**

   The Business Manager will provide to CSD finance staff on governmental accounting controls and reconciliation practices.

Proposed Completion Date: June 30, 2026.

Federal Award Findings

Finding 2025-003 **Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District will strengthen controls to ensure all expenditures charged to federal programs are allowable, properly documented, and comply with the Uniform Guidance (2 CFR Part 200).

1. **Policy and Procedure Development:**

   Written procedures will be implemented defining allowable costs, budget approval processes, and documentation requirements for federal programs.

2. **Pre-Approval and Documentation:**

   All expenditures charged to federal awards must receive prior approval from the Program Director and Business Manager, accompanied by invoices, purchase orders, and justification forms referencing the applicable federal cost principle.

3. **Monthly Monitoring:**

   The Business Manager will review program expenditures monthly for compliance with allowable cost principles and promptly correct any mischarges.

4. **Training:**

   Federal program staff and members of the CSD Grants Committee will receive annual training on allowable costs, cost allocation, and time-and-effort reporting.

Proposed Completion Date: June 30, 2026.

State Award Findings

Finding 2025-004 **Noncompliance with Reporting Requirements**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District acknowledges that complete OASIS student enrollment forms and supporting documentation were not available for audit review during the fiscal year. This limited the auditors' ability to verify reported enrollment counts submitted to the Alaska Department of Education and Early Development (DEED). The District will implement the following corrective actions:

1. **Standardized Record Retention and Access:**

   The District will establish a formal retention procedure for all OASIS student enrollment forms, ensuring they are securely stored in both digital and physical formats for a minimum of seven years in compliance with DEED requirements and state record retention laws.

2. **Centralized Digital Archive:**

   A secure electronic storage system (using the District's student information system or designated shared drive) will be created to maintain scanned copies of all OASIS documentation, including enrollment verification, withdrawal forms, and residency evidence. Access will be restricted to authorized personnel and available for auditor review upon request.

3. **Verification and Cross-Checking:**

   Prior to OASIS submission, the Business Manager and School Secretary will cross-verify enrollment counts, student residency documentation, and submission data. A reconciliation report will be printed and signed by both preparers and reviewed by the Superintendent.

4. **Audit Preparation Protocol:**

   Each year before the annual audit, the District will compile a complete OASIS audit file, including enrollment data, supporting documentation, and reconciliation reports, to ensure availability to auditors in accordance with DEED OASIS Handbook standards.

5. **Training and Oversight:**

   Administrative and school office staff responsible for maintaining enrollment records will receive annual training on OASIS data collection, submission procedures, and audit documentation requirements provided by DEED or ALASBO.

Proposed Completion Date: June 30, 2026.

RSB Regular Meeting
Tuesday, November 11, 2025 6:00 PM Alaskan

ZOOM
500 Big Dog Salmon Way
Angoon, AK 99820

III Albert Kookesh:	Present
Stacey Proctor:	Present
Jack Strong:	Present
Jen Todd:	Present
LeAnn Weikle:	Present

Present: 5.

1. Call to Order

1.1. Reading of the Mission Statement
Reading of the mission statement completed.

2. Flag Salute
Flag Salute Completed

3. Roll Call
Quorum determined.

4. Recognition
Karen McSpadden
Quynn Thompson
Megan Bishop
Steve Ilg
Jessie Soder
Liesl Barker

Chenara Johnson
Frank Coenraad

Megan Moody

Michael Akes
Justina Hotch
Jennifer Marschke

Christina Ferguson
David Langford

5. Approval of the Agenda
I make a motion to approve the agenda as presented. Roll call vote passed unanimously. Motion carries. This motion, made by Jen Todd and seconded by Jack Strong, Carried.
III Albert Kookesh: Yea, Stacey Proctor: Yea, Jack Strong: Yea, Jen Todd: Yea, LeAnn Weikle:

Yea
Yea: 5, Nay: 0
No additions or changes at this time

6. Presentation From See Stories(10-15 Minutes)
Seth Bader gave a presentation.

7. Presentation & Discussion About Graduation Requirements By: Megan Moody
Megan Moody gave a presentation summarizing the current graduation requirements and her proposal to 22 credits.

8. Opportunity For Public Comment On Non-Agenda Items
Chenara comments about the current setup of the elementary classroom. She read a letter regarding the size of her children's classroom and the different grade levels. She comments on how she feels like there should be some adjustments. She feels like the workload is too high. It looks like someone is being hired to help with the elementary classes.
Liesl comments regarding Jurassic Parliamentary, an online resource for board members if they are interested. She also asks that the financial reports be made available to the public.
Justina comments about how the teachers and staff in Klukwan have worked hard, and made a lovely breakfast fr the veterans there today,
Jen M comments about the grant budgets. She asks why they can not see where all the funds are going. She asks for transparency in this information.

9. Consent Agenda
I make a motion to approve the consent agenda. Roll call vote passed unanimously. Motion carries. This motion, made by III Albert Kookesh and seconded by Jen Todd, Carried.
III Albert Kookesh: Yea, Stacey Proctor: Yea, Jack Strong: Yea, Jen Todd: Yea, LeAnn Weikle: Yea
Yea: 5, Nay: 0
Nothing pulled

9.1. Adopt RSB Meeting Minutes from October 14th and 28th 2025

9.2. Approve Extra Duty Contract for Ronald Benkelman for ESports in the amount of $2,000

9.3. Approve Re-Hire of Hali Brownell as Sped Para in Klukwan for the remainder of the school year.

9.4. Approve hire of Amanda Rhoades as elementary teacher in Angoon. Funded through Title funds.

10. Opportunity for Public Comment on Agenda Items
None

11. Financial Report
Christina Ferguson gave a summary of the financial reports that were provided in the meeting packet.

12. Action Items

12.1. Approve Out of State travel for Klukwan school staff and students to Whitehorse for Arctic Games in December.

I make a motion to approve the out-of-state travel for Klukwan school staff and students to Whitehorse for the Arctic Games in December. Roll call vote passed unanimously. Motion carries. This motion, made by Jen Todd and seconded by III Albert Kookesh, Carried.
III Albert Kookesh: Yea, Stacey Proctor: Yea, Jack Strong: Yea, Jen Todd: Yea, LeAnn Weikle: Yea
Yea: 5, Nay: 0
I make a motion to-Approve the First Reading of BP 5138 Student Possession and Use of Portable Electronic Devices. This motion, made by III Albert Kookesh and seconded by Jack Strong, Carried.
III Albert Kookesh: Yea, Stacey Proctor: Yea, Jack Strong: Yea, Jen Todd: Yea, LeAnn Weikle: Yea
Yea: 5, Nay: 0
David introduced

Jen Marschke explained the details of the trip and that it is being funded by the tribe in Klukwan.
They have learned 5 events so far, and they are really excited to compete in this.

12.2. Approve First Reading of BP 5138 Student Possession and Use of Portable Electronic Devices.
This policy was reviewed at the last work session.
The first, BP 5138, is the current Chatham policy, and the second one is the AASB updated one.

Stacey read the options listed on the policy. Albert comments that he will rescind his original motion and change it to add option 1.

12.3. Approve First Reading of BB 9123 Secretary/Treasurer
Not voting on tonight

13. Special Reports
Any addiitons, changes or questions on the reports?

13.1. Superintendent Report
Any questionson the report?

13.2. ASB Minutes
Any questions on the minutes?

13.2.1. Gustavus ASB Minutes

14. Information/Discussion Items

14.1. Fall Oasis Report- Student Count Numbers

15. Board Member Comments

16. Meetings/Work Sessions/and Other Announcements

16.1. Are any board members interested in attending the December AASB Boardsmanship Academy December

16.2. The next regularly scheduled RSB meeting will be on January 13th at 6 pm. There are no regularly scheduled December meetings.

16.3. The Work Session will be on November 25th at 6 pm

16.4. NSBA Annual Conference in April

17. Adjournment

Jack makes a motion to adjourn. No objections.

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SERRC
Alaska's Educational Resource Center
(907) 586-6806 | www.serrc.org

January 08, 2026

Mr. David Langford, Superintendent
Chatham School District
P.O. Box 109
Angoon, AK 99820

Dear Mr. Langford,

Enclosed in this contract packet you will find the following:

- Cover Letter
- Services Contract BA 26-08-002 in the amount of $14,547.50 for Accounts Payable services during FY26
- SERRC standard contract provisions
- Contract Provisions / Scope of Work
- Invoice

If acceptable, please sign and return the document electronically. You may choose to utilize an electronic signature or print, sign and scan the contract. We require the signed contract be returned before services are provided.

Thank you for choosing SERRC - Alaska's Educational Resource Center. We will do everything to ensure that you receive the best services available.

Kind regards,

Chris Reitan
Executive Director

Docusign Envelope ID: 1707EA27-771D-4D7F-AD64-5CA18E7BD660

SERRC
Alaska's Educational Resource Center
(907) 586-6806 | www.serrc.org

SERRC SERVICES CONTRACT FY26

Contract Number: BA 26-08-002
District/Client: Chatham School District
Preparation Date: January 7, 2026
Amended Date:

TERMS:
Payments of $2909.50 shall be made at the end of each month starting February 28, 2026, and ending on June 30, 2026.

SERVICES: Accounts Payable
- Services to begin on February 1, 2026.
- Estimate of 1.0 day per week for February, March, April, May, and June. (22 days)
- See detailed Contract Provisions / Scope of Work attached.

100	Personnel Services	$661.25	*per day for* 22.0 *days*	$14,547.50
	Office/Travel			$0.00
200	Travel & Lodging			$0.00
	Per Diem			$0.00
300	Contractual Services			
400	Supplies/Testing Materials			
500	Equipment			
			Total:	$14,547.50

DocuSigned by:
Chris Reitan
F331A30AEAF943D...
January 9, 2026
SERRC Officer Date

Signed by:
David P. Langford
B9AA539849804B1...
January 9, 2026
Client Officer Date

Docusign Envelope ID: 1707EA27-771D-4D7F-AD64-5CA18E7BD660

SERRC
Alaska's Educational Resource Center
(907) 586-6806 | www.serrc.org

STANDARD PROVISIONS

1.) SERRC shall not be held responsible for delay or failure to perform hereunder when such delay or failure is due to fire, flood, epidemic, strikes, act of God or the public enemy, unusually severe weather, legal act of public authority, or delays or defaults caused by public carrier, which cannot reasonably be forecast or provided against.

2.) Each party shall perform any services under this agreement as an independent contractor. Each party shall be responsible exclusively with respect to its respective employees. Each party shall provide for employment-related benefits and deductions that are required by law, including but not limited to federal income tax deductions, workers' compensation coverage, and retirement system contributions, as applicable.

3.) Each party shall be responsible, to the extent required by law, only for the act, omissions, and/or negligence of its own officers, employees, or agents. Each party shall indemnify and hold harmless the other party, its officers, employees, and agents only from and against any and all claims, damages, and expenses resulting from the sole negligence of that party. Otherwise, each party is responsible for its own percentage of fault. Each party shall maintain its own Commercial General Liability, General Liability, Cyber Liability, Workman's Compensation, Umbrella Liability, Property, and Automotive insurance policy to cover services incorporated herein.

4.) Except as otherwise expressly provided in this agreement, SERRC disclaims any and all promises, representation and warranties, express or implied, with respect to the Supported Systems, corrections and the services provided hereunder, including promises, representations and warranties as to condition, the existence of any latent or patent defects, merchantability or fitness for any particular purpose, non-infringement, or any implied warranty of information content or system integration. Without limiting the generality of the foregoing disclaimer, SERRC does not warrant that its advice, systems configuration, or programming on behalf of the Customer will be error free.

5). For a period on 1 (one) month following delivery of the hereunder listed Service, SERRC shall have an obligation to correct demonstrated errors in the operation of the Supported Systems which may appear as a result of incorrect provision of Service.

6.) SERRC shall not have any obligation to correct errors in the operation of the Supported Systems if the programming code, configuration, or wiring has been modified by Customer or by any other party.

7.) SERRC disclaims all liability whatsoever to Customer or any other party for any act or omission that may result in consequential, indirect, incidental, special, or such other damages including but not limited to, any loss of performance, functionality, or data resulting from equipment, software, malware, configuration, or overall systems component interaction.

8.) Each party shall, to the extent required by the law, provide services in a manner compliant with Federal and State Special Education regulations as per the Alaska State Special Education Handbook.

9.) This agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms or provisions of this agreement shall bind the parties unless in writing and signed by SERRC and DISTRICT. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement.

Revised 08/2023

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Alaska's Educational Resource Center
(907) 586-6806 | www.serrc.org

CONTRACT PROVISIONS / SCOPE OF WORK

Core invoice-to-pay functions

- **Vendor onboarding & maintenance**
  - Set up new vendors, collect W-9, banking info, contact info
  - Maintain vendor master data (addresses, terms, tax IDs)
- **Invoice intake**
  - Receive invoices (email, portal, mail, EDI)
  - Date stamp / log / route invoices
- **Invoice validation**
  - Confirm vendor is approved and invoice is legitimate
  - Check invoice format, duplicates, accuracy, required approvals
- **Coding & distribution**
  - Assign GL accounts, cost centers, programs/projects, grant codes
  - Allocate split costs across departments or funding sources
- **Matching**
  - 2-way match (invoice ↔ purchase order)
  - 3-way match (invoice ↔ PO ↔ receiving/service confirmation)
  - Resolve mismatches (price, quantity, terms)
- **Approval workflow management**
  - Route invoices to approvers
  - Track approvals and follow up on delays
  - Ensure compliance with delegation/authority policies
- **Dispute resolution**
  - Handle invoice discrepancies, returns, damaged goods
  - Coordinate with vendor, purchasing, receiving, and internal stakeholders

Payment functions

- **Payment scheduling**
  - Determine pay dates based on terms, cash flow, discount windows
  - Prioritize critical vendors and recurring obligations
- **Payment processing**
  - Prepare and execute payments (checks, ACH, wires, cards)
  - Print/match checks, positive pay files, remittance advice

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- **Remittance communication**
  - Send remittance details to vendors
  - Respond to vendor inquiries about payment status
- **Void/reissue/stop payment**
  - Handle lost checks, bank returns, incorrect payments
  - Process reversals and reissues

Compliance, controls, and tax functions

- **Internal controls**
  - Segregation of duties (entry vs approval vs payment release)
  - Audit trails, approval evidence, access controls
- **Expense policy compliance**
  - Ensure purchases follow policy (PO rules, allowable costs, approvals)
- **Sales/use tax and tax documentation**
  - Validate bank change requests
  - Detect duplicate invoices and suspicious vendors
  - Confirm vendor identity and payment authorization

Systems, process, and service functions

- **Document management**
  - Scan/store invoices and supporting docs
  - Maintain retention schedules
- **Process improvement**
  - Standardize coding, reduce exceptions, automate workflows

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SERRC
Alaska's Educational Resource Center
(907) 586-6806 | www.serrc.org

Southeast Regional Resource Center
210 Ferry Way
Juneau, AK 99801
Phone: (907) 586-6806

Invoice #
10591

Contract #
BA 26-08-002

TO: Chatham School District
Attn: Mr. David Langford, Superintendent
P.O. Box 109
Angoon, AK 99820

Invoice Number	Invoice Date	Transaction Description	Amount
10591	2/1/2026	Accounts Payable • • Services to begin on February 1, 2026. • • Estimate of 1.0 day per week for February, March, April, May, and June. • • See detailed Contract Provisions / Scope of Work attached. Contract Terms: Payments of $2909.50 shall be made at the end of each month starting February 28, 2026, and ending on June 30, 2026.	$14,547.50
		Please Pay This Amount	$14,547.50

Chatham School District
Finance Narrative – December 2025

Prepared by: Christina Ferguson, Contracted Business Manager

General Fund Overview

As of December 31, 2025, Chatham School District has expended $1,486,919.44 from the FY26 General Fund (Fund 100), representing 30.6% of the approved annual budget of $4,855,610.

This figure reflects the completion of the first half of the fiscal year and is within expectations. Expenditures to date primarily include salary and benefit costs, insurance premiums, utilities, and other early-year operational costs. The current percentage of budget utilized aligns well with the academic calendar pacing and prior years.

Revenue Activity

Total revenue received through December 2025 is **$1,983,639.43**, also **40.9%** of the total annual revenue budget. This includes:

- **Foundation Program Revenue**: $1,979,196.00
- **Local revenues**: $4,443.43 (investment earnings, other local, and rental)

Foundation aid disbursements have been consistent, but we continue to monitor the finalized student count to ensure revenue projections remain aligned.

Expenditures by Category

Personnel costs remain the largest expenditure category. Year-to-date totals include:

- **Certified Salaries (Superintendent, Principals, Teachers)**: $501,320.82
- **Support Staff & Aides (Non-Certified)**: $353,181.01
- **Substitute/Temporary Labor**: $42,980.41
- **Employee Benefits (health, retirement, etc.)**: $286,237.96

Other notable expenditures:

- **Property & Liability Insurance**: $183,237.00 (fully obligated early in FY - though the district pays monthly - as cash flow improves, recommend changing this to avoid interest fees)
- **Utility Services**: $97,677.05 across electricity, fuel, water/sewer, and waste
- **Professional Services**: $21,340.39

- **Auditing & Accounting Services**: $44,840.00 (This represents the costs paid to Altman Rogers for the FY25 fiscal audit, which is complete and was submitted on time to Alaska Department of Education.
- **Student & Staff Travel**: $13,152.86
- **Supplies and Equipment**: ~$18,300 combined

These will be monitored but are not material to the overall budget at this stage

Special Education Maintenance of Effort Update (compliance test to be conducted with the state in Spring 2026).

Site-Level Highlights

Below is a summary of year-to-date expenditures by site:

Site	YTD Expenditures	% of Site Budget
Angoon	$483,593.53	31.7%
Gustavus	$417,765.21	30.9%
Klukwan	$215,291.73	26.2%
Correspondence	$82,732.82	41.3%
Districtwide	$287,536.15	30.0%

Expenditures reflect normal operating costs, staff compensation, and heating/utilities costs for winter. The Correspondence Program is running slightly higher due to prepaid contracts and services

Staff Housing Fund (Fund 370)

As of December 31, 2025, Staff Housing rental income totaled **$31,829.64**, which is **40.8%** of the $78,000 budgeted rental revenue. This reflects consistent collection across occupied units.

Expenditures to date are **$18,855.71**, or **24.2%** of the annual budget. Major expenses include:

- **Electricity & Fuel**: $15,557.08
- **Water & Sewer/Garbage**: $2,448.00

- **Natural Gas**: $716.00
- **Dues/Fees**: $134.63

The housing fund remains in a stable position as the district enters peak utility months.

Audit & Grant Alignment

The **FY25 audit** was completed and submitted on time. The report identified **four findings**, including a material weakness, and three significant deficiencies. Each of these findings is addressed in the District's **corrective action plan**, which was accepted by the auditors and is in the process of being implemented.

Summary of FY25 Audit Findings

1. **Finding 2025-001 – Lack of Internal Control Over Credit Card Transactions**
   Type: *Material Weakness*
   The auditors found multiple instances where credit card transactions were not supported by timely receipts or had inadequate segregation of duties. This increases the risk of miscoded or unallowable transactions.

2. **Finding 2025-002 – Lack of Internal Control Over Bank Reconciliations**
   Type: *Significant Deficiency*
   Numerous old, uncleared checks and reconciling items remained on monthly bank reconciliations—some over a year old. This increases the risk of misstated cash or accounts payable balances and may violate unclaimed property laws.

3. **Finding 2025-003 – Lack of Internal Control Over Activities Allowed or Unallowed and Cost Principles**
   Type: *Federal Award Finding – Significant Deficiency and Noncompliance*
   A charge made to the *Full-Service Community Schools* grant (ALN 84.215J) lacked a purchase order, approval, or documentation authorizing it as a program cost.

4. **Finding 2025-004 – Noncompliance with Reporting Requirements (not a financial finding, but related to student count data)**
   Type: *Significant Deficiency*
   The auditors were unable to obtain requested sampling of student count information for students enrolled in Chatham School District despite multiple requests for the information.

You'll find the Corrective Action Plan for these findings in the Chatham School District FS 2025 document beginning on page 118 (pg 127 within the PDF document).

Foundation Revenue and Student Count Implications

Foundation revenue to date reflects six monthly payments, which aligns with projected pacing. As of the end of December, the statewide student count validation is still under review. The district's projected enrollment is consistent with internal assumptions, though finalization could result in minor adjustments to revenue.

To prepare for any scenario, I have nearly completed a detailed **personnel cost vs. budgeted staffing analysis** to inform midyear adjustments if necessary.

Conclusion

As we conclude the first half of FY26, Chatham School District remains in a less than stable financial position. Budget utilization is healthy and balanced across sites and categories. Grants, audit completion, and programmatic investments are all tracking appropriately.

Priorities moving into Q3 include:

- Continuing realignment of grant charges
- Finalizing staffing cost variance analysis
- Updating revenue forecasts based on confirmed ADM and state guidance

Please feel free to contact me at **christinaf@serrc.org** if you have questions or would like more information on any aspect of this report.

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 370-Staff Housing (370), Fund Class: Unrestricted (UNRESTRICT)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
046-Rental Income	-78,000.00	-31,829.64	-31,829.64		-46,170.36
Total Revenue	-78,000.00	-31,829.64	-31,829.64		-46,170.36
431-Water & Sewer	5,000.00	1,872.00	1,872.00		3,128.00
432-Garbage	1,500.00	576.00	576.00		924.00
436-Electricity	9,500.00	6,745.92	6,745.92		2,754.08
437-Natural or Bottled Gas	800.00	716.00	716.00		84.00
438-Heating Fuel	26,000.00	8,811.16	8,811.16		17,188.84
443-Equipment Repair & Maintenance	5,000.00				5,000.00
446-Property Insurance	22,000.00				22,000.00
452-Maintenance Supplies	8,100.00				8,100.00
491-Dues and Fees	100.00	134.63	134.63		-34.63
Total Expenditures	78,000.00	18,855.71	18,855.71		59,144.29

This report also includes bank accounts that only have balances.

No.: B001, Date Filter: 11/01/25..12/31/25

Check Date	Check No.	Description	Amount	Printed Amount	Voided Amount	Entry Status	Original Entry Status	Bal. Account Type	Bal. Account No.	Entry No.
B001	**General Fund Checking**									
	Phone No.									
11/13/25	34034	US Foods, Inc.	2,398.31	2,398.31	0.00	Posted		Vendor	US FOODS	56093
11/17/25	34770	Alaska Power Company	3,937.61	3,937.61	0.00	Posted		Vendor	AK POWER	56094
11/17/25	34771	Alaska Telephone Company	289.28	289.28	0.00	Posted		Vendor	ALASKA TELEPHONE CO	56095
11/17/25	34772	Angoon Trading	2,193.95	2,193.95	0.00	Posted		Vendor	ANGOON	56096
11/17/25	34773	DO NOT USE	178.35	0.00	178.35	Financially Voided	Posted	Vendor	AT&T ALASCOM	56097
11/17/25	34774	Byte Networking, LLC	579.00	579.00	0.00	Posted		Vendor	BYTE	56098
11/17/25	34775	CropKing, Inc.	28,747.00	28,747.00	0.00	Posted		Vendor	CROPKING, INC	56099
11/17/25	34776	Delta Western	4,815.83	4,815.83	0.00	Posted		Vendor	DELTA	56100
11/17/25	34777	Doug Wessen	1,200.00	1,200.00	0.00	Posted		Vendor	DOUG WESSON	56101
11/17/25	34778	Emma Demmert	560.00	560.00	0.00	Posted		Vendor	EMMA	56102
11/17/25	34779	FordMurray	1,720.00	1,720.00	0.00	Posted		Vendor	FORDMURRAY	56103
11/17/25	34780	Gregory Bennum	920.00	920.00	0.00	Posted		Vendor	GREGORY	56104
11/17/25	34781	Harmony Educational Services, LLC	15,504.14	15,504.14	0.00	Posted		Vendor	HARMONY EDUCATIONAL	56105
11/17/25	34782	Jennifer Marschke	960.00	960.00	0.00	Posted		Vendor	JENNIFER	56106
11/17/25	34783	Jonathan Wunrow	5,500.00	5,500.00	0.00	Posted		Vendor	JONATHAN	56107
11/17/25	34784	Karen McSpadden	735.00	735.00	0.00	Posted		Vendor	KAREN	56108
11/17/25	34785	Cybersoft Technologies, Inc.	885.00	885.00	0.00	Posted		Vendor	PRIMEROEDGE	56109
11/17/25	34786	Rita Brouillette	500.00	500.00	0.00	Posted		Vendor	RITA	56110
11/17/25	34787	Tenakee Fuel Service	3,945.96	3,945.96	0.00	Posted		Vendor	TENAKEE FUEL	56111
11/19/25	34035	US Foods, Inc.	226.90	226.90	0.00	Posted		Vendor	US FOODS	56112
11/26/25	34788	AK Communications Systems	62.82	62.82	0.00	Posted		Vendor	ACS	56261
11/26/25	34789	Altman, Rogers & Co	44,840.00	44,840.00	0.00	Posted		Vendor	ALTMAN	56262
11/26/25	34790	Cody Fisher	317.40	317.40	0.00	Posted		Vendor	CODY FISHER	56263
11/26/25	34791	Donavon Kookesh-Booth	475.00	475.00	0.00	Posted		Vendor	DONAVON	56264
11/26/25	34792	Fernan Lopez	475.00	475.00	0.00	Posted		Vendor	FERNAN LOPEZ	56265
11/26/25	34793	Gregory Bennum	450.00	0.00	450.00	Financially Voided	Posted	Vendor	GREGORY BENNUM	56266
11/26/25	34794	Inside Passage Electric Cooperative	2,774.80	2,774.80	0.00	Posted		Vendor	IPEC WASTE HEAT	56267
11/26/25	34795	Jonathan Wunrow	5,500.00	5,500.00	0.00	Posted		Vendor	JONATHAN	56268
11/26/25	34796	Joshua Bowen, Jr.	475.00	475.00	0.00	Posted		Vendor	JOSH BOWEN	56269
11/26/25	34797	Natasha Bennum	450.00	450.00	0.00	Posted		Vendor	NATASHA	56270
11/26/25	34798	Public Education Health Trust	38,838.10	38,838.10	0.00	Posted		Vendor	PEHT	56271
11/26/25	34799	Reanna Kookesh	350.00	350.00	0.00	Posted		Vendor	REANNA	56272
12/03/25	EDI-DOL-120325	Payment of Invoice PI0046107	775.37	0.00	0.00	Posted		Vendor	DOL WORKFORCE D	56273
12/05/25	34036	US Foods, Inc.	1,073.50	1,073.50	0.00	Posted		Vendor	US FOODS	56274
12/05/25	34037	US Foods, Inc.	2,020.98	2,020.98	0.00	Posted		Vendor	US FOODS	56275
12/05/25	34038	US Foods, Inc.	202.44	202.44	0.00	Posted		Vendor	US FOODS	56276
12/05/25	34039	US Foods, Inc.	160.30	160.30	0.00	Posted		Vendor	US FOODS	56277
12/08/25	34040	CSED	1,403.62	1,403.62	0.00	Posted		Vendor	CSED	56278

Check Date	Check No.	Description	Amount	Printed Amount	Voided Amount	Entry Status	Original Entry Status	Bal. Account Type	Bal. Account No.	Entry No.
12/08/25	34041	Equitable Equi-Vest Unit	5,875.00	5,875.00	0.00	Posted		Vendor	EQUITABLE	56279
12/08/25	34042	Tlingit & Haida TCSU	30.00	30.00	0.00	Posted		Vendor	T & H TRIBAL	56280
12/08/25	34043	NEA - Alaska	381.00	381.00	0.00	Posted		Vendor	NEA - AK	56281
12/19/25	34901	AK Communications Systems	485.29	485.29	0.00	Posted		Vendor	ACS	56423
12/19/25	34902	AK Association of School Librarians	495.00	495.00	0.00	Posted		Vendor	AK ASSOC OF SCH LIBR	56424
12/19/25	34903	Alaska Power Company	5,304.17	5,304.17	0.00	Posted		Vendor	AK POWER	56425
12/19/25	34904	Alaska Seaplanes Service, LLC	162.54	162.54	0.00	Posted		Vendor	AK SEAPLANE SVC	56426
12/19/25	34905	Alaska Litho, Inc.	118.24	118.24	0.00	Posted		Vendor	ALASKA LITHO,	56427
12/19/25	34906	Alaska Telephone Company	289.28	289.28	0.00	Posted		Vendor	ALASKA TELEPHONE CO	56428
12/19/25	34907	Andrew Polland	225.00	225.00	0.00	Posted		Vendor	ANDREW	56429
12/19/25	34908	Angoon Oil	942.25	942.25	0.00	Posted		Vendor	ANGOON OIL	56430
12/19/25	34909	Chilkat Valley News	333.00	333.00	0.00	Posted		Vendor	CHILKAT	56431
12/19/25	34910	Cody Fisher	50.00	50.00	0.00	Posted		Vendor	CODY FISHER	56432
12/19/25	34911	Delta Western	202.61	202.61	0.00	Posted		Vendor	DELTA	56433
12/19/25	34912	Emma Demmert	375.00	375.00	0.00	Posted		Vendor	EMMA	56434
12/19/25	34913	Eric Benedict	1,500.00	1,500.00	0.00	Posted		Vendor	ERIC BENEDICT	56435
12/19/25	34914	Four Ravens	2,250.00	2,250.00	0.00	Posted		Vendor	FOUR RAVENS	56436
12/19/25	34915	GCI	2,291.75	2,291.75	0.00	Posted		Vendor	GCI/ANCH	56437
12/19/25	34916	Gregory Bennum	450.00	450.00	0.00	Posted		Vendor	GREGORY	56438
12/19/25	34917	Gustavus Dray, Inc.	863.74	863.74	0.00	Posted		Vendor	GUSTAVUS	56439
12/19/25	34918	Haines Industrial Supply	509.56	509.56	0.00	Posted		Vendor	HAINES	56440
12/19/25	34919	Harmony Educational Services, LLC	18,346.14	18,346.14	0.00	Posted		Vendor	HARMONY EDUCATIONAL	56441
12/19/25	34920	Hearthside Books & Toys	320.88	320.88	0.00	Posted		Vendor	HEARTHSIDE BOOKS	56442
12/19/25	34921	Icy Strait Wholesale	52.07	52.07	0.00	Posted		Vendor	ICY STRAIT	56443
12/19/25	34922	Inside Passage Electric Coop	35,294.81	35,294.81	0.00	Posted		Vendor	INSIDE PASSAGE ELEC	56444
12/19/25	34923	Jessica Shanahan	1,214.57	1,214.57	0.00	Posted		Vendor	JESSICA	56445
12/19/25	34924	Jonathan Wunrow	9,250.00	9,250.00	0.00	Posted		Vendor	JONATHAN	56446
12/19/25	34925	Josh Orem	600.00	600.00	0.00	Posted		Vendor	JOSH OREM	56447
12/19/25	34926	Kelley Create	1,194.44	1,194.44	0.00	Posted		Vendor	KELLEY	56448
12/19/25	34927	Kelly McLaughlin	1,116.57	1,116.57	0.00	Posted		Vendor	KELLY	56449
12/19/25	34928	Kristin Beltran	512.90	512.90	0.00	Posted		Vendor	KRISTIN	56450
12/19/25	34929	Laura Strong	1,228.60	1,228.60	0.00	Posted		Vendor	LAURA STRONG	56451
12/19/25	34930	Lauren McPhun	395.40	395.40	0.00	Posted		Vendor	LAUREN	56452
12/19/25	34931	Leonard Best	585.00	585.00	0.00	Posted		Vendor	LEONARD BEST	56453
12/19/25	34932	Lylith Widmer	2,409.24	2,409.24	0.00	Posted		Vendor	LYLITH WIDMER	56454
12/19/25	34933	Megan Moody	335.58	335.58	0.00	Posted		Vendor	MEGAN MOODY	56455
12/19/25	34934	Michael Akes	35.00	35.00	0.00	Posted		Vendor	MICHAEL AKES	56456
12/19/25	34935	Rita Brouillette	518.58	518.58	0.00	Posted		Vendor	RITA	56457
12/19/25	34936	See Stories	13,511.05	13,511.05	0.00	Posted		Vendor	SEE STORIES	56458
12/19/25	34937	SHI International Corp	30,730.56	30,730.56	0.00	Posted		Vendor	SHI	56459
12/19/25	34938	Tiffany Dewitt	1,080.20	1,080.20	0.00	Posted		Vendor	TIFFANY	56460
12/19/25	34939	Veritiv Operating Co.	3,672.93	3,672.93	0.00	Posted		Vendor	UNISOURCE	56461
12/22/25	34044	Public Education Health Trust	34,920.00	34,920.00	0.00	Posted		Vendor	PEHT	56462
12/23/25	34045	US Foods, Inc.	51.86	51.86	0.00	Posted		Vendor	US FOODS	56463
12/30/25	34046	CSED	1,403.62	1,403.62	0.00	Posted		Vendor	CSED	56464
12/30/25	34047	Equitable Equi-Vest Unit	5,875.00	5,875.00	0.00	Posted		Vendor	EQUITABLE	56465

Check Date	Check No.	Description	Amount	Printed Amount	Voided Amount	Entry Status	Original Entry Status	Bal. Account Type	Bal. Account No.	Entry No.
12/30/25	34048	NEA - Alaska	381.00	381.00	0.00	Posted		Vendor	NEA - AK	56466
	General Fund Checking		364,610.09	363,206.37	628.35					

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
031-Earnings on Investments	-50.00	-18.63	-18.63		-31.37
040-Other Local Revenues	-20,000.00	-4,124.80	-4,124.80		-15,875.20
046-Rental Income	-1,500.00	-300.00	-300.00		-1,200.00
047-E-Rate	-352,000.00				-352,000.00
051-Foundation Program Revenue	-3,990,682.00	-1,979,196.00	-1,979,196.00		-2,011,486.00
056-TRS On-Behalf Revenue	-239,389.00				-239,389.00
057-PERS On-Behalf Revenue	-44,785.00				-44,785.00
090-Other State Revenues	-1,000.00				-1,000.00
110-Impact Aid	-206,204.00				-206,204.00
Total Revenue	-4,855,610.00	-1,983,639.43	-1,983,639.43		-2,871,970.57
311-Certified Superintendent	124,000.00	37,500.00	37,500.00		86,500.00
313-Certified Principal	176,110.00	81,434.00	81,434.00		94,676.00
315-Certified Teacher	950,986.00	382,386.74	382,386.74		568,599.26
316-Certified Extra Duty Pay	20,400.00	21,300.08	21,300.08		-900.08
323-Non-Certified Aide	199,963.00	82,388.48	82,388.48		117,574.52
324-Non-Certified Support Staff	276,186.00	143,917.12	143,917.12		132,268.88
325-Non Cert Maintenance Custodial	167,199.00	84,895.72	84,895.72		82,303.28
329-Non-Certified Subsitute/Temp	56,800.00	42,980.41	42,980.41		13,819.59
361-Life/Health Insurance	381,968.00	93,839.56	93,839.56		288,128.44
362-Unemployment Insurance	9,865.00	5,090.52	5,090.52		4,774.48
363-Workers' Compensation	29,387.00	13,471.04	13,471.04		15,915.96
364-FICA Contribution	71,932.00	36,917.76	36,917.76		35,014.24
365-TRS	398,731.00	63,411.80	63,411.80		335,319.20
366-PERS	181,810.00	69,149.28	69,149.28		112,660.72
369-Other Employee Benefits		4,636.30	4,636.30		-4,636.30
380-Housing Allowance/Subsidy		3,227.00	3,227.00		-3,227.00
390-Transportation Allowance	20,000.00	11,250.00	11,250.00		8,750.00
410-Professional Technical Service	253,000.00	21,340.39	21,340.39		231,659.61
412-Auditing Accounting Service	88,000.00	44,840.00	44,840.00		43,160.00
414-Legal Services	10,000.00	2,596.60	2,596.60		7,403.40
420-Staff Travel & Per Diem	73,000.00	12,792.86	12,792.86		60,207.14
425-Student Travel	70,000.00	360.00	360.00		69,640.00
430-Utility Services	250.00				250.00
431-Water & Sewer	33,520.00	6,232.66	6,232.66		27,287.34
432-Garbage	3,680.00	1,225.45	1,225.45		2,454.55
433-Communications	470,700.00	16,352.24	16,352.24		454,347.76
434-Other Utility Services	400.00	710.00	710.00		-310.00
435-Energy	31,350.00	6,996.19	6,996.19		24,353.81
436-Electricity	197,896.00	71,221.41	71,221.41		126,674.59
438-Heating Fuel	119,382.00	19,973.39	19,973.39		99,408.61
440-Other Purchased Services	58,600.00	60,788.87	60,788.87		-2,188.87
441-Rentals/Leases	22,700.00	6,725.16	6,725.16		15,974.84
442-Building Repair & Maintenance	19,000.00	1,512.05	1,512.05		17,487.95
443-Equipment Repair & Maintenance	8,700.00	6,198.41	6,198.41		2,501.59
446-Property Insurance	121,120.00				121,120.00
447-Liability Insurance	62,117.00				62,117.00

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
450-Supplies	17,600.00	10,161.90	10,161.90		7,438.10
452-Maintenance Supplies	10,200.00	4,452.99	4,452.99		5,747.01
453-Janitorial Supplies	10,050.00	1,763.52	1,763.52		8,286.48
454-Office Supplies	4,800.00	918.97	918.97		3,881.03
458-Vehicle Gasoline, Diesel, Oil	2,225.00	1,453.44	1,453.44		771.56
471-Textbooks	1,500.00	371.58	371.58		1,128.42
479-Other Supplies Materials Media	500.00	126.23	126.23		373.77
490-Other Expenses	2,360.00	186.00	186.00		2,174.00
491-Dues and Fees	18,945.00	12,185.77	12,185.77		6,759.23
493-Interest Expense	2,000.00	829.07	829.07		1,170.93
495-Indirect Cost Recovery	-75,000.00	-8,191.52	-8,191.52		-66,808.48
510-Equipment		5,000.00	5,000.00		-5,000.00
550-Transfer to Other Funds	151,678.00				151,678.00
Total Expenditures	4,855,610.00	1,486,919.44	1,486,919.44		3,368,690.56

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

School: Null Value (000)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
031-Earnings on Investments	-50.00	-18.63	-18.63		-31.37
040-Other Local Revenues	-20,000.00	-4,124.80	-4,124.80		-15,875.20
046-Rental Income	-1,500.00	-300.00	-300.00		-1,200.00
047-E-Rate	-352,000.00				-352,000.00
051-Foundation Program Revenue	-3,990,682.00	-1,979,196.00	-1,979,196.00		-2,011,486.00
056-TRS On-Behalf Revenue	-239,389.00				-239,389.00
057-PERS On-Behalf Revenue	-44,785.00				-44,785.00
090-Other State Revenues	-1,000.00				-1,000.00
110-Impact Aid	-206,204.00				-206,204.00
Total Revenue	-4,855,610.00	-1,983,639.43	-1,983,639.43		-2,871,970.57

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

School: Angoon (060)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
Total Revenue					
313-Certified Principal	98,784.00	41,160.00	41,160.00		57,624.00
315-Certified Teacher	370,194.00	172,286.86	172,286.86		197,907.14
316-Certified Extra Duty Pay	7,000.00	5,300.08	5,300.08		1,699.92
323-Non-Certified Aide	50,738.00	22,654.45	22,654.45		28,083.55
324-Non-Certified Support Staff	40,725.00	22,780.80	22,780.80		17,944.20
325-Non Cert Maintenance Custodial	81,579.00	36,369.20	36,369.20		45,209.80
329-Non-Certified Subsitute/Temp	18,500.00	16,499.86	16,499.86		2,000.14
361-Life/Health Insurance	65,076.00	20,771.04	20,771.04		44,304.96
362-Unemployment Insurance	3,444.00	1,309.40	1,309.40		2,134.60
363-Workers' Compensation	10,121.00	4,868.27	4,868.27		5,252.73
364-FICA Contribution	21,485.00	10,968.17	10,968.17		10,516.83
365-TRS	149,491.00	27,480.92	27,480.92		122,010.08
366-PERS	50,504.00	17,434.54	17,434.54		33,069.46
410-Professional Technical Service	5,200.00	5,003.30	5,003.30		196.70
420-Staff Travel & Per Diem	12,000.00	1,303.80	1,303.80		10,696.20
425-Student Travel	35,000.00	360.00	360.00		34,640.00
430-Utility Services	250.00				250.00
431-Water & Sewer	11,520.00	3,840.00	3,840.00		7,680.00
432-Garbage	2,220.00	800.00	800.00		1,420.00
433-Communications	195,000.00	6,760.16	6,760.16		188,239.84
435-Energy	31,350.00	6,996.19	6,996.19		24,353.81
436-Electricity	117,500.00	38,614.50	38,614.50		78,885.50
438-Heating Fuel	4,000.00	3,157.76	3,157.76		842.24
441-Rentals/Leases	10,000.00	2,513.04	2,513.04		7,486.96
442-Building Repair & Maintenance	8,000.00				8,000.00
443-Equipment Repair & Maintenance	4,000.00	2,073.46	2,073.46		1,926.54
446-Property Insurance	52,548.00				52,548.00
450-Supplies	6,700.00	1,322.25	1,322.25		5,377.75
452-Maintenance Supplies	3,000.00	3,572.67	3,572.67		-572.67
453-Janitorial Supplies	5,000.00				5,000.00
454-Office Supplies	700.00	423.09	423.09		276.91
458-Vehicle Gasoline, Diesel, Oil	1,575.00	1,255.44	1,255.44		319.56
471-Textbooks	500.00				500.00
479-Other Supplies Materials Media	500.00	126.23	126.23		373.77
490-Other Expenses	100.00				100.00
491-Dues and Fees	1,150.00	588.05	588.05		561.95
510-Equipment		5,000.00	5,000.00		-5,000.00
550-Transfer to Other Funds	50,000.00				50,000.00
Total Expenditures	1,525,454.00	483,593.53	483,593.53		1,041,860.47

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

School: Gustavus (062)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
Total Revenue					
313-Certified Principal	77,326.00	40,274.00	40,274.00		37,052.00
315-Certified Teacher	370,125.00	133,857.72	133,857.72		236,267.28
316-Certified Extra Duty Pay	6,400.00	6,700.00	6,700.00		-300.00
323-Non-Certified Aide	72,290.00	37,123.98	37,123.98		35,166.02
324-Non-Certified Support Staff	31,066.00	14,706.96	14,706.96		16,359.04
325-Non Cert Maintenance Custodial	47,578.00	22,593.09	22,593.09		24,984.91
329-Non-Certified Subsitute/Temp	11,000.00	14,692.18	14,692.18		-3,692.18
361-Life/Health Insurance	178,354.00	46,931.81	46,931.81		131,422.19
362-Unemployment Insurance	3,079.00	1,611.21	1,611.21		1,467.79
363-Workers' Compensation	9,238.00	4,115.58	4,115.58		5,122.42
364-FICA Contribution	18,971.00	9,537.11	9,537.11		9,433.89
365-TRS	142,193.00	22,712.48	22,712.48		119,480.52
366-PERS	42,763.00	14,753.35	14,753.35		28,009.65
369-Other Employee Benefits		2,306.70	2,306.70		-2,306.70
380-Housing Allowance/Subsidy		3,227.00	3,227.00		-3,227.00
390-Transportation Allowance	10,000.00				10,000.00
410-Professional Technical Service	13,400.00	6,993.28	6,993.28		6,406.72
420-Staff Travel & Per Diem	9,000.00	585.00	585.00		8,415.00
425-Student Travel	35,000.00				35,000.00
431-Water & Sewer	22,000.00	2,392.66	2,392.66		19,607.34
432-Garbage	1,460.00	425.45	425.45		1,034.55
433-Communications	105,000.00	3,906.87	3,906.87		101,093.13
436-Electricity	30,845.00	14,049.37	14,049.37		16,795.63
438-Heating Fuel	32,704.00	7,401.41	7,401.41		25,302.59
441-Rentals/Leases	5,000.00	1,678.85	1,678.85		3,321.15
442-Building Repair & Maintenance	5,000.00	362.05	362.05		4,637.95
443-Equipment Repair & Maintenance	4,000.00	256.41	256.41		3,743.59
446-Property Insurance	26,702.00				26,702.00
450-Supplies	6,000.00	1,808.98	1,808.98		4,191.02
452-Maintenance Supplies	3,000.00	112.03	112.03		2,887.97
453-Janitorial Supplies	2,000.00	1,743.54	1,743.54		256.46
454-Office Supplies	1,000.00	495.88	495.88		504.12
458-Vehicle Gasoline, Diesel, Oil	400.00	38.68	38.68		361.32
471-Textbooks	500.00	371.58	371.58		128.42
490-Other Expenses	500.00				500.00
491-Dues and Fees	750.00				750.00
550-Transfer to Other Funds	25,000.00				25,000.00
Total Expenditures	1,349,644.00	417,765.21	417,765.21		931,878.79

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

School: Correspondence Program (064)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
Total Revenue					
323-Non-Certified Aide	21,347.00	11,076.65	11,076.65		10,270.35
324-Non-Certified Support Staff	8,930.00	6,353.37	6,353.37		2,576.63
325-Non Cert Maintenance Custodial	10,436.00	4,595.10	4,595.10		5,840.90
329-Non-Certified Subsitute/Temp		311.19	311.19		-311.19
362-Unemployment Insurance	204.00	223.38	223.38		-19.38
363-Workers' Compensation	611.00	335.05	335.05		275.95
364-FICA Contribution	3,115.00	1,708.74	1,708.74		1,406.26
366-PERS	4,304.00	3,834.60	3,834.60		469.40
410-Professional Technical Service	3,200.00	3,343.28	3,343.28		-143.28
433-Communications	63,000.00	887.36	887.36		62,112.64
434-Other Utility Services	400.00	710.00	710.00		-310.00
438-Heating Fuel	17,000.00	3,945.96	3,945.96		13,054.04
440-Other Purchased Services	47,600.00	45,363.14	45,363.14		2,236.86
441-Rentals/Leases	700.00				700.00
442-Building Repair & Maintenance	3,000.00				3,000.00
443-Equipment Repair & Maintenance	500.00				500.00
446-Property Insurance	15,735.00				15,735.00
450-Supplies	200.00				200.00
452-Maintenance Supplies	100.00				100.00
453-Janitorial Supplies	50.00				50.00
491-Dues and Fees	45.00	45.00	45.00		
Total Expenditures	200,477.00	82,732.82	82,732.82		117,744.18

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

School: Klukwan (067)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
Total Revenue					
315-Certified Teacher	210,667.00	76,242.16	76,242.16		134,424.84
316-Certified Extra Duty Pay	7,000.00	2,800.00	2,800.00		4,200.00
323-Non-Certified Aide	55,588.00	11,533.40	11,533.40		44,054.60
324-Non-Certified Support Staff	20,363.00	7,213.61	7,213.61		13,149.39
325-Non Cert Maintenance Custodial	27,606.00	21,338.33	21,338.33		6,267.67
329-Non-Certified Subsitute/Temp	3,500.00	2,072.18	2,072.18		1,427.82
361-Life/Health Insurance	98,737.00	19,780.17	19,780.17		78,956.83
362-Unemployment Insurance	1,624.00	979.94	979.94		644.06
363-Workers' Compensation	4,871.00	1,849.47	1,849.47		3,021.53
364-FICA Contribution	11,347.00	5,632.28	5,632.28		5,714.72
365-TRS	68,198.00	7,698.28	7,698.28		60,499.72
366-PERS	30,132.00	12,697.08	12,697.08		17,434.92
410-Professional Technical Service	3,200.00	3,343.28	3,343.28		-143.28
420-Staff Travel & Per Diem	21,000.00	5,651.18	5,651.18		15,348.82
433-Communications	103,000.00	4,461.68	4,461.68		98,538.32
436-Electricity	44,725.00	16,942.72	16,942.72		27,782.28
438-Heating Fuel	65,678.00	5,468.26	5,468.26		60,209.74
441-Rentals/Leases	4,000.00	1,303.36	1,303.36		2,696.64
442-Building Repair & Maintenance	3,000.00	1,150.00	1,150.00		1,850.00
443-Equipment Repair & Maintenance	200.00	3,816.58	3,816.58		-3,616.58
446-Property Insurance	26,135.00				26,135.00
450-Supplies	3,700.00	2,184.18	2,184.18		1,515.82
452-Maintenance Supplies	4,000.00	768.29	768.29		3,231.71
453-Janitorial Supplies	3,000.00	19.98	19.98		2,980.02
454-Office Supplies	1,000.00				1,000.00
458-Vehicle Gasoline, Diesel, Oil	250.00	159.32	159.32		90.68
471-Textbooks	500.00				500.00
490-Other Expenses		186.00	186.00		-186.00
Total Expenditures	823,021.00	215,291.73	215,291.73		607,729.27

Chatham School District

Revenue & Expense Accounts

Budget vs Actual - Actual, Encumbrance

For the Period from July 1, 2025 to December 31, 2025

Fund: 100-General Fund (100), Fund Class: Unrestricted (UNRESTRICT)

School: District Wide (099)

	Annual Budget	Period To Date - Actual	Year To Date - Actual	Year To Date - Encumbrance	Budget Remaining
Total Revenue					
311-Certified Superintendent	124,000.00	37,500.00	37,500.00		86,500.00
316-Certified Extra Duty Pay		6,500.00	6,500.00		-6,500.00
324-Non-Certified Support Staff	175,102.00	92,862.38	92,862.38		82,239.62
329-Non-Certified Subsitute/Temp	23,800.00	9,405.00	9,405.00		14,395.00
361-Life/Health Insurance	39,801.00	6,356.54	6,356.54		33,444.46
362-Unemployment Insurance	1,514.00	966.59	966.59		547.41
363-Workers' Compensation	4,546.00	2,302.67	2,302.67		2,243.33
364-FICA Contribution	17,014.00	9,071.46	9,071.46		7,942.54
365-TRS	38,849.00	5,520.12	5,520.12		33,328.88
366-PERS	54,107.00	20,429.71	20,429.71		33,677.29
369-Other Employee Benefits		2,329.60	2,329.60		-2,329.60
390-Transportation Allowance	10,000.00	11,250.00	11,250.00		-1,250.00
410-Professional Technical Service	228,000.00	2,657.25	2,657.25		225,342.75
412-Auditing Accounting Service	88,000.00	44,840.00	44,840.00		43,160.00
414-Legal Services	10,000.00	2,596.60	2,596.60		7,403.40
420-Staff Travel & Per Diem	31,000.00	5,252.88	5,252.88		25,747.12
433-Communications	4,700.00	336.17	336.17		4,363.83
436-Electricity	4,826.00	1,614.82	1,614.82		3,211.18
440-Other Purchased Services	11,000.00	15,425.73	15,425.73		-4,425.73
441-Rentals/Leases	3,000.00	1,229.91	1,229.91		1,770.09
443-Equipment Repair & Maintenance		51.96	51.96		-51.96
447-Liability Insurance	62,117.00				62,117.00
450-Supplies	1,000.00	4,846.49	4,846.49		-3,846.49
452-Maintenance Supplies	100.00				100.00
454-Office Supplies	2,100.00				2,100.00
490-Other Expenses	1,760.00				1,760.00
491-Dues and Fees	17,000.00	11,552.72	11,552.72		5,447.28
493-Interest Expense	2,000.00	829.07	829.07		1,170.93
495-Indirect Cost Recovery	-75,000.00	-8,191.52	-8,191.52		-66,808.48
550-Transfer to Other Funds	76,678.00				76,678.00
Total Expenditures	957,014.00	287,536.15	287,536.15		669,477.85

ADMISSION BP 5111(a)

Note: Pursuant to 4 AAC 06.060, authority to deny admission to a student is vested with the School Board. The following sample policy authorizes the Superintendent or designee to deny admission to children who don't meet established entrance requirements.

The School Board believes that all children should have the opportunity to receive a free appropriate public education. Staff shall encourage parents/guardians to enroll all school-aged children in school.

The School Board reserves the right to verify the residency or anticipated residency of any student and the validity of any affidavit of guardianship. These admission policies are not intended to be a barrier to the enrollment and retention of homeless children and youth.

The Superintendent or designee shall verify compliance with all entrance requirements established by law or School Board policy.

(cf. 5112.6 - Education for Homeless Children and Children in Foster Care)
(cf. 5112.1 - Exemptions from Attendance)
(cf. 5112.2 - Exclusions from Attendance)
(cf. 5116 - School Attendance Boundaries)
(cf. 5117 - Interdistrict Attendance)
(cf. 5141.3 - Health Examinations)
(cf. 5141.31 - Immunizations)

Note: A child who is six years of age on or before September 1 following the beginning of the school year, and who is under the age of 20 and has not completed the 12th grade, is of school age. AS 14.03.070. The school year begins on July 1 and ends June 30.

ADMISSION (continued) BP 5111(b)

A child five years of age on or before September 1 may be admitted to kindergarten. The School Board authorizes the admission of students under school age who are at least four years of age at the beginning of the school year, provided they exhibit the mental, physical, and emotional capacity to perform satisfactorily, including advancement through the curriculum or grade level by the following year. The Superintendent or designee is delegated authority to make early-entrance determinations. Students under school age who were previously enrolled in public school shall be admitted to school at the grade level determined by the Superintendent or designee.

Students subject to suspension or expulsion under AS 13.03.160 in the District or another district are not guaranteed admission.

Legal Reference:

ALASKA STATUTES
14.30.010 When attendance compulsory
14.03.020 School year
14.03.070 School age
14.03.080 Right to attend school
14.30.045 Grounds for suspension or denial of admission
14.03.160 Suspension or expulsion of students for possessing weapons

ALASKA ADMINISTRATIVE CODE
4 AAC 06.055 Immunizations required

UNITED STATES CODE
42 U.S.C. 11432 - 11433 McKinney-Vento Homeless Assistance Act

Revised 6/2025

Chatham School District
First Reading 01/13/2026

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

CHATHAM SCHOOL DISTRICT

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Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, Alaska

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Chatham School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Chatham School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Chatham School District, as of June 30, 2025, and the respective changes in financial position, and, where applicable cash flows thereof 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 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 Chatham 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.

Change in Accounting Principle

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

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

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Offices in Juneau and Soldotna A Professional Corporation

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 Chatham 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 Chatham 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 Chatham 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 schedules of revenues, expenditures, and changes in fund balance - original and final budget and actual for major funds, and the District's proportionate share of the net pension/OPEB liabilities, assets, schedules of the District's contributions for the Public Employees' Retirement System and Teachers' Retirement System and the notes to required supplementary information on pages 40-52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of 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 Chatham School District's basic financial statements. The information listed in the table of contents as "Supplementary Information", which includes the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual for major funds, and the combining and individual non-major fund financial statements; Schedule of Compliance- AS 14.17.505 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200,* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the basic financial statements. The Schedule of State Financial Assistance and Notes to Schedule of State Financial Assistance are presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the Chatham 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 Chatham 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 the Chatham School District's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

BASIC FINANCIAL STATEMENTS

Exhibit A-1

CHATHAM SCHOOL DISTRICT

Statement of Net Position

June 30, 2025

Assets and Deferred Outflows of Resources		Governmental Activities
Current:		
Cash and cash equivalents	$	491,243
Accounts receivable		524,526
Prepaid expenses		9,729
Inventory		27,067
Total current		1,052,565
Non-current:		
Capital assets		26,617,903
Accumulated depreciation		(22,345,266)
Net OPEB assets		1,257,275
Total non-current		5,529,912
Deferred outflows of resources -		
Pension/OPEB deferrals		306,719
Total assets and deferred outflows of resources		6,889,196
Liabilities and Deferred Inflows of Resources		
Current liabilities:		
Accounts payable		397,965
Payroll liabilities		115,871
Unearned revenue		32,906
Total current liabilities		546,742
Long-term liabilities:		
Compensated absences		45,561
Due in more than one year - net pension liabilities		2,458,338
Total long-term liabilities		2,503,899
Deferred inflows of resources -		
Pension/OPEB deferrals		77,598
Total liabilities and deferred inflows of resources		3,128,239
Net Position		
Net investment in capital assets		4,272,637
Unrestricted (deficit)		(511,680)
Total net position	$	3,760,957

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

CHATHAM SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position (Deficit): Governmental Activities	Net (Expense) Revenue and Changes in Net Position (Deficit): Business-type Activities	Net (Expense) Revenue and Changes in Net Position (Deficit): Total Governmental Activities
Governmental Activities:							
Instruction	$ 4,041,096	4,472	2,085,390	-	(1,951,234)	-	(1,951,234)
Special education instruction	508,486	-	39,026	-	(469,460)	-	(469,460)
Special education support services - students	147,660	-	47,677	-	(99,983)	-	(99,983)
Support services - students	9,984	-	6,450	-	(3,534)	-	(3,534)
Support services - instruction	521,140	-	9,558	-	(511,582)	-	(511,582)
School administration	363,228	-	26,301	-	(336,927)	-	(336,927)
School administration support services	202,335	-	10,829	-	(191,506)	-	(191,506)
District administration	370,646	-	23,120	-	(347,526)	-	(347,526)
District administration support services	358,398	-	72,351	-	(286,047)	-	(286,047)
Operations and maintenance of plant	999,377	94,070	17,305	-	(888,002)	-	(888,002)
Student activities	172,176	-	87,686	-	(84,490)	-	(84,490)
Student transportation - to and from school	96,009	-	48,806	-	(47,203)	-	(47,203)
Food services	108,828	371	33,545	-	(74,912)	-	(74,912)
Total governmental activities	$ 7,899,363	98,913	2,508,044	-	(5,292,406)	-	(5,292,406)
Business-type Activities -							
Foxes Den	608	-	-	-	-	(608)	(608)
Total	$ 7,899,971	98,913	2,508,044	-	(5,292,406)	(608)	(5,293,014)
General revenues:							
E-Rate					$ 365,357	-	365,357
Grants not restricted to specific programs					4,147,045	-	4,147,045
Interest income					50	-	50
Transfers					(272,855)	272,855	-
Other					89,271	-	89,271
Total general revenues					4,328,868	272,855	4,601,723
Change in net position					(963,538)	272,247	(691,291)
Net position - beginning of year, as originally stated					4,747,235	(272,247)	4,474,988
Change in accounting principle					(22,740)	-	(22,740)
Net position - beginning of year, as restated					4,724,495	(272,247)	4,452,248
Net position - ending					$ 3,760,957	-	3,760,957

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

Exhibit C-1

CHATHAM SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2025

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 370,776	-	120,467	491,243
Accounts receivable	30,797	173,778	319,951	524,526
Due from other funds	441,998	-	439,458	881,456
Prepaid expenses	7,846	-	1,883	9,729
Inventory	21,592	-	5,475	27,067
Total assets	873,009	173,778	887,234	1,934,021
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	224,011	8,402	165,552	397,965
Payroll liabilities	115,871	-	-	115,871
Unearned revenue	175	-	32,731	32,906
Due to other funds	439,458	165,376	276,622	881,456
Total liabilities	779,515	173,778	474,905	1,428,198
Fund Balances:				
Nonspendable	29,438	-	7,358	36,796
Committed	-	-	457,935	457,935
Unassigned	64,056	-	(52,964)	11,092
Total fund balances	93,494	-	412,329	505,823
Total liabilities and fund equity	$ 873,009	173,778	887,234	1,934,021

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

CHATHAM SCHOOL DISTRICT

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2025

Fund balances - total governmental funds		$ 505,823
Total net position reported for governmental activities in the State of Net Position is different because:		
Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.		4,272,637
Long term liabilities are not due in the current period and therefore, are not reported in the funds		
Compensated absences		(45,561)
Proportionate share of the collective net pension liabilities:		
PERS	(1,591,762)	
TRS	(866,576)	(2,458,338)
Proportionate share of the collective net OPEB assets:		
PERS	681,822	
TRS	575,453	1,257,275
Deferred inflows and outflows of resources are the results of timing differences in the actuarial report.		
Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources:		
PERS	196,853	
TRS	109,866	306,719
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources:		
PERS	(24,165)	
TRS	(53,433)	(77,598)
Total net position of governmental activities		3,760,957

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

CHATHAM SCHOOL DISTRICT

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

Year Ended June 30, 2025

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Charges for services	$ 4,472	-	94,441	98,913
Interest income	50	-	-	50
E-rate	365,357	-	-	365,357
Other	89,271	-	103,597	192,868
Intergovernmental:				
State of Alaska	4,245,426	-	76,129	4,321,555
Federal sources	199,607	609,933	1,371,826	2,181,366
Total revenues	4,904,183	609,933	1,645,993	7,160,109
Expenditures:				
Current:				
Instruction	1,736,034	609,933	1,293,985	3,639,952
Special education instruction	495,647	-	-	495,647
Special education support services - students	100,786	-	46,992	147,778
Support services - students	2,757	-	-	2,757
Support services - instruction	511,582	-	9,558	521,140
School administration	367,800	-	-	367,800
School administration support services	190,204	-	-	190,204
District administration	367,111	-	-	367,111
District administration support services	283,741	-	64,118	347,859
Operations and maintenance of plant	846,561	-	87,638	934,199
Student activities	110,286	-	61,925	172,211
Student transportation - to and from school	-	-	96,009	96,009
Food services	-	-	102,560	102,560
Total expenditures	5,012,509	609,933	1,762,785	7,385,227
Excess (deficiency) of revenues over (under) expenditures	(108,326)	-	(116,792)	(225,118)
Other financing sources (uses):				
Transfers in	5,288	-	-	5,288
Transfers out	(272,855)	-	(5,288)	(278,143)
Total other financing sources (uses):	(267,567)	-	(5,288)	(272,855)
Net change in fund balance	(375,893)	-	(122,080)	(497,973)
Fund balance, beginning of year, as originally stated	449,639	-	534,409	984,048
Change in accounting principle	19,748	-	-	19,748
Fund balance, beginning of year, as restated	469,387	-	534,409	1,003,796
Fund balances, end of year	$ 93,494	-	412,329	505,823

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

CHATHAM 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, 2025

Net change in fund balances - total governmental funds		$ (497,973)
The change in net position reported for governmental activities in the State of Activities is different because:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(3,073)
Change in unfunded net position and OPEB liability and asset:		
PERS	(93,750)	
TRS	40,805	(52,945)
Changes in deferred inflow and outflow of resources are the results of timing differences in the actuarial report and adjustments to reflect employer and non-employer contributions based on the measurement date of the liabilities:		
PERS	36,091	
TRS	(10,523)	25,568
Governmental funds report capital outlays as expenditures. However, on the Statement of Activities, the costs of those assets are allocated over their estimated useful lives. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital outlays	130,178	
Depreciation expense	(565,293)	(435,115)
Change in net position of governmental activities		$ (963,538)

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Net Position

June 30, 2025

Liabilities and Net Position	
Current liabilities -	$ -
Net position -	-
Total liabilities and net position	$ -

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2025

Operating revenues	$	-
Operating expenses -		
Student activities -		
Other expenses		608
Non-operating revenues (expenses) -		
Transfers in from school operating fund		272,855
Change in net position		272,247
Net position (deficit), beginning of year		(272,247)
Net position (deficit), end of year	$	-

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

CHATHAM SCHOOL DISTRICT

Foxes Den Enterprise Fund

Statement of Cash Flows

Year Ended June 30, 2025

Cash flows from (for) operating activities:		
Cash received from customers	$	-
Cash paid to employees		-
Cash paid to suppliers		(608)
Net cash flows from (for) operating activities		(608)
Cash flows from (for) capital activities		
Sale of property, plant and equipment		-
Cash flows from (for) financing activities:		
Net cash transferred from (to) operating fund		608
Net increase (decrease) in cash and cash equivalents		-
Beginning cash and cash equivalents		-
Ending cash and cash equivalents	$	-
Reconciliation of income (loss) from operations to net cash from (for) operating activities:		
Change in net position (deficit)	$	272,247
Adjustments to reconcile income (loss) from operations to cash flows from operating activities:		
Transfer in - School Operating Fund		(272,855)
Changes in assets and liabilities:		
Accounts receivable		-
Accounts payable		-
Net cash flows from (for) operating activities	$	(608)

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accounting policies of the Chatham School District (School District) conform to accounting principles generally accepted in the United States, as applicable to governmental units.

The Legislature of the State of Alaska established the School District on July 1, 1976. At that time, assets to be used by the School District were turned over by direct transfer or by use permits from the State of Alaska. The School District is operated under the exclusive oversight, management and control of the locally elected five-member School Board. The School Board is the level of government which has governance responsibilities over all activities related to public elementary and secondary education within its jurisdiction. The School District receives financial support from state and federal government sources and must comply with the concomitant requirements of these entities. However, the School District is not included in any other governmental reporting entity as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since the School Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

The School District is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the School District for financial statement purposes, and the School District is not included in any other governmental reporting entity. Consequently, the School District's financial statements present only the funds for which its elected governing board is financially accountable.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The most significant of the School District's accounting policies are described below.

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of 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 statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function 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.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. There are three categories of funds: governmental, proprietary and fiduciary. The district maintains two of these types of funds, governmental and proprietary.

The District reports the following major governmental funds:

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

The *Full-Service Community Schools Special Revenue Fund* accounts for revenues received and expenditures made for the grant passed through the Alaska Association of School Boards “A Strong Start for Southeast Alaskan Students.”

Additionally, a Proprietary Fund is used to account for Foxes Den on a for-profit basis.

The *Foxes Den Enterprise Fund* accounts for a student run restaurant in Gustavus, Alaska. This was closed out through a final transfer in 2025.

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

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

Intergovernmental Revenue

State of Alaska foundation and pupil transportation revenues, and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. On-behalf payments from the State of Alaska are recognized in the year to which they relate.

Local Revenue

Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

The District's policy is when available, to utilize restricted revenues before unrestricted revenues.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, 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 establish 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 Cash Equivalents

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 maintains accounts for specific purposes such as the Student Activity accounts.

2. Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the Fund Financial Statements and are eliminated in the preparation of the Government-Wide Financial Statements.

3. Inventories and Prepaid Items Expenses

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 the lesser of cost or market using the first-in, first-out (FIFO) method. Reported inventories are equally offset by a portion of fund balance classified as nonspendable in the Fund Financial Statements, which indicates 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 prepaid items. Prepaid items in governmental funds are based on the consumption method. The prepaid assets recorded in the governmental fund types do not reflect current available resources, and thus, an equivalent portion of fund balance is classified as nonspendable in the Fund Financial Statements.

4. Capital Assets

Capital assets are recorded in the Government-Wide Financial Statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets are capitalized over $5,000. Maintenance and operational costs are borne by the District. Capital assets in the Government-Wide Financial Statements are depreciated on the straight-line method over useful life of the asset, generally 5 to 30 years for equipment and vehicles and 15 to 30 years for buildings.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized in the Government-Wide Financial Statements and are considered operations and maintenance costs.

5. Unearned Revenue

Unearned revenue in Special Revenue Funds represent amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

6. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A liability is recognized when it is attributable to services already rendered, it accumulates, and it is more likely than not that the District will compensate an employee (either as paid time off or cash payment). Unused leave is accrued utilizing current salary cost as earned by the employee and recorded as a liability in the government-wide financial statement of net position. No accrued leave liability is recorded in the fund financial statements.

7. Pensions/Other Post Employment Benefit (OPEB) Liability (Asset)

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

8. Net Position

In the Government-Wide Financial Statements, net position is divided into three components:

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

9. Fund Balance

In the fund financial statements, fund balance includes five classifications as follows:

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

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

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

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

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

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.

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

10. Fair Value of Financial Instruments

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

II. DETAILED NOTES ON ALL FUNDS

A. Deposits 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 of the fund financial statements as "Cash and cash equivalents" or amounts "Due from/to other funds".

Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District.

Any amount in excess of the Federal Depository Insurance (FDIC) with a maximum of $250,000 is collateralized with securities held by the District's agent in the District's name. All deposits are carried at fair market value plus accrued interest. The School District has not developed a cash or investment policy.

At June 30, 2025, the District's bank balances totaled $544,398. Deposits in each financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2025, the District had balances of $200,125 that were not insured or collateralized.

B. Receivables

Receivables as of June 30, 2025 for governmental funds are as follows:

	School Operating Fund	Full-Service Community Schools Special Revenue Fund	Other Governmental Fund	Total
Grants	$ -	173,778	319,951	493,729
Other	30,797	-	-	30,797
Total	$ 30,797	173,778	319,951	524,526

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

C. Capital Assets

The School District owns land, buildings, vehicles and equipment as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Assets not being depreciated:				
Land	$ 348,581	-	-	348,581
Assets being depreciated:				
Buildings	24,813,466	80,208	-	24,893,674
Vehicles	300,947	49,970	-	350,917
Equipment	1,024,731	-	-	1,024,731
Total assets being depreciated	26,139,144	130,178	-	26,269,322
Less accumulated depreciation:				
Buildings	(20,996,169)	(505,397)	-	(21,501,566)
Vehicles	(262,257)	(8,987)	-	(271,244)
Equipment	(521,547)	(50,909)	-	(572,456)
Total accumulated depreciation	(21,779,973)	(565,293)	-	(22,345,266)
Total assets being depreciated, net	4,359,171	(435,115)	-	3,924,056
Total Government Capital Assets Net of Accumulated Depreciation	$ 4,707,752	(435,115)	-	4,272,637

Equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

	Years
Machinery and equipment	5-30
Vehicles	5-30
Building	15-30

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

Instruction	$	486,880
Operation and maintenance of plant		72,145
Food services		6,268
Total depreciation expense per function – governmental	$	565,293

D. Interfund Receivables and Payables

Interfund receivables and payables are shown as “Due To Other Funds” and “Due From Other Funds” in each of the individual funds. These balances at June 30, 2025, were as follows:

Receivable Fund	Payable Fund		Amount
School Operating Fund	Other Governmental Funds	$	276,622
School Operating Fund	Full-Service Community Schools SRF		165,376
Other Governmental Funds	School Operating Fund		439,458
		$	881,456

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.

Transfer Out	Transfer In		Amount
School Operating Fund	Foxes Den Enterprise Fund	$	272,855
Other Governmental Funds	School Operating Fund		5,288
		$	278,143

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

In fiscal year 2025 the District transferred funds from the School Operating Fund to the Foxes Den Enterprise Fund which carried a negative fund balance in the prior period. This transfer was made to close out the Enterprise Fund.

E. Deficit Fund Balance

At June 30, 2025 the Staff Housing Special Revenue Fund had deficit fund balance of $20,849 and the USDA Farm to School has a deficit fund balance of $30,232. These deficits are expected to be covered by transfers of fund balance from the School Operating Fund.

E. Fund Balances

Fund balances, reported for the major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints:

	School Operating Fund	Other Governmental Funds	Totals
Nonspendable:			
Inventory	$ 21,592	5,475	27,067
Prepaid expenses	7,846	1,883	9,729
Total non-spendable	29,438	7,358	36,796
Committed:			
Food service	-	15,708	15,708
Pupil transportation	-	141,633	141,633
Post secondary survival	-	36,605	36,605
Student activities	-	111,590	111,590
Special capital projects	-	141,537	141,537
Playground improvements	-	2,780	2,780
Staff housing repairs	-	2,403	2,403
Kitchen maintenance	-	5,679	5,679
Total committed	-	457,935	457,935
Unassigned	64,056	(52,964)	11,092
Total Fund Balances	$ 93,494	412,329	505,823

III. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to worker's compensation, torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District mitigates significant risk of loss through the acquisition of commercial insurance policies. With the exception of fire, earthquake and flood insurance the deductibles are minimal. There were no outstanding claims or liabilities at the end of the current period. The District's employee health costs are covered through commercial insurance policies.

The District has elected the reimbursable method of accounting for Employment Security Compensation (ESC). Under this method, the actual costs of ESC are reimbursed to the State of Alaska, Department of Labor. The District records the liability for the accrued unpaid portion of these claims.

B. Contingent Liabilities

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

C. Employee Retirement Systems and Plans

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

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

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

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

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

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

Plan Memberships

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

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

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

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

Occupational Death and Disability Plan (ODD)

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

Retiree Medical Plan (RMP)

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

Health Reimbursement Arrangement Plan (HRA)

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

Investments

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

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

Rate of Return

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	134,443	8,933	143,376

Public Employees' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed $44,965 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of $105,195 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

Defined Benefit:	Pension
District's proportionate share of the net pension liability	$ 1,591,762
State's proportionate share of the net pension liability	595,780
Total	$ 2,187,542
	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (639,316)
State's proportionate share of the ARHCT OPEB liability (asset)	(239,744)
Total	$ (879,060)
District's proportionate share of the ODD OPEB liability (asset)	$ (21,923)
District's proportionate share of the RMP OPEB liability (asset)	$ (20,583)
Total District's share of net pension and OPEB liabilities and assets	$ 909,940

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

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.02902%	0.02963%	(0.00061)%
OPEB:			
ARHCT	0.02903%	0.02970%	(0.00067)%
ODD	0.03672%	0.03509%	0.00163%
RMP	0.04416%	0.04203%	0.00213%

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of $286,906 and $23,042, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	15,323	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	134,443	-
Total	$ 149,766	-

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 346	-
Changes of assumptions	17,165	-
Net difference between projected and actual earnings on OPEB plan investments	9,736	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,427	-
District contributions subsequent to the measurement date	-	-
Total	$ 29,674	-

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(5,136)
Changes of assumptions	-	(54)
Net difference between projected and actual earnings on OPEB plan investments	70	-
Changes in proportion and differences between District contributions and proportionate share of contributions	402	(2,257)
District contributions subsequent to the measurement date	2,004	-
Total	$ 2,476	(7,447)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 518	(2,287)
Changes of assumptions	6,965	(13,837)
Net difference between projected and actual earnings on OPEB plan investments	290	-
Changes in proportion and differences between District contributions and proportionate share of contributions	235	(594)
District contributions subsequent to the measurement date	6,929	-
Total	$ 14,937	(16,718)

$134,443 and $8,933 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	$ (42,662)	(16,000)	(1,832)	(2,923)
2026	79,423	64,483	(1,039)	13
2027	(11,724)	(10,335)	(1,387)	(3,081)
2028	(9,714)	(8,474)	(1,248)	(2,148)
2029	-	-	(873)	(1,221)
Thereafter	-	-	(596)	650
Total	$ 15,323	29,674	(6,975)	(8,710)

For the year ended June 30, 2025, the District recognized $(64,726) and $(13,424) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

		1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$	2,120,377	1,591,762	1,144,427
Net OPEB ARHCT liability (asset)	$	(404,805)	(639,316)	(836,662)
Net OPEB ODD liability (asset)	$	(20,591)	(21,923)	(22,966)
Net OPEB RMP liability (asset)	$	3,566	(20,583)	(39,041)

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

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(859,192)	(639,316)	(378,118)
Net OPEB ODD liability (asset)	$	N/A	(21,923)	N/A
Net OPEB RMP liability (asset)	$	(41,477)	(20,583)	7,452

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $88,901 for the year ended June 30, 2025, which included forfeitures of $9,637 which have been applied as employer contributions.

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

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

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

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

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

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

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

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	35,998	12,158	48,156

Teachers' Retirement Plans

For the year ended June 30, 2025 the State of Alaska contributed $253,022 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of $241,363 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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

Defined Benefit:		Pension
District's proportionate share of the net pension liability	$	866,576
State's proportionate share of the net pension liability		1,493,946
Total	$	2,360,522
		OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$	(483,331)
State's proportionate share of the ARHCT OPEB liability (asset)		(788,040)
Total	$	(1,271,371)
District's proportionate share of the ODD OPEB liability (asset)	$	(24,112)
District's proportionate share of the RMP OPEB liability (asset)	$	(68,010)
Total District's share of net pension and OPEB liabilities and assets	$	291,123

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

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

	June 30, 2024 Measurement	June 30, 2023 Measurement	Change
Pension	0.04685%	0.05513%	(0.00828)%
OPEB:			
ARHCT	0.04845%	0.05610%	(0.00765)%
ODD	0.30262%	0.24241%	0.06021%
RMP	0.30245%	0.24261%	0.05984%

Based on the measurement date of June 30, 2024, the District recognized pension and OPEB expense of $180,050 and $81,166, respectively, for the year ended June 30, 2025. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	14,448	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	35,998	-
Total	$ 50,446	-

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(118)
Changes of assumptions	5,707	-
Net difference between projected and actual earnings on OPEB plan investments	6,124	-
Changes in proportion and differences between District contributions and proportionate share of contributions	7,237	-
District contributions subsequent to the measurement date	-	-
Total	$ 19,068	(118)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(3,810)
Changes of assumptions	-	(34)
Net difference between projected and actual earnings on OPEB plan investments	102	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,741	(5,328)
District contributions subsequent to the measurement date	1,280	-
Total	$ 3,123	(9,172)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,494	(4,632)
Changes of assumptions	12,689	(26,390)
Net difference between projected and actual earnings on OPEB plan investments	968	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,200	(13,121)
District contributions subsequent to the measurement date	10,878	-
Total	$ 37,229	(44,143)

$35,998 and $12,158 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2026, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2025	$ (39,837)	(9,706)	(1,418)	(5,865)
2026	72,625	40,922	(751)	867
2027	(9,914)	(6,739)	(1,279)	(4,804)
2028	(8,426)	(5,527)	(1,052)	(4,371)
2029	-	-	(970)	(1,880)
Thereafter	-	-	(1,859)	(1,739)
Total	$ 14,448	18,950	(7,329)	(17,792)

For the year ended June 30, 2025, the District recognized $(176,164) and $54,840 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

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

		1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$	1,257,169	866,576	535,936
Net OPEB ARHCT liability (asset)	$	(333,112)	(483,331)	(609,039)
Net OPEB ODD liability (asset)	$	(24,191)	(24,112)	(24,064)
Net OPEB RMP liability (asset)	$	(17,951)	(68,010)	(105,810)

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

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(622,764)	(483,331)	(316,747)
Net OPEB ODD liability (asset)	$	N/A	(24,112)	N/A
Net OPEB RMP liability (asset)	$	(110,377)	(68,010)	(10,649)

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

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

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

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

The District contributed $160,338 for the year ended June 30, 2025, which included forfeitures of $4,095 which have been applied as employer contributions.

D. Subsequent Accounting Pronouncements

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

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

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

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

E. Implementation of new accounting standards GASB statement No. 101

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

	Governmental Funds	Governmental Activities
Net position, beginning of year July 1, 2024	$ 984,048	$ 4,747,235
Change in accounting principle:		
Compensated absences	19,748	(22,740)
Net position, as adjusted	$ 1,003,796	$ 4,724,495

REQUIRED SUPPLEMENTARY INFORMATION

CHATHAM SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget-Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Charges for services	$ 2,000	2,000	4,472	2,472
Interest income	100	100	50	(50)
E-rate	357,588	357,588	365,357	7,769
Other local revenues	42,000	42,000	89,271	47,271
Intergovernmental:				
State of Alaska	4,177,014	4,177,014	4,245,426	68,412
Federal sources	185,654	185,654	199,607	13,953
Total revenues	4,764,356	4,764,356	4,904,183	139,827
Expenditures -				
Current:				
Instruction	1,588,089	1,588,089	1,736,034	(147,945)
Special education instruction	504,687	504,687	495,647	9,040
Special education support services - students	106,908	106,908	100,786	6,122
Support services - students	3,000	3,000	2,757	243
Support services - instruction	544,973	544,973	511,582	33,391
School administration	351,368	351,368	367,800	(16,432)
School administration support services	187,472	187,472	190,204	(2,732)
District administration	342,824	342,824	367,111	(24,287)
District administration support services	247,115	247,115	283,741	(36,626)
Operations and maintenance of plant	845,478	845,478	846,561	(1,083)
Student activities	113,485	113,485	110,286	3,199
Total expenditures	4,835,399	4,835,399	5,012,509	(177,110)
Excess (deficiency) of revenues over (under) expenditures	(71,043)	(71,043)	(108,326)	(37,283)
Other financing sources (uses):				
Transfers out - Foxes Den Enterprise Fund	-	-	(272,855)	(272,855)
Transfers in - FEMA Special Revenue Fund	-	-	5,288	5,288
Net other financing sources (uses)	-	-	(267,567)	(267,567)
Net change in fund balance	$ (71,043)	(71,043)	(375,893)	(304,850)
Fund balance, beginning of year, as originally stated			449,639	
Change in accounting principle			19,748	
Fund balance, beginning of year, as restated			469,387	
Fund balance, end of year			$ 93,494	

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Full-Service Community Schools Special Revenue Fund

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

Year Ended June 30, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 1,287,897	609,933	(677,964)
Expenditures -			
Current -			
Instruction	1,287,897	609,933	677,964
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0383%	$ 1,856,960	$ 4,999,735	$ 6,856,695	$ 504,163	368.33%	63.96%
2017	0.0243%	$ 1,356,902	$ 167,241	$ 1,524,143	$ 569,881	238.10%	59.55%
2018	0.0225%	$ 1,160,561	$ 431,147	$ 1,591,708	$ 612,939	189.34%	63.37%
2019	0.0258%	$ 1,279,711	$ 371,022	$ 1,650,733	$ 634,083	201.82%	65.19%
2020	0.0249%	$ 1,361,108	$ 540,251	$ 1,901,359	$ 639,133	212.96%	63.42%
2021	0.0224%	$ 1,322,588	$ 546,749	$ 1,869,337	$ 621,045	212.96%	61.61%
2022	0.0232%	$ 850,374	$ 115,919	$ 966,293	$ 602,053	141.25%	76.46%
2023	0.0222%	$ 1,132,625	$ 312,605	$ 1,445,230	$ 769,127	147.26%	67.97%
2024	0.0296%	$ 1,536,429	$ 514,341	$ 2,050,770	$ 909,158	168.99%	68.23%
2025	0.0290%	$ 1,591,762	$ 595,780	$ 2,187,542	$ 973,228	163.55%	67.81%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Public Employees' Retirement System (PERS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0224%	$ 189,262	$ 71,042	$ 260,304	$ 612,939	30.88%	89.68%
2019	0.2571%	$ 263,814	$ 77,136	$ 340,950	$ 634,083	41.61%	88.12%
2020	0.0248%	$ 36,788	$ 14,802	$ 51,590	$ 639,133	5.76%	98.13%
2021	0.0223%	$ (101,822)	$ (41,958)	$ (143,780)	$ 621,045	-16.40%	106.15%
2022	0.0233%	$ (598,323)	$ (80,057)	$ (678,380)	$ 602,053	-99.38%	135.54%
2023	0.0220%	$ (433,137)	$ (123,324)	$ (556,461)	$ 769,127	-56.32%	128.51%
2024	0.0297%	$ (682,282)	$ (229,495)	$ (911,777)	$ 909,158	-75.05%	133.96%
2025	0.0290%	$ (639,316)	$ (239,744)	$ (879,060)	$ 973,228	-65.69%	130.59%
Occupational Death and Disability (ODD):							
2018	0.0332%	$ 1,731	$ -	$ 1,731	$ 612,939	0.28%	212.97%
2019	0.0355%	$ 4,520	$ -	$ 4,520	$ 634,083	0.71%	270.62%
2020	0.0344%	$ 8,217	$ -	$ 8,217	$ 639,133	1.29%	297.43%
2021	0.0319%	$ 2,265	$ -	$ 2,265	$ 621,045	0.36%	283.80%
2022	0.0317%	$ (8,508)	$ -	$ (8,508)	$ 602,053	-1.41%	374.22%
2023	0.0325%	$ (14,225)	$ -	$ (14,225)	$ 769,127	-1.85%	348.80%
2024	0.0351%	$ (18,001)	$ -	$ (18,001)	$ 909,158	-1.98%	349.24%
2025	0.0367%	$ (21,923)	$ -	$ (21,923)	$ 973,228	-2.25%	346.81%
Retiree Medical Plan (RMP):							
2018	0.0332%	$ (4,710)	$ -	$ (4,710)	$ 345,719	-1.36%	93.98%
2019	0.0355%	$ (6,898)	$ -	$ (6,898)	$ 402,001	-1.72%	88.71%
2020	0.0273%	$ (6,620)	$ -	$ (6,620)	$ 428,792	-1.54%	83.17%
2021	0.0256%	$ (6,975)	$ -	$ (6,975)	$ 431,507	-1.62%	92.23%
2022	0.0269%	$ (11,864)	$ -	$ (11,864)	$ 463,204	-2.56%	115.10%
2023	0.0382%	$ (13,264)	$ -	$ (13,264)	$ 603,949	-2.20%	120.08%
2024	0.0420%	$ (19,956)	$ -	$ (19,956)	$ 374,245	-5.33%	124.29%
2025	0.0442%	$ (20,583)	$ -	$ (20,583)	$ 425,025	-4.84%	119.87%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 47,840	$ (47,840)	$ -	$ 569,881	8.39%
2017	$ 59,024	$ (59,024)	$ -	$ 612,939	9.63%
2018	$ 62,992	$ (62,992)	$ -	$ 634,083	9.93%
2019	$ 55,145	$ (54,303)	$ 842	$ 639,133	8.63%
2020	$ 55,573	$ (55,225)	$ 348	$ 621,045	8.95%
2021	$ 53,177	$ (53,177)	$ -	$ 602,053	8.83%
2022	$ 75,566	$ (75,566)	$ -	$ 769,127	9.82%
2023	$ 102,708	$ (107,670)	$ (4,962)	$ 909,158	11.30%
2024	$ 111,434	$ (109,587)	$ 1,847	$ 973,228	11.45%
2025	$ 133,001	$ (134,443)	$ (1,442)	$ 1,055,803	12.60%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 17,955	$ (17,955)	$ -	$ 634,083	2.83%
2019	$ 17,963	$ (17,963)	$ -	$ 639,133	2.81%
2020	$ 22,023	$ (22,023)	$ -	$ 621,045	3.55%
2021	$ 10,471	$ (10,471)	$ -	$ 602,053	1.74%
2022	$ 10,735	$ (10,735)	$ -	$ 769,127	1.40%
2023	$ -	$ -	$ -	$ 909,158	0.00%
2024	$ -	$ -	$ -	$ 973,228	0.00%
2025	$ -	$ -	$ -	$ 1,055,803	0.00%
Occupational Death and Disability (ODD):					
2018	$ 643	$ (643)	$ -	$ 634,083	0.10%
2019	$ 1,115	$ (1,115)	$ -	$ 639,133	0.17%
2020	$ 1,199	$ (1,199)	$ -	$ 621,045	0.19%
2021	$ 1,436	$ (1,436)	$ -	$ 602,053	0.24%
2022	$ 1,872	$ (1,872)	$ -	$ 769,127	0.24%
2023	$ 2,149	$ (2,149)	$ -	$ 909,158	0.24%
2024	$ 2,520	$ (2,520)	$ -	$ 973,228	0.26%
2025	$ 2,004	$ (2,004)	$ -	$ 1,055,803	0.19%
Retiree Medical Plan (RMP):					
2018	$ 4,141	$ (4,141)	$ -	$ 402,001	1.03%
2019	$ 4,031	$ (4,031)	$ -	$ 428,792	0.94%
2020	$ 5,976	$ (5,976)	$ -	$ 431,507	1.38%
2021	$ 5,883	$ (5,883)	$ -	$ 463,204	1.27%
2022	$ 6,462	$ (6,462)	$ -	$ 603,949	1.07%
2023	$ 7,881	$ (7,881)	$ -	$ 374,245	2.11%
2024	$ 8,498	$ (8,498)	$ -	$ 425,025	2.00%
2025	$ 6,929	$ (6,929)	$ -	$ 404,097	1.71%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0456%	$ 847,808	$ 1,356,385	$ 2,204,193	$ 1,312,597	64.59%	73.82%
2017	0.0717%	$ 1,637,192	$ 1,939,716	$ 3,576,908	$ 1,354,162	120.90%	68.40%
2018	0.0658%	$ 1,332,534	$ 2,323,173	$ 3,655,707	$ 1,331,515	100.08%	72.39%
2019	0.0640%	$ 1,225,605	$ 1,820,630	$ 3,046,235	$ 1,331,103	92.07%	74.09%
2020	0.0661%	$ 1,235,295	$ 1,831,682	$ 3,066,977	$ 1,278,509	96.62%	74.68%
2021	0.0441%	$ 896,419	$ 1,554,451	$ 2,450,870	$ 1,149,604	77.98%	72.81%
2022	0.0808%	$ 643,257	$ 546,042	$ 1,189,299	$ 1,417,616	45.38%	89.43%
2023	0.0445%	$ 741,218	$ 989,005	$ 1,730,223	$ 1,248,818	59.35%	78.33%
2024	0.0551%	$ 969,405	$ 1,531,289	$ 2,500,694	$ 1,633,789	59.33%	77.62%
2025	0.0469%	$ 866,576	$ 1,493,946	$ 2,360,522	$ 1,739,747	49.81%	77.07%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

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

Teachers' Retirement System (TRS)

June 30, 2025

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0224%	$ 189,262	$ 71,042	$ 260,304	$ 1,331,515	14.21%	93.75%
2019	0.0257%	$ 263,814	$ 77,136	$ 340,950	$ 1,331,103	19.82%	90.23%
2020	0.0248%	$ 36,788	$ 14,802	$ 51,590	$ 1,278,509	2.88%	105.50%
2021	0.0223%	$ (101,822)	$ (41,958)	$ (143,780)	$ 1,149,604	-8.86%	113.78%
2022	0.2333%	$ (598,323)	$ (80,057)	$ (678,380)	$ 1,417,616	-42.21%	145.41%
2023	0.0453%	$ (397,376)	$ (509,993)	$ (907,369)	$ 1,248,818	-31.82%	134.84%
2024	0.0561%	$ (566,965)	$ (864,120)	$ (1,431,085)	$ 1,633,789	-34.70%	140.49%
2025	0.0485%	$ (483,331)	$ (788,040)	$ (1,271,371)	$ 1,739,747	-27.78%	137.40%
Occupational Death and Disability (ODD):							
2018	0.0332%	$ 1,731	$ -	$ 1,731	$ 1,331,515	0.13%	1342.59%
2019	0.0355%	$ 4,520	$ -	$ 4,520	$ 1,331,103	0.34%	1304.81%
2020	0.0344%	$ 8,217	$ -	$ 8,217	$ 1,278,509	0.64%	1409.77%
2021	0.0319%	$ 2,265	$ -	$ 2,265	$ 1,149,604	0.20%	931.08%
2022	0.0317%	$ (8,508)	$ -	$ (8,508)	$ 1,417,616	-0.60%	1254.36%
2023	0.2005%	$ (12,111)	$ -	$ (12,111)	$ 1,248,818	-0.97%	1268.28%
2024	0.2424%	$ (16,772)	$ -	$ (16,772)	$ 1,633,789	-1.03%	1410.42%
2025	0.3026%	$ (24,112)	$ -	$ (24,112)	$ 1,739,747	-1.39%	1600.56%
Retiree Medical Plan (RMP):							
2018	0.0332%	$ (4,710)	$ -	$ (4,710)	$ 862,144	-0.55%	118.16%
2019	0.0355%	$ (6,898)	$ -	$ (6,898)	$ 849,788	-0.81%	109.56%
2020	0.0273%	$ (6,620)	$ -	$ (6,620)	$ 988,720	-0.67%	110.03%
2021	0.0256%	$ (6,975)	$ -	$ (6,975)	$ 991,217	-0.70%	125.59%
2022	0.0269%	$ (11,864)	$ -	$ (11,864)	$ 1,124,077	-1.06%	142.54%
2023	0.2002%	$ (38,762)	$ -	$ (38,762)	$ 985,411	-3.93%	140.73%
2024	0.2426%	$ (53,740)	$ -	$ (53,740)	$ 1,072,191	-5.01%	140.71%
2025	0.3025%	$ (68,010)	$ -	$ (68,010)	$ 1,383,234	-4.92%	134.72%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 47,946	$ (47,946)	$ -	$ 1,354,162	3.54%
2017	$ 42,348	$ (42,348)	$ -	$ 1,331,515	3.18%
2018	$ 59,845	$ (59,845)	$ -	$ 1,331,103	4.50%
2019	$ 30,863	$ (16,403)	$ 14,460	$ 1,278,509	2.41%
2020	$ 40,325	$ (49,251)	$ (8,926)	$ 1,149,604	3.51%
2021	$ 32,386	$ (32,386)	$ -	$ 1,417,616	2.28%
2022	$ 31,902	$ (31,902)	$ -	$ 1,248,818	2.55%
2023	$ 53,605	$ (57,601)	$ (3,996)	$ 1,633,789	3.28%
2024	$ 47,054	$ (29,638)	$ 17,416	$ 1,739,747	2.70%
2025	$ 48,622	$ (35,998)	$ 12,624	$ 1,659,985	2.93%

See accompanying notes to Required Supplementary Information.

CHATHAM SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2025

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 23,646	$ (23,646)	$ -	$ 1,331,103	1.78%
2019	$ 14,277	$ (14,277)	$ -	$ 1,278,509	1.12%
2020	$ 22,072	$ (22,072)	$ -	$ 1,149,604	1.92%
2021	$ 19,932	$ (19,932)	$ -	$ 1,417,616	1.41%
2022	$ 17,220	$ (17,220)	$ -	$ 1,248,818	1.38%
2023	$ 1,102	$ (1,102)	$ -	$ 1,633,789	0.07%
2024	$ -	$ -	$ -	$ 1,739,747	0.00%
2025	$ -	$ -	$ -	$ 1,659,985	0.00%
Occupational Death and Disability (ODD):					
2018	$ -	$ -	$ -	$ 1,331,103	0.00%
2019	$ -	$ -	$ -	$ 1,278,509	0.00%
2020	$ 791	$ (791)	$ -	$ 1,149,604	0.07%
2021	$ 971	$ (971)	$ -	$ 1,417,616	0.07%
2022	$ 899	$ (899)	$ -	$ 1,248,818	0.07%
2023	$ 996	$ (996)	$ -	$ 1,633,789	0.06%
2024	$ 1,346	$ (1,346)	$ -	$ 1,739,747	0.08%
2025	$ 1,280	$ (1,280)	$ -	$ 1,659,985	0.08%
Retiree Medical Plan (RMP):					
2018	$ 7,733	$ (7,733)	$ -	$ 849,788	0.91%
2019	$ 7,811	$ (7,811)	$ -	$ 988,720	0.79%
2020	$ 12,562	$ (12,562)	$ -	$ 991,217	1.27%
2021	$ 10,454	$ (10,454)	$ -	$ 1,124,077	0.93%
2022	$ 8,179	$ (8,179)	$ -	$ 985,411	0.83%
2023	$ 10,837	$ (10,837)	$ -	$ 1,072,191	1.01%
2024	$ 13,795	$ (13,795)	$ -	$ 1,383,234	1.00%
2025	$ 10,878	$ (10,878)	$ -	$ 1,276,579	0.85%

See accompanying notes to Required Supplementary Information.

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

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

1. Annual budgets for operation are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting.
2. The adopted School Operating Fund budget is submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.
3. The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The originally adopted budget and the final revised and approved budget are presented in these financial statements. Expenditure authority for the School Operating Fund is limited to the total approved budget and functional areas of expenditures are not to be overspent. Annual appropriations for the School Operating Fund lapse at fiscal year-end.
4. 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. The amount of encumbrances, if significant, is disclosed in the notes to the Basic Financial Statements as commitments. As of June 30, 2025, the District did not have any encumbrances.

Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following major funds:

School Operating Fund:		
Instruction	$	(147,945)
School administration	$	(16,432)
School administration support services	$	(2,732)
District administration	$	(24,287)
District admin support services	$	(36,626)
Operations and maintenance of plant	$	(1,083)

2. Public Employees' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

3. Teachers' Retirement System

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

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

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

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

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

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

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

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

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

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

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

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

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

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

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

Schedule of District Contributions (Pension) and (OPEB)

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

SUPPLEMENTARY INFORMATION

CHATHAM SCHOOL DISTRICT

School Operating Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Local sources:			
Charges for services	$ 2,000	4,472	2,472
Earnings on investments	100	50	(50)
E-rate	357,588	365,357	7,769
Other local revenues	42,000	89,271	47,271
Total local sources	401,688	459,150	57,462
State sources:			
Foundation program	3,519,341	3,526,856	7,515
Quality schools	9,643	9,643	-
HB 268 one-time grant	409,836	409,836	-
TRS on-behalf payment	206,144	253,022	46,878
PERS on-behalf payment	31,050	44,966	13,916
Other	1,000	1,103	103
Total state sources	4,177,014	4,245,426	68,412
Federal sources:			
National forest receipts	-	6,132	6,132
Impact aid	185,654	193,475	7,821
Total federal sources	185,654	199,607	13,953
Total revenues	4,764,356	4,904,183	139,827
Expenditures:			
Current:			
Instruction:			
Certificated salaries	780,823	863,095	(82,272)
Non-certificated salaries	143,864	166,348	(22,484)
Employee benefits	475,668	544,217	(68,549)
Housing allowance/subsidy	27,950	9,710	18,240
Professional and technical services	43,752	43,135	617
Staff travel	27,358	30,629	(3,271)
Student travel	592	592	-
Utility services	3,000	88	2,912
Energy	-	586	(586)
Other purchased services	63,250	47,044	16,206
Supplies, materials and media	16,890	18,261	(1,371)
Other expenses	4,942	12,329	(7,387)
Total instruction	1,588,089	1,736,034	(147,945)
Special education instruction:			
Certificated salaries	158,091	174,204	(16,113)
Non-certificated salaries	173,163	151,314	21,849
Employee benefits	161,418	158,858	2,560
Housing allowance/subsidy	7,200	4,000	3,200
Professional and technical services	-	59	(59)
Staff travel	-	2,219	(2,219)
Supplies, materials and media	4,815	4,993	(178)
Total special education instruction	504,687	495,647	9,040

(continued)

CHATHAM 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:			
Current:			
Special education support services - students:			
Certificated salaries	20,000	5,000	15,000
Employee benefits	8,408	2,250	6,158
Professional and technical services	70,000	88,440	(18,440)
Staff travel	6,000	5,096	904
Other expenses	2,500	-	2,500
Total special education support services - students	106,908	100,786	6,122
Support services - students -			
Employee benefits	3,000	2,757	243
Support services - instruction:			
Professional and technical services	102,000	100,786	1,214
Utility services	441,488	407,725	33,763
Energy	-	289	(289)
Other purchased services	-	575	(575)
Supplies, materials and media	725	1,303	(578)
Other expenses	760	904	(144)
Total support services - instruction	544,973	511,582	33,391
School administration:			
Certificated salaries	192,075	191,975	100
Employee benefits	95,408	87,587	7,821
Professional and technical services	9,585	12,736	(3,151)
Staff travel	13,500	16,518	(3,018)
Student travel	-	435	(435)
Utility services	20,000	26,159	(6,159)
Energy	-	1,215	(1,215)
Other purchased services	19,000	27,230	(8,230)
Supplies, materials and media	1,320	1,692	(372)
Other expenses	480	2,253	(1,773)
Total school administration	351,368	367,800	(16,432)
School administration support services:			
Non-certificated salaries	101,910	111,838	(9,928)
Employee benefits	77,661	74,879	2,782
Staff travel	5,278	869	4,409
Supplies, materials and media	2,623	2,618	5
Total school administration support services	187,472	190,204	(2,732)
District administration:			
Certificated salaries	121,140	105,997	15,143
Non-certificated salaries	78,111	98,847	(20,736)
Employee benefits	96,238	98,273	(2,035)
Professional and technical services	500	-	500
Staff travel	33,000	37,893	(4,893)
Utility services	1,500	-	1,500
Supplies, materials and media	1,100	1,001	99
Other expenses	11,235	25,100	(13,865)
Total district administration	342,824	367,111	(24,287)

(continued)

CHATHAM 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:			
Current:			
District administration support services:			
Non-certificated salaries	96,830	93,124	3,706
Employee benefits	42,126	35,088	7,038
Professional and technical services	112,838	142,517	(29,679)
Staff travel	2,000	3,629	(1,629)
Utilities services	500	11	489
Other purchased services	2,000	1,031	969
Insurance and bond premiums	56,525	56,525	-
Supplies, materials and media	1,196	1,419	(223)
Other expenses	8,100	14,513	(6,413)
Indirect cost recovery	(75,000)	(64,116)	(10,884)
Total district administration support services	247,115	283,741	(36,626)
Operations and maintenance of plant:			
Non-certificated salaries	166,823	178,080	(11,257)
Employee benefits	71,882	75,890	(4,008)
Professional and technical services	16,250	6,909	9,341
Staff travel	1,500	2,423	(923)
Utility services	37,680	51,345	(13,665)
Energy	361,575	319,802	41,773
Other purchased services	26,200	38,152	(11,952)
Insurance and bond premiums	112,384	114,382	(1,998)
Supplies, materials and media	24,635	33,042	(8,407)
Other expenses	189	176	13
Equipment	26,360	26,360	-
Total operations and maintenance of plant	845,478	846,561	(1,083)
Student activities:			
Certificated salaries	15,000	10,985	4,015
Non-certificated salaries	14,000	8,300	5,700
Employee benefits	8,240	5,282	2,958
Staff travel	2,000	2,520	(520)
Student travel	70,000	75,402	(5,402)
Supplies, materials and media	2,700	5,733	(3,033)
Other expenses	1,545	2,064	(519)
Total student activities	113,485	110,286	3,199
Total expenditures	4,835,399	5,012,509	(177,110)
Excess (deficiency) of revenues over (under) expenditures	(71,043)	(108,326)	(37,283)
Other financing sources (uses):			
Transfers out - Foxes Den Enterprise Fund	-	(272,855)	(272,855)
Transfers in - FEMA Special Revenue Fund	-	5,288	5,288
Net other financing sources (uses)	-	(267,567)	(267,567)
Net change in fund balance	$ (71,043)	(375,893)	(304,850)
Fund balance, beginning of year, as originally stated		449,639	
Change in accounting principle		19,748	
Fund balance, beginning of year, as restated		469,387	
Fund balance, end of year		$ 93,494	

Exhibit H-2

CHATHAM SCHOOL DISTRICT

Full-Service Community Schools Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 1,287,897	609,933	(677,964)
Expenditures - current:			
Instruction:			
Certificated salaries	371,125	107,823	263,302
Non-certificated salaries	217,147	186,137	31,010
Employee benefits	94,594	77,395	17,199
Professional and technical services	458,495	107,938	350,557
Staff travel	44,424	60,555	(16,131)
Student travel	-	12,183	(12,183)
Supplies, materials and media	67,465	52,928	14,537
Other expenses	34,647	4,974	29,673
Total expenditures	1,287,897	609,933	677,964
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-1

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2025

Assets	Special Revenue Funds						
	Student Transportation	Stronger Connections	Southeast Conference Microgrant	Hunter Education	Food Service	Title VI-B IDEA	Title I-A Basic
Cash and cash equivalents	$ -	-	-	-	-	-	-
Accounts receivable	-	27,363	11,820	-	3,135	10,544	35,987
Due from School Operating Fund	150,974	-	-	7,959	12,573	37,441	-
Prepaid expenses	-	-	-	-	-	-	1,203
Inventory	-	-	-	-	5,475	-	-
	150,974	27,363	11,820	7,959	21,183	47,985	37,190
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	9,341	20,227	2,441	-	-	47,985	-
Unearned revenue	-	-	-	7,959	-	-	-
Due to School Operating Fund	-	7,136	9,379	-	-	-	37,190
Total liabilities	9,341	27,363	11,820	7,959	-	47,985	37,190
Fund balances:							
Nonspendable	-	-	-	-	5,475	-	1,203
Committed	141,633	-	-	-	15,708	-	-
Unassigned	-	-	-	-	-	-	(1,203)
Total fund balances	141,633	-	-	-	21,183	-	-
Total liabilities and fund balances	$ 150,974	27,363	11,820	7,959	21,183	47,985	37,190

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets		Special Revenue Funds					
		SISD Literacy	Carl Perkins	Title II-A Teacher and Principal Training	NFF YCC	Tlingit Native Language	ACA - Staying North
Cash and cash equivalents	$	-	-	-	-	-	-
Accounts receivable		4,256	11,198	6,500	-	138,014	36,647
Due from School Operating Fund		-	-	-	25,923	-	-
Prepaid expenses		-	-	-	-	-	680
Inventory		-	-	-	-	-	-
		4,256	11,198	6,500	25,923	138,014	37,327
Liabilities and Fund Balances							
Liabilities:							
Accounts payable		500	-	4,917	9,362	13,232	19,955
Unearned revenue		-	-	-	16,561	-	-
Due to School Operating Fund		3,756	11,198	1,583	-	124,782	17,372
Total liabilities		4,256	11,198	6,500	25,923	138,014	37,327
Fund balances:							
Nonspendable		-	-	-	-	-	680
Committed		-	-	-	-	-	-
Unassigned		-	-	-	-	-	(680)
Total fund balances		-	-	-	-	-	-
Total liabilities and fund balances	$	4,256	11,198	6,500	25,923	138,014	37,327

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Special Revenue Funds: Indian Education	USDA Farm to School	Staff Housing	Post Secondary Survival	Student Activities	Total Special Revenue Funds
Cash and cash equivalents	$ -	-	8,827	-	111,640	120,467
Accounts receivable	-	34,487	-	-	-	319,951
Due from School Operating Fund	12,607	-	2,977	36,605	-	287,059
Prepaid expenses	-	-	-	-	-	1,883
Inventory	-	-	-	-	-	5,475
	12,607	34,487	11,804	36,605	111,640	734,835
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	4,596	493	32,453	-	50	165,552
Unearned revenue	8,011	-	200	-	-	32,731
Due to School Operating Fund	-	64,226	-	-	-	276,622
Total liabilities	12,607	64,719	32,653	-	50	474,905
Fund balances:						
Nonspendable	-	-	-	-	-	7,358
Committed	-	-	-	36,605	111,590	305,536
Unassigned	-	(30,232)	(20,849)	-	-	(52,964)
Total fund balances	-	(30,232)	(20,849)	36,605	111,590	259,930
Total liabilities and fund balances	$ 12,607	34,487	11,804	36,605	111,640	734,835

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, continued

Assets	Capital Project Funds: Special Capital Projects	TKE Playground Improvements	Staff Housing Repairs	Kitchen Maintenance	Total Capital Project Funds	Total Other Governmental Funds
Cash and cash equivalents	$ -	-	-	-	-	120,467
Accounts receivable	-	-	-	-	-	319,951
Due from School Operating Fund	141,537	2,780	2,403	5,679	152,399	439,458
Prepaid expenses	-	-	-	-	-	1,883
Inventory	-	-	-	-	-	5,475
	141,537	2,780	2,403	5,679	152,399	887,234
Liabilities and Fund Balances						
Balances						
Liabilities:						
Accounts payable	-	-	-	-	-	165,552
Unearned revenue	-	-	-	-	-	32,731
Due to School Operating Fund	-	-	-	-	-	276,622
Total liabilities	-	-	-	-	-	474,905
Fund balances:						
Nonspendable	-	-	-	-	-	7,358
Committed	141,537	2,780	2,403	5,679	152,399	457,935
Unassigned	-	-	-	-	-	(52,964)
Total fund balances	141,537	2,780	2,403	5,679	152,399	412,329
Total liabilities and fund balances	$ 141,537	2,780	2,403	5,679	152,399	887,234

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2025

	Special Revenue Funds						
	Student Transportation	Stronger Connections	Broadband Assistance Grant	Eco Trust	Southeast Conference Microgrant	Hunter Education	Safety and Well Being
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	5,797	11,820	-	-
Intergovernmental:							
State of Alaska	48,806	-	9,558	-	-	17,765	-
Federal sources:							
Pass through	-	27,363	-	-	-	-	2,708
Direct	-	-	-	-	-	-	-
Total revenues	48,806	27,363	9,558	5,797	11,820	17,765	2,708
Expenditures:							
Current:							
Instruction	-	25,909	-	5,797	11,192	17,765	2,564
Special education support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	9,558	-	-	-	-
District administration support services	-	1,454	-	-	628	-	144
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	96,009	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	96,009	27,363	9,558	5,797	11,820	17,765	2,708
Excess (deficiency) of revenues over (under) expenditures	(47,203)	-	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	-	-	-
Net change in fund balance	(47,203)	-	-	-	-	-	-
Fund balances, beginning of year	188,836	-	-	-	-	-	-
Fund balances, end of year	$ 141,633	-	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds						
	EHCY Travel	Food Service	Fresh Fruit and Vegetable Program	Section 619 Special Education	Title VI-B IDEA	Title I-A Basic	SISD Literacy
Revenues:							
Local sources:							
Charges for services	$ -	371	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Pass through	437	33,065	480	1,939	47,689	56,658	16,916
Direct	-	-	-	-	-	-	-
Total revenues	437	33,436	480	1,939	47,689	56,658	16,916
Expenditures:							
Current:							
Instruction	414	-	-	-	-	53,648	16,916
Special education support services - students	-	-	-	1,836	45,156	-	-
Support services - instruction	-	-	-	-	-	-	-
District administration support services	23	-	-	103	2,533	3,010	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Food services	-	102,080	480	-	-	-	-
Total expenditures	437	102,080	480	1,939	47,689	56,658	16,916
Excess (deficiency) of revenues over (under) expenditures	-	(68,644)	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	-	-	-
Net change in fund balance	-	(68,644)	-	-	-	-	-
Fund balances, beginning of year	-	89,827	-	-	-	-	-
Fund balances, end of year	$ -	21,183	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds						
	Carl Perkins	Title II-A Teacher and Principal Training	ARP After School	NFF YCC	FEMA	Tlingit Native Language	ACA - Staying North
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Pass through	15,067	9,514	62,436	57,046	-	-	499,471
Direct	-	-	-	-	-	462,281	-
Total revenues	15,067	9,514	62,436	57,046	-	462,281	499,471
Expenditures:							
Current:							
Instruction	14,349	9,009	61,123	54,011	-	439,085	475,593
Special education support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-
District administration support services	718	505	1,313	3,035	-	23,196	23,878
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	15,067	9,514	62,436	57,046	-	462,281	499,471
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-
Other financing uses - transfers out	-	-	-	-	(5,288)	-	-
Net change in fund balance	-	-	-	-	(5,288)	-	-
Fund balances, beginning of year	-	-	-	-	5,288	-	-
Fund balances, end of year	$ -	-	-	-	-	-	-

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Special Revenue Funds					
	Indian Education	USDA Farm to School	Staff Housing	Post Secondary Survival	Student Activities	Total Special Revenue Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	94,070	-	-	94,441
Other	-	-	-	-	85,980	103,597
Intergovernmental:						
State of Alaska	-	-	-	-	-	76,129
Federal sources:						
Pass through	-	-	-	-	-	830,789
Direct	11,989	66,767	-	-	-	541,037
Total revenues	11,989	66,767	94,070	-	85,980	1,645,993
Expenditures:						
Current:						
Instruction	11,937	93,473	-	1,200	-	1,293,985
Special education support services - students	-	-	-	-	-	46,992
Support services - instruction	-	-	-	-	-	9,558
District administration support services	52	3,526	-	-	-	64,118
Operations and maintenance of plant	-	-	87,638	-	-	87,638
Student activities	-	-	-	-	61,925	61,925
Student transportation - to and from school	-	-	-	-	-	96,009
Food services	-	-	-	-	-	102,560
Total expenditures	11,989	96,999	87,638	1,200	61,925	1,762,785
Excess (deficiency) of revenues over (under) expenditures	-	(30,232)	6,432	(1,200)	24,055	(116,792)
Other financing uses - transfers out	-	-	-	-	-	(5,288)
Net change in fund balance	-	(30,232)	6,432	(1,200)	24,055	(122,080)
Fund balances, beginning of year	-	-	(27,281)	37,805	87,535	382,010
Fund balances, end of year	$ -	(30,232)	(20,849)	36,605	111,590	259,930

(continued)

CHATHAM SCHOOL DISTRICT

Other Governmental Funds

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

	Capital Project Funds					
	Special Capital Projects Fund	TKE Playground Improvements	Staff Housing Repairs	Kitchen Maintenance	Total Capital Project Funds	Total Other Governmental Funds
Revenues:						
Local sources:						
Charges for services	$ -	-	-	-	-	94,441
Other	-	-	-	-	-	103,597
Intergovernmental:						
State of Alaska	-	-	-	-	-	76,129
Federal sources:						
Pass through	-	-	-	-	-	830,789
Direct	-	-	-	-	-	541,037
Total revenues	-	-	-	-	-	1,645,993
Expenditures:						
Current:						
Instruction	-	-	-	-	-	1,293,985
Special education support services - students	-	-	-	-	-	46,992
Support services - instruction	-	-	-	-	-	9,558
District administration support services	-	-	-	-	-	64,118
Operations and maintenance of plant	-	-	-	-	-	87,638
Student activities	-	-	-	-	-	61,925
Student transportation - to and from school	-	-	-	-	-	96,009
Food services	-	-	-	-	-	102,560
Total expenditures	-	-	-	-	-	1,762,785
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	(116,792)
Other financing uses - transfers out	-	-	-	-	-	(5,288)
Net change in fund balance	-	-	-	-	-	(122,080)
Fund balances, beginning of year	141,537	2,780	2,403	5,679	152,399	534,409
Fund balances, end of year	$ 141,537	2,780	2,403	5,679	152,399	412,329

CHATHAM SCHOOL DISTRICT

Student Transportation Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 48,806	48,806	-
Expenditures - current -			
Student transportation - to and from school:			
Non-certificated salaries	-	27,989	(27,989)
Employee benefits	-	29,985	(29,985)
Professional and technical services	-	8,038	(8,038)
Staff travel	-	3,488	(3,488)
Student travel	48,806	12,928	35,878
Energy	-	138	(138)
Other purchased expenses	-	1,253	(1,253)
Supplies, materials and media	-	12,190	(12,190)
Total expenditures	48,806	96,009	(47,203)
Excess (deficiency) of revenues over expenditures over (under) expenditures	$ -	(47,203)	(47,203)
Fund balance, beginning of year		188,836	
Fund balance, end of year		$ 141,633	

CHATHAM SCHOOL DISTRICT

Stronger Connections Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 46,965	27,363	(19,602)
Expenditures - current -			
Instruction:			
Professional and technical services	23,727	20,226	3,501
Staff travel	10,680	-	10,680
Student travel	5,683	5,683	-
Supplies, materials and media	4,380	-	4,380
Total instruction	44,470	25,909	18,561
District administration support services -			
Indirect costs	2,495	1,454	1,041
Total expenditures	46,965	27,363	19,602
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Broadband Assistance Grant Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 9,558	9,558	-
Expenditures - current -			
Support services - instruction -			
Utility services	9,558	9,558	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-6

CHATHAM SCHOOL DISTRICT

Eco Trust Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ 8,000	5,797	(2,203)
Expenditures - current -			
Instruction:			
Non-certificated salaries	6,000	5,188	812
Employee benefits	609	609	-
Supplies, materials and media	1,391	-	1,391
Total expenditures	8,000	5,797	2,203
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-7

CHATHAM SCHOOL DISTRICT

Southeast Conference Microgrant Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ 15,000	11,820	(3,180)
Expenditures - current -			
Instruction:			
Staff travel	-	1,292	(1,292)
Student travel	14,203	9,822	4,381
Supplies, materials and media	-	78	(78)
Total instruction	14,203	11,192	3,011
District administration support services -			
Indirect costs	797	628	169
Total expenditures	15,000	11,820	3,180
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Hunter Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
State of Alaska	$ 25,725	17,765	(7,960)
Expenditures - current -			
Instruction:			
Certificated salaries	10,000	4,000	6,000
Non-certificated salaries	5,000	8,000	(3,000)
Employee benefits	2,777	2,247	530
Staff travel	5,000	2,673	2,327
Supplies, materials and media	1,581	845	736
Total instruction	24,358	17,765	6,593
District administration support services -			
Indirect costs	1,367	-	1,367
Total expenditures	25,725	17,765	7,960
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Safety and Well Being Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 3,000	2,708	(292)
Expenditures - current:			
Instruction -			
Staff travel	2,841	2,564	277
District administration support services -			
Indirect costs	159	144	15
Total expenditures	3,000	2,708	292
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

EHCY Travel Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 1,000	437	(563)
Expenditures - current:			
Instruction -			
Staff travel	947	414	533
District administration support services -			
Indirect costs	53	23	30
Total expenditures	1,000	437	563
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Food Service Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues -			
Local sources -			
Charges for services	$ 1,000	371	(629)
Intergovernmental -			
Federal sources - passed through the State of Alaska	25,000	33,065	8,065
Total revenues	26,000	33,436	7,436
Expenditures - current -			
Food services:			
Non-certificated salaries	36,000	40,121	(4,121)
Employee benefits	14,000	15,776	(1,776)
Professional and technical services	500	2,336	(1,836)
Staff travel	15,000	10,248	4,752
Energy	500	179	321
Supplies, materials and media	40,000	33,420	6,580
Other expenses	200	-	200
Total expenditures	106,200	102,080	4,120
Excess (deficiency) of revenues over (under) expenditures	$ (80,200)	(68,644)	11,556
Fund balance, beginning of year		89,827	
Fund balance, end of year		$ 21,183	

CHATHAM SCHOOL DISTRICT

Fresh Fruit and Vegetable Program Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 2,019	480	(1,539)
Expenditures - current -			
Food services -			
Supplies, materials and media	2,019	480	1,539
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Section 619 Special Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 6,362	1,939	(4,423)
Expenditures - current:			
Special education support services - students -			
Supplies, materials and media	6,024	1,836	4,188
District administration support services -			
Indirect costs	338	103	235
Total expenditures	6,362	1,939	4,423
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title VI-B IDEA Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 47,689	47,689	-
Expenditures - current:			
Special education support services - students:			
Professional and technical services	37,624	39,894	(2,270)
Staff travel	5,801	5,262	539
Supplies, materials and media	1,331	-	1,331
Other expenses	400	-	400
Total special education support services - students	45,156	45,156	-
District administration support services -			
Indirect costs	2,533	2,533	-
Total expenditures	47,689	47,689	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title I-A Basic Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 150,477	56,658	(93,819)
Expenditures - current:			
Instruction:			
Non-certificated salaries	88,000	33,559	54,441
Employee benefits	47,034	15,828	31,206
Supplies, materials and media	7,450	4,261	3,189
Total instruction	142,484	53,648	88,836
District administration support services -			
Indirect costs	7,993	3,010	4,983
Total expenditures	150,477	56,658	93,819
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

SISD Literacy Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediate agencies	$ 17,285	16,916	(369)
Expenditures - current -			
Instruction:			
Certificated salaries	2,285	2,285	-
Employee benefits	-	1,108	(1,108)
Professional and technical services	-	1,100	(1,100)
Staff travel	-	2,661	(2,661)
Other purchased services	-	495	(495)
Supplies, materials and media	13,000	2,488	10,512
Other expenses	2,000	6,779	(4,779)
Total expenditures	17,285	16,916	369
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Carl Perkins Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 22,000	15,067	(6,933)
Expenditures - current:			
Instruction:			
Certificated salaries	-	5,000	(5,000)
Non-certificated salaries	5,000	-	5,000
Employee benefits	1,708	1,608	100
Professional and technical services	1,997	1,900	97
Supplies, materials and media	5,348	5,841	(493)
Equipment	7,244	-	7,244
Total instruction	21,297	14,349	6,948
District administration support services -			
Indirect costs	703	718	(15)
Total expenditures	22,000	15,067	6,933
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Title II-A Teacher and Principal Training Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 43,130	9,514	(33,616)
Expenditures - current:			
Instruction:			
Certificated salaries	4,300	-	4,300
Employee benefits	2,000	-	2,000
Professional and technical services	6,000	4,900	1,100
Staff travel	27,700	4,091	23,609
Other expenses	839	18	821
Total instruction	40,839	9,009	31,830
District administration support services -			
Indirect costs	2,291	505	1,786
Total expenditures	43,130	9,514	33,616
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

ARP After School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through the State of Alaska	$ 62,436	62,436	-
Expenditures - current:			
Instruction:			
Certificated salaries	600	600	-
Employee benefits	99	99	-
Professional and technical services	5,700	5,446	254
Staff travel	8,300	8,923	(623)
Supplies, materials and media	8,699	8,330	369
Equipment	37,725	37,725	-
Total instruction	61,123	61,123	-
District administration support services -			
Indirect costs	1,313	1,313	-
Total expenditures	62,436	62,436	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

NFF YCC Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 73,606	57,046	(16,560)
Expenditures - current:			
Instruction:			
Non-certificated salaries	47,530	18,025	29,505
Employee benefits	8,108	1,830	6,278
Professional and technical services	-	23,350	(23,350)
Staff travel	5,447	5,743	(296)
Student travel	1,100	-	1,100
Supplies, materials and media	6,641	5,063	1,578
Total instruction	68,826	54,011	14,815
District administration support services -			
Indirect costs	4,780	3,035	1,745
Total expenditures	73,606	57,046	16,560
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-21

CHATHAM SCHOOL DISTRICT

FEMA Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	-	-
Expenditures	-	-	-
Excess of revenues over expenditures	-	-	-
Other financing uses - transfers out	-	(5,288)	(5,288)
Net change in fund balance	$ -	(5,288)	(5,288)
Fund balance, beginning of year		5,288	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Tlingit Native Language Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 690,711	462,281	(228,430)
Expenditures - current:			
Instruction:			
Certificated salaries	272,330	178,677	93,653
Non-certificated salaries	83,717	71,799	11,918
Employee benefits	123,850	69,508	54,342
Professional and technical services	116,214	107,000	9,214
Staff travel	24,844	10,473	14,371
Supplies, materials and media	15,583	1,628	13,955
Other expenses	21,821	-	21,821
Total instruction	658,359	439,085	219,274
District administration support services -			
Indirect costs	32,352	23,196	9,156
Total expenditures	690,711	462,281	228,430
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-23

CHATHAM SCHOOL DISTRICT

ACA - Staying North Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - passed through other intermediary agencies	$ 659,332	499,471	(159,861)
Expenditures - current:			
Instruction:			
Certificated salaries	211,000	172,092	38,908
Non-certificated salaries	-	8,590	(8,590)
Employee benefits	90,550	56,919	33,631
Professional and technical services	179,762	63,608	116,154
Staff travel	10,000	7,068	2,932
Energy	24,000	44,064	(20,064)
Supplies, materials and media	30,000	73,282	(43,282)
Equipment	70,000	49,970	20,030
Total instruction	615,312	475,593	139,719
District administration support services -			
Indirect costs	44,020	23,878	20,142
Total expenditures	659,332	499,471	159,861
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

Indian Education Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 31,625	11,989	(19,636)
Expenditures - current:			
Instruction:			
Certificated salaries	-	1,520	(1,520)
Non-certificated salaries	20,524	2,447	18,077
Employee benefits	5,072	490	4,582
Staff travel	1,461	-	1,461
Supplies, materials and media	2,218	7,480	(5,262)
Total instruction	29,275	11,937	17,338
District administration support services -			
Indirect costs	2,350	52	2,298
Total expenditures	31,625	11,989	19,636
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

CHATHAM SCHOOL DISTRICT

USDA Farm to School Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Intergovernmental -			
Federal sources - direct	$ 68,876	66,767	(2,109)
Expenditures - current:			
Instruction:			
Certificated salaries	-	5,500	(5,500)
Non-certificated salaries	-	22,400	(22,400)
Employee benefits	-	3,617	(3,617)
Professional and technical services	30,000	20,292	9,708
Staff travel	13,562	4,221	9,341
Supplies, materials and media	18,283	21,320	(3,037)
Equipment	-	16,123	(16,123)
Total instruction	61,845	93,473	(31,628)
District administration support services -			
Indirect costs	7,031	3,526	3,505
Total expenditures	68,876	96,999	(28,123)
Excess of revenues over expenditures	$ -	(30,232)	(30,232)
Fund balance, beginning of year		-	
Fund balance, end of year		$ (30,232)	

CHATHAM SCHOOL DISTRICT

Staff Housing Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Charges for services - rental income	$ 78,000	94,070	16,070
Expenditures - current -			
Operations and maintenance of plant:			
Utility services	6,500	4,896	1,604
Energy	33,800	36,232	(2,432)
Other purchased services	5,000	507	4,493
Insurance and bond premiums	21,651	21,651	-
Supplies, materials and media	-	24,352	(24,352)
Other expenses	100	-	100
Total expenditures	67,051	87,638	(20,587)
Excess (deficiency) of revenues over expenditures over (under) expenditures	$ 10,949	6,432	(4,517)
Fund balance (deficit), beginning of year		(27,281)	
Fund balance (deficit), end of year		$ (20,849)	

CHATHAM SCHOOL DISTRICT

Post Secondary Survival Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	$ -	-	-
Expenditures - current -			
Instruction -			
Other expenses	-	1,200	(1,200)
Excess (deficiency) of revenues over (under) expenditures	$ -	(1,200)	1,200
Fund balance, beginning of year		37,805	
Fund balance, end of year		$ 36,605	

CHATHAM SCHOOL DISTRICT

Student Activities Special Revenue Fund

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

Year Ended June 30, 2025

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues -			
Local sources -			
Other local revenues	$ -	85,980	85,980
Expenditures - current -			
Student activities:			
Professional and technical services	-	7,795	(7,795)
Student travel	-	2,985	(2,985)
Other purchased services	-	2,110	(2,110)
Supplies, material and media	-	47,791	(47,791)
Other expenses	-	1,244	(1,244)
Total expenditures	-	61,925	(61,925)
Excess of revenues over expenditures	$ -	24,055	24,055
Fund balance, beginning of year		87,535	
Fund balance, end of year		$ 111,590	

Exhibit I-29

CHATHAM SCHOOL DISTRICT

Special Capital Projects Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		141,537
Fund balance, end of year	$	141,537

CHATHAM SCHOOL DISTRICT

TKE Playground Improvements Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,780
Fund balance, end of year	$	2,780

CHATHAM SCHOOL DISTRICT

Staff Housing Repairs Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		2,403
Fund balance, end of year	$	2,403

Exhibit I-32

CHATHAM SCHOOL DISTRICT

Kitchen Maintenance Capital Project Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance

Year Ended June 30, 2025

Revenues	$	-
Expenditures		-
Excess of revenues over expenditures		-
Fund balance, beginning of year		5,679
Fund balance, end of year	$	5,679

Exhibit J-1

CHATHAM SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2025

Total fund balance - School Operating Fund	$	93,494
less exemptions per 4 AAC 09.160(a)		
Inventory		21,592
Prepaid expenses		7,846
Impact aid		193,475
Fund Balance Subject to 10% Limitation	$	(129,419)

Nonexempt fund balance as a percentage of current year expenditures:

Fund balance subject to limitation	(129,419)	=	-2.6%
Current year expenditures	5,012,509		

CHATHAM SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Grant Title	Grant Number	Assistance Listing Number	Total Federal Expended
U.S. Department of Education:			
Passed through the State of Alaska Department of Education and Early Development:			
Title I-A Basic	IP 25.CMSD.01	84.010	$ 49,868
Stronger Connections	CM 25.CMSD.01	84.424A	27,363
Title IV-A Student Support and Academic Enrichment	IP 25.CMSD.01	84.424A	6,790
Total ALN 84.424			34,153
Title II-A Improving Teacher Quality	IP 25.CMSD.01	84.367A	9,514
Carl Perkins Vocational Ed Secondary	EK 25.CMSD.01	84.048A	15,067
COVID-19 - ARP Act After School	CO 25.CMSD.01	84.425U	62,436
EHCY Travel	AH 25.CMSD.01	84.196	437
Special Education Cluster:			
Title VI-B Special Education	SE 25.CMSD.01	84.027A	47,689
Title VI-B Section 619 Preschool Disabled	SE 25.CMSD.01	84.173A	1,939
Total Special Education Cluster			49,628
Passed through Southeast Island School District -			
SISD Comprehensive State Literacy Development	AL 25.SISS.01	84.371C	16,916
Research and Development Cluster:			
Passed through the Association of Alaska School Boards -			
Southeast Alaska Full-Service Community Schools	S215J220051	84.215J	609,933
Passed through the Angoon Community Association -			
Stay North: ACA NACTEP	V101A210009	84.101A	499,471
Total Research and Development Cluster			1,109,404
Direct programs:			
Indian Education	S060A240466	84.060A	11,989
Tlingit Native Language	S299A200021	84.299A	462,281
Federal Impact Aid	None	84.041	180,693
Total U.S. Department of Education			2,002,386

(continued)

CHATHAM SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, continued

Grant Title	Grant Number	Assistance Listing Number	Total Federal Expended
U.S. Department of Agriculture:			
USDA Farm to School	238AK100L3203	10.575	66,767
Passed through the State of Alaska Department of Education and Early Development:			
Child Nutrition Cluster:			
School Breakfast Program	None	10.553	4,701
National School Lunch Program	None	10.555	28,364
Fresh Fruit and Vegetable Program	FF 25.CMSD.02	10.582	480
Total Child Nutrition Cluster			33,545
Passed through the State of Alaska Department of Commerce and Economic Development:			
National Forest Receipts Title I	None	10.665	6,132
Total U.S. Department of Agriculture			106,444
U.S. Department of Health and Human Services:			
Passed through the State of Alaska Department of Education and Early Development:			
Safety and Well Being	SW 25.CMSD.01	93.243	2,708
Total Expenditure of Federal Awards			$ 2,111,538

See accompanying notes to the schedule.

CHATHAM SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Chatham School District (the "District") under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the basic financial statements of the 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. Chatham School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Passed Through Awards

No amounts were passed through to subrecipients.

Note 4. Reconciliation to the Basic Financial Statements

Impact Aid revenue is recognized when received; however, expenditures are applied to the prior year and a reserve is established annually for Impact Aid received under the current application.

Federal expenditures per the Schedule	$	2,111,538
Contract revenues reported as federal revenues in the basic financial statements		57,046
Statutory Impact Aid reserved in FY24		(180,693)
Statutory Impact Aid received and reserved in FY25		193,475
Total federal revenues per Basic Financial Statements	$	2,181,366

Exhibit L-1

CHATHAM SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2025

Grant Title	Grant Number	Total State Expended
Department of Education and Early Development:		
Direct programs:		
* Public School Foundation Program	None	$ 3,526,856
* HB 268 One-Time Grant	None	409,836
Quality Schools	None	9,643
Pupil Transportation	None	44,113
HB 268 Supplemental Pupil Transportation	None	4,693
Hunter Education	HE 25.CMSD.01	17,765
Education Dividend Raffle Funds	None	1,103
Broadband Assistance	BA 25.CMSD.01	9,558
Total Department of Education and Early Development		4,023,567
Total State Financial Assistance		$ 4,023,567

See accompanying notes to the schedule.

CHATHAM SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2025

Note 1. Basis of Presentation

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

State expenditures per previous page	$	4,023,567
PERS On-Behalf		44,966
TRS On-Behalf		253,022
Total revenue from State of Alaska per basic financials	$	4,321,555

COMPLIANCE REPORTS

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Chatham School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Chatham School District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2025-001 to be a material weakness.

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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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding 2025-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Chatham 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*.

Chatham School Districts' Response to Findings

Government Audit Standards requires the auditor to perform limited procedures on the Districts' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Chatham School Districts' Response was not subjected to the other audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Members of the School Board
Chatham School District
Angoon, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chatham 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 Chatham School District's major federal programs for the year ended June 30, 2025. Chatham School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Chatham 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 Chatham 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 Chatham School District's federal programs.

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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 Chatham 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 Chatham 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 Chatham 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 Chatham 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 Chatham 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying federal schedule of findings and questioned costs as Finding 2025-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the noncompliance findings identified in our audit described in the accompanying federal schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Members of the School Board
Chatham School District

Report on Internal Control over Compliance

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, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying federal schedule of findings and questioned costs as Finding 2025-003 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying federal schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

CHATHAM SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Financial Statements

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

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

Internal control over financial reporting:
- Material weakness identified? __X__ Yes _____ No
- Significant deficiency identified? __X__ Yes _____ None reported

Noncompliance material to the financial statements noted? ____ Yes __X__ No

Federal Awards

Internal control over major federal programs (2 CFR 200.516(a)(1)):
- Material weakness identified? ____ Yes __X__ No
- Significant deficiency identified? __X__ Yes _____ None reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516(a)(2))? ____ Yes __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)	Name of Federal Program or Cluster
84.215 / 84.101	Research and Development Cluster

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

Auditee qualified as low-risk auditee? ____ Yes __X__ No

Section II – Financial Statement Findings

Finding 2025-001 **Lack of Internal Control over Credit Card Transactions**
Material Weakness

Criteria: Credit cards should have proper controls to prevent financial misstatements due to either fraud or error.

Condition and Context: During review of credit card transactions, we noted several issues that we consider to be deficiencies in internal controls. Based on our review, we did not received timely supporting invoice documentation for 6 transactions in our sample of 40. Additionally, we noted several instances of transactions not having sufficient segregation of duties regarding approval and review of transactions.

Cause: Lack of internal controls over credit cards transactions and insufficient policies and procedures to prevent, detect and correct errors timely.

Effect: Lack of internal controls over credit card transactions could result in expenditures being miscoded in the general ledger or allow improper or unauthorized transactions to remain undetected. Miscoded transactions could result in eligible grant expenditures to not be reimbursed by the granting agency.

Repeat Finding: Yes.

Recommendation: We recommend the District send receipts and purchase orders to the Business Manager immediately after each transaction. We also recommend that the District take this opportunity to review and strengthen the Standard Operating Procedure over credit cards (SOP No. 5(5)). Segregation of duties should be required so the same person initiating the transactions is not the person responsible for approving and reviewing transactions. This could be accomplished through Board review of credit card transactions at monthly meetings. We also recommend the District utilize approval systems through online retailers when available.

Management's Response: Management concurs with the finding. See Corrective Action Plan.

Finding 2025-002 **Lack of Internal Control over Bank Reconciliations**
Significant Deficiency

Criteria: Uncleared check activity on the bank statement reconciliations should be routinely reviewed and adjusted to ensure bank balances are accurately stated in the financial statements. Alaska Statue (AS) 34.45 requires governmental agencies and other entities to file unclaimed property reports with the State of Alaska Department of Revenue.

Condition and Context: We noted that many old outstanding checks and other old uncleared reconciling items, some over one year old, are being carried on the monthly cash reconciliations.

Cause: Lack of internal controls over bank reconciliations.

Effect: Potentially to misstatement cash and/or accounts payable balances.

Repeat Finding: No.

Recommendation: We recommend that checks and other uncleared reconciling items that are over six months old be investigated and removed from the bank reconciliation and that the original transaction be reversed. Checks older than six months should be voided and reissued. Research should be done periodically to eliminate large numbers of old items being carried from month to month. If the old items are determined to be legitimately outstanding, a new check should be issued or remitted to the State of Alaska as unclaimed property.

Management's Response: Management concurs with the finding. See Corrective Action Plan.

Section III – Federal Award Findings and Questioned Costs

Finding 2025-003	**Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**
Federal Agencies:	U.S. Department of Education – passed through Association of Alaska School Board
Federal Programs:	"Southeast Alaska Full Service Community Schools": Research and Development Cluster
ALN:	84.215J
Award Numbers:	S215J220051
Award Years:	2023
Type of Finding:	Significant deficiency in internal control over compliance and noncompliance.
Criteria:	Internal control procedures should be in place to ensure that proper controls are in place to prevent financial misstatements due to either fraud or error.
Condition and Context:	During our tests of transactions for internal controls over compliance and compliance we identified one transaction with no purchase order or approval. There was also no authorization for this transaction to be coded to the grant.
Cause:	Lack of internal control over credit card transactions.
Effect:	Lack of internal controls over credit cards could result in expenditures being miscoded to the program or allow improper or unauthorized transactions to not be prevented, detected, or corrected in a timely manner.
Questioned Costs:	Questioned costs are under the reporting threshold of $25,000.
Repeat Finding:	Yes.
Recommendation:	We recommend the District adhere to their internal control policies to ensure accurate controls over credit card transactions.
Managements Response:	Management agrees with this finding. See Corrective Action Plan.

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

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
Chatham School District
Angoon, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Qualified 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 of the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Chatham 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 determination of Chatham School District's compliance with the compliance requirements referred to above.

3000 C Street N. Suite 201 Anchorage, Alaska 99503 Phone 907-274-2992 Fax 907-274-2993
Offices in Juneau and Soldotna A Professional Corporation

Matter Giving Rise to Qualified Opinion on Foundation – Public School Funding and HB 268 One-Time Funding

As described in the accompanying State Schedule of Findings and Questioned costs, Chatham School District did not comply with the requirements regarding Foundation – Public School Funding and HB 268 One-Time Funding as described in Finding 2025-004 for Reporting. Compliance with such requirements are necessary, in our opinion, for Chatham School District to comply with the requirements applicable to that program.

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 Chatham 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 Chatham 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 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 Chatham School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Chatham 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 Chatham 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 Chatham 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

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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

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 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 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. We consider the deficiency in internal control over compliance described in the accompanying state schedule of findings and questioned costs as Finding 2025-004 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Chatham School District's response to the noncompliance and internal control over compliance findings identified in our compliance audit described in the accompanying state schedule of findings and questioned costs. Chatham School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

CHATHAM SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the Financial statements audited were prepared in Accordance with GAAP:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?	X	Yes		None reported
Noncompliance material to financial statements noted?		Yes	X	No

State Awards

Internal control over major programs:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?		Yes	X	None reported
Type of auditors' report issued on compliance for major program:	Qualified			
Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

Section II – Financial Statement Findings

See the Federal Schedule of Findings and Questioned Costs for financial statement findings.

Section III – State Award Findings and Questioned Costs

Finding 2025-004	**Noncompliance with Reporting Requirements**
State Agency:	Department of Education and Early Development
Grant Name:	Foundation (Public School Funding) and HB One-Time Funding
Grant Number:	None.
Type of Finding:	Material weakness in internal control over compliance and noncompliance.
Criteria:	Per AS 14.17.600, within two weeks after the end of the 20-day school-day period ending the fourth Friday in October, each public school district shall transmit a report to DEED that reports its ADM for that counting period along with other student count information need to determine state foundation aid. Per 4 AAC 07.060(a), each district shall maintain for each student a cumulative record, which includes attendance records.
Condition and Context:	We selected a sample of student counts reported to DEED during the year under audit. While testing the data elements suggested in the compliance supplement, we could not obtain documentation the students were enrolled or attended the District during the period of reporting.
Questioned Costs:	None.
Cause:	Lack of internal control over reporting requirements.
Effect:	The District is not in compliance with AS 14.17.600 and 4 AAC 07.060(a) in accurately reporting students which could jeopardize future funding.
Repeat Finding:	Yes.
Recommendation:	We recommend that the District adhere to existing internal controls for reporting and to store critical documents electronically to make the easily accessible.
Management's Response:	Management concurs with the finding. See Corrective Action Plan.

Chatham School District

David Langford
DISTRICT SUPERINTENDENT

Chatham School District
Board of Education

MRS. STACEY PROCTOR, PRES
MS. JEN TODD, VP
MS LEANN WEIKLE, TREASURER
MR. ALBERT KOOKESH, III
MR JACK STRONG

P.O. BOX 109 ANGOON, ALASKA 99820 PHONE: 788-3302 or 788-3682 FAX: 788-3252

Chatham School District
Mission Statement

In partnership with families and communities, the Chatham School District will provide safe and stable educational experiences built upon the uniqueness of each community, to educate students to become self-sufficient adults who will be contributing members of our diverse and changing world. Revised: 8-7-2008

Summary Schedule of Prior Audit Findings

June 30, 2025

S*ection II – Financial Statement Findings*

Finding 2024-001 **Cash Receipts and Recording Revenue – Enterprise Fund**
Material Weakness

Condition and Context: During the audit, we discovered that revenue for the Foxes Den Enterprise Fund was being recorded monthly during the bank reconciliation process. Credit card sales were being entered based on deposits from a third party transaction processing company. Cash sales were only being entered when the restaurant sent a money order to the District Office. Additionally, supporting documentation of daily sales and cash counts did not demonstrate that there was sufficient segregation of duty between recording sales, collecting cash, and performing beginning and end of day cash counts.

Status: This finding has been resolved.

Finding 2024-002 **Lack of Internal Control over Credit Card Transactions**
Material Weakness

Condition and Context: During review of credit card transactions, we noted several issues that we consider to be deficiencies in internal controls. Based on our review, we noted numerous instances of transactions not having sufficient segregation of duties regarding approval and review of transactions. Additionally, supporting documentation provided was not sufficient to determine that Amazon purchases were properly authorized and reviewed due to purchase orders covering numerous invoices. We also did not receive timely supporting invoice documentation for 3 transactions in our sample of 40.

Status: This finding was repeated as Finding 2025-001.

Section III – Federal Award Findings and Questioned Costs

Finding 2024-003 **Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

Significant deficiency in internal control over compliance and noncompliance

Condition and Context: During our tests of transactions for internal controls over compliance and compliance we identified one transaction that was coded to the incorrect federal grant. Originally, it was coded to the incorrect object code per the DEED uniform chart of accounts. When the transaction was corrected, the fund number was changed to what the object code should have been resulting in the cost being charged to the incorrect program.

Status: This finding was repeated as Finding 2025-003.

Section IV – State Award Findings and Questioned Costs

Finding 2024-004 **Material Noncompliance with Reporting Requirements**

Significant deficiency in internal control over compliance and noncompliance

Condition and Context: The Projected FY25 ADM report was due November 5th, 2023 and was submitted on November 8th, 2023. The 20-school-day count ADM information was due on November 10th, 2023 and submitted on November 14th, 2023.

Status: This finding was repeated as Finding 2025-004.

Chatham School District

David Langford
DISTRICT SUPERINTENDENT

Chatham School District
Board of Education

MRS. STACEY PROCTOR, PRES
MS. JEN TODD, VP
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Chatham School District
Mission Statement

In partnership with families and communities, the Chatham School District will provide safe and stable educational experiences built upon the uniqueness of each community, to educate students to become self-sufficient adults who will be contributing members of our diverse and changing world. Revised: 8-7-2008

Corrective Action Plan

June 30, 2025

Financial Statement Findings

Finding 2025-001 **Lack of Internal Control over Credit Card Transactions**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District recognizes the need for stronger internal controls surrounding credit card transactions. The following corrective actions will be implemented:

1. **Policy Revision and Approval:**

   The District will update the existing credit card standard operating procedure to require prior written approval for all credit card purchases, clear documentation of business purpose, and supporting receipts for each transaction. The policy will be signed and attested to by all card holders.

2. **Segregation of Duties:**

   Credit card statements will be reviewed by someone other than the cardholder before payment. The Business Manager will reconcile the statements monthly, and the Superintendent will conduct a secondary review for oversight.

3. **Training and Accountability:**

   All staff with credit card access will receive training on allowable purchases, documentation standards, and reporting requirements. Repeat violations will result in disciplinary action.

4. **Monthly Audit Review:**

   Beginning July 2025, the District's internal finance team will conduct monthly spot checks to ensure compliance with policies, documenting findings for the Superintendent's review.

Proposed Completion Date: June 30, 2026.

Finding 2025-002 **Lack of Internal Control over Bank Reconciliations**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District acknowledges weaknesses in the bank reconciliation process and will take the following corrective actions:

1. **Timely Reconciliations:**

   All bank accounts will be reconciled monthly within 30 days of statement receipt.

2. **Segregation of Duties:**

   The Finance staff will prepare all reconciliations, while the Superintendent or designee will independently review and approve them, verifying alignment with the general ledger and supporting documentation.

3. **Resolution of Uncashed Checks (Outstanding Items):**

   The District will develop and implement a procedure for identifying and resolving uncashed (outstanding) checks in accordance with GASB accounting principles and state unclaimed property laws.

   - Checks outstanding for more than six months will be investigated to determine whether reissuance, cancellation, or escheatment is required.
   - Documentation of all follow-up efforts (e.g., communication with payees, stop payment orders, and reissuance authorizations) will be retained.
   - Adjustments related to voided or reissued checks will be recorded in the general ledger to ensure that liabilities are properly stated.
   - An annual review of stale-dated checks will be completed prior to fiscal year-end closeout to maintain compliance with GASB Statement No. 9 (Reporting Cash Flows) and GASB Statement No. 34 (Basic Financial Statements for State and Local Governments).

4. **Documentation and Review Procedures:**

   Supporting documentation (bank statements, outstanding check lists, deposit records, and review notes) will be maintained in a secure digital file for audit purposes. A standardized reconciliation checklist will be used to ensure accuracy and consistency across periods.

5. **Training:**

   The Business Manager will provide to CSD finance staff on governmental accounting controls and reconciliation practices.

Proposed Completion Date: June 30, 2026.

Federal Award Findings

Finding 2025-003 **Lack of Internal Control over Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District will strengthen controls to ensure all expenditures charged to federal programs are allowable, properly documented, and comply with the Uniform Guidance (2 CFR Part 200).

1. **Policy and Procedure Development:**

   Written procedures will be implemented defining allowable costs, budget approval processes, and documentation requirements for federal programs.

2. **Pre-Approval and Documentation:**

   All expenditures charged to federal awards must receive prior approval from the Program Director and Business Manager, accompanied by invoices, purchase orders, and justification forms referencing the applicable federal cost principle.

3. **Monthly Monitoring:**

   The Business Manager will review program expenditures monthly for compliance with allowable cost principles and promptly correct any mischarges.

4. **Training:**

   Federal program staff and members of the CSD Grants Committee will receive annual training on allowable costs, cost allocation, and time-and-effort reporting.

Proposed Completion Date: June 30, 2026.

State Award Findings

Finding 2025-004 **Noncompliance with Reporting Requirements**

Name of Contact Person: David Langford, Superintendent

Corrective Action Plan: The District acknowledges that complete OASIS student enrollment forms and supporting documentation were not available for audit review during the fiscal year. This limited the auditors' ability to verify reported enrollment counts submitted to the Alaska Department of Education and Early Development (DEED). The District will implement the following corrective actions:

1. **Standardized Record Retention and Access:**

   The District will establish a formal retention procedure for all OASIS student enrollment forms, ensuring they are securely stored in both digital and physical formats for a minimum of seven years in compliance with DEED requirements and state record retention laws.

2. **Centralized Digital Archive:**

   A secure electronic storage system (using the District's student information system or designated shared drive) will be created to maintain scanned copies of all OASIS documentation, including enrollment verification, withdrawal forms, and residency evidence. Access will be restricted to authorized personnel and available for auditor review upon request.

3. **Verification and Cross-Checking:**

   Prior to OASIS submission, the Business Manager and School Secretary will cross-verify enrollment counts, student residency documentation, and submission data. A reconciliation report will be printed and signed by both preparers and reviewed by the Superintendent.

4. **Audit Preparation Protocol:**

   Each year before the annual audit, the District will compile a complete OASIS audit file, including enrollment data, supporting documentation, and reconciliation reports, to ensure availability to auditors in accordance with DEED OASIS Handbook standards.

5. **Training and Oversight:**

   Administrative and school office staff responsible for maintaining enrollment records will receive annual training on OASIS data collection, submission procedures, and audit documentation requirements provided by DEED or ALASBO.

Proposed Completion Date: June 30, 2026.

CHATHAM SCHOOL DISTRICT

Letter to the Governing Board

Year Ended June 30, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

CHATHAM SCHOOL DISTRICT

Letter to the Governing Board

Year Ended June 30, 2025

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

December 1, 2025

Members of the School Board
Chatham School District
Angoon, Alaska

We have audited the financial statements of the governmental activities, the business-type activities each major fund, and the aggregate remaining fund information of the Chatham School District (District) for the year ended June 30, 2025, which collectively comprise the District's basic financial statements. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, the *Uniform Guidance*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 6, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies and Transactions.
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Chatham School District are described in Note I to the financial statements. During 2025, as discussed in Note III-E to the financial statements, the District changed accounting policies related to recognition, measurement, and financial reporting for compensated absences as required by GASB Statement No. 101, *Compensated Absences*. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Management's estimates of the District's forfeitures related to PERS and TRS are based on information furnished by the State of Alaska and actuarial reports generated during the audit of the Public Employees' Retirement System and Teachers' Retirement System. The amortization of these assets are based on guidance provided by the Governmental Accounting Standards Board. We evaluated the key factors and assumptions used to develop the estimates of the District's forfeiture balances and related amortization in determining that it is reasonable in relation to the financial statements as a whole.

Governmental activities opinion unit:

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

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

Management's estimate of the amounts of sick leave used is based upon historical data. We evaluated key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of contingencies in Note III B. to the financial statements. The Federal and State awarded money is subject to compliance in accordance with the grant agreement. Expenditures may be disallowed by granting agencies at any time which would have an impact on the financial statements.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. During the course of our audit we noted the following material misstatements that were corrected by management:

- $62,687 to adjust accounts receivable and revenue in the Other Governmental Funds.

Summarized below are misstatements that management has determined to be immaterial, both individually, and in the aggregate, to the financial statements as a whole. There misstatements were not corrected by management:

- $19,411 understatement of cash in the School Operating Fund.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 1, 2025.

Management Consultations with Other Independent Accountants

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

Internal Controls

See the June 30, 2025 financial statements, compliance section for definitions of deficiencies, significant deficiencies, material weaknesses and any related findings.

Major Issues Discussed with Management Prior to Retention

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

Accounting Assistance

During the audit we provided technical accounting assistance associated with Governmental Accounting Standards Board (GASB) guidance for certain reporting items, including the summarization and recording of capital assets in the government-wide financial statements. As part of our engagement, we assisted management in the drafting of the basic financial statements of the District from the District's accounting records; however, management of the District was involved in the drafting process and retains responsibility for the basic financial statements.

Other Matters

Supplementary Information

We applied certain limited procedures to the schedule of revenues, expenditures, and changes in fund balance – original and final budget and actual – Major Funds and the schedules of proportionate share of net pension/OPEB liability, assets and contributions for the public employees' retirement system and teachers' retirement system, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedules of revenues, expenditures and changes in fund balance – budget to actual for Major Funds, the combining and individual non-major fund financial statements, the schedule of compliance AS 14.17.505, the schedule of results of operations of capital projects, the schedule of expenditures of federal awards and the schedule of state financial assistance, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Sincerely,

Altman, Rogers & Co.

Juneau, Alaska
December 1, 2025

Chatham School District

2025-26 School Year

It is the intent of the Chatham School District that all Indian children of school age have equal access to all programs, services, and activities offered within the school district. To this end, the Chatham School District will consult with local tribes and parents of Indian children in the planning and development of Indian Policies and Procedures (IPPs), general education programs, and activities. These policies and procedures will be reviewed annually, and revisions will be made within 90 days of the determination that requirements are not being adequately met.

ATTESTATIONS

The Chatham School District attests that it has established Indian Policies and Procedures (IPPs) as required in section 7004 of the Impact Aid law for any children claimed who reside on eligible Indian lands. The IPPs have been adequately disseminated to the tribes and parents of children residing on eligible Indian lands. A copy of the current policies and procedures was attached to the FY25 Impact Aid application.

The Chatham School District attests that it has provided a copy of written responses to comments, concerns, and recommendations received from tribal leaders and parents of Indian children through the Indian policies and procedures consultation process and disseminated these responses to tribal leaders and parents of Indian children prior to the submission of their FY 26 Impact Aid application.

Indian Policies and Procedures

The following Indian policies and procedures become effective upon school board approval.

Policy 1: The Chatham School District will disseminate relevant applications, evaluations, program plans, and information related to the LEA's education program and activities with sufficient advance notice to allow tribes and parents of Indian children the opportunity to review and make recommendations. [34CFR222.94(a)(1)]

Procedure 1:

The LEA will disseminate, as soon as reasonably possible after such information becomes available, in advance of any meeting, by posting the meeting in the school, post office, and/or Tribal bulletin board or email for Indian parents and Tribes a copy of the following documents:

- Impact Aid FY 26 application;
- Assessment/Evaluation of Equal Participation in all Educational Programs;
- Indian Policies Procedures (IPPs);
- Any Plans for District education programs;

Parents of Indian children, tribes, and the public will be given notice of any and all meetings at least five days in advance related to the above documents (Including IPPs) by posting at the school buildings, post office, and Tribal bulletin board and email. This will allow parents of Indian children and tribes the time to review and provide comments on all documents and information received.

POLICY (2): The Chatham School District will provide an opportunity for the ACA Tribe and parents of Indian children to provide their views on the District's educational program and activities, including recommendations on the needs of their children and how the District may help those children realize the benefits of the educational programs and activities. [34CFR222 .94(a)(2)] As a part of this requirement, the LEA will-

(i) Notify tribes and the parents of Indian children of the opportunity to submit comments and recommendations, considering the tribe's preference for method of communication, and

(ii) Modify the method of and time for soliciting Indian views, if necessary, to ensure the maximum participation of tribes and parents of Indian children.

Procedure 2:

2.1 The district will have a meeting for parents and the tribe to have input and make recommendations. Children and tribes to provide input on the educational program and activities:

January 13, 2026 , 6:00 pm Zoom system at each site.

2.2 Tribal and parents of Indian lands have the opportunities to submit recommendations as they take part in the meeting and/or submit them to the superintendent.

Indian parents and Tribes will be given notice of any and all meetings by posting in the school, post office and tribal bulletin board and/or email. This will occur three days prior to the scheduled meeting.

2.3 The Tlingit Tribe prefers all communication with the tribe and the parents of Indian children be disseminated via posting at the school, post office and/or Tribal bulletin board or email.

2.4 If the consultation participation by parents of Indian children and tribes is low, the Chatham School District will re-evaluate its consultation process. Specifically, the Chatham School District will take the following measures to improve or enhance participation:

- Consult with parents of Indian children and tribes
- Change communication method
- Change time of meeting

POLICY (3): The Chatham School District will, at least annually, assess the extent to which Indian children participate on an equal basis with non-Indian children in the District's education program and activities. [34CFR222.94(a)(3)] As part of this requirement, the LEA will:

> (i) Share relevant information related to Indian children's participation in the LEA's education program and activities with tribes and parents of Indian children; and
>
> (ii) Allow tribes and parents of Indian children the opportunity and time to review and comment on whether Indian children participate on an equal basis with non-Indian children.

Procedure 3:

3.1 The Chatham School District will share evaluations submitted to the state or federal government

3.2 Title I, Title II, Tile IV, and Impact Aid

Chatham School District will take the following measures to annually assess the extent to which Indian children participate on an equal basis with non-Indian children in the District's education program and activities.

A. The Chatham School District shall annually calculate from its records the ratio of Indian children compared to non-Indian children participating in all academic and co-curricular programs.

B. The Chatham School District will disseminate its assessment of Indian children participation compared to non-Indian children and any other related data with the parents of Indian children and tribes by student packets handed out at each site. This information will be shared at least three days in advance of any meeting to discuss the extent to which Indian children participate with non-Indian children.

C. Parents of Indian children, tribes and other interested parties may express their views on participation through the following ways:

Parents or Tribe can take part in the board meeting or through direct communications with the superintendent.

D. If it is determined that there are gaps in Indian participation in the educational program or activities, the Chatham School Board in consultation with the Indian Education Committee, tribes and the parents of Indian children, will modify its education program in such a way as to improve Indian participation.

POLICY (4): The Chatham School District will modify the IPPs if necessary, based upon the results of any assessment or input described in this document. [34CRF222.94(a)(4)]

Procedure 4:

The Chatham School Board will schedule a meeting in October to discuss the content of the IPPs, equal participation, and educational program and activities. Parents of Indian children and tribes will be notified via reposting in the school, post office and Tribal bulletin board along with email regarding these meetings and their ability to submit comment.

The Chatham School Board and/or The Indian Education Committee will evaluate all recommendations for changes to these IPPs.

The Chatham School Board and/or The Indian Education Committee will decide on all recommended revisions to these IPPs.

Any changes by the Chatham School Board will become effective immediately upon adoption of the policy after prior reading of the changes.

The Chatham School District will disseminate copies of the revised IPPs to the tribe and parents of Indian children by distributing them to the students packets within 30 days of adoption by the Chatham School Board.

POLICY (5) : The Chatham School District will respond at least annually in writing to comments and recommendations made by tribes or parents of Indian children, and disseminate the responses to the tribe and parents of Indian children prior to the submission of the IPPs by the LEA. [34CRF222 .94(a)(5)]

Procedure 5:

The Chatham School District will annually keep track of and assemble all comments and suggestions received through the various consultation processes by annually respond in writing to comments and recommendations made by tribes, or parents of Indian children, and disseminate the responses to all parties by mail or students packets prior to the submission of the IPPs by the District.

POLICY (6): The Chatham School District will provide a copy of the IPPs annually to the affected tribe or tribes. [34CR F222.94 (a)(6)]

Procedure 6:

The Chatham School District will annually provide a copy of the current Indian Policies and Procedures to the ACA Council (s) by posting at the tribal office or email prior to submitting the Impact Aid Application.

Board Approval _____

Signature Date

Council Approval _____

Signature Date

Gustavus Advisory School Board

Regular Meeting
Monday, November 24th, 2025
5:30pm

(DRAFT)

CALL TO ORDER: 5:39 pm

ROLE CALL:

- Board members: Molly Kelly, Liesl Barker, Deja Jarvis, and Lizz Durco
- Principal Karen McSpadden

PUBLIC ATTENDANCE:

- Student Body President, Colin Devenny

APPROVAL OF AGENDA:

- Jarvis made 1st motion, Kelly made 2nd motion. Agenda approved by unanimous consent.

APPROVAL OF MINUTES FROM LAST MEETING:

- Kelly made 1st motion, Jarvis made 2nd motion. Minutes approved by unanimous consent.

CORRESPONDENCE:

- Barker shared a brief synopsis of information given from a community member

PUBLIC COMMENT ON NON-AGENDA ITEMS:

- None

A. Administrative Report

November 24, 2025

Gustavus was pleased to host Volleyball Regionals last week November 17th-19th. Teams from Kake and SISD competed against the Gustavus Foxes. Congratulations Foxes for taking 2nd place! They will be travelling to Anchorage for the state tournament in early December. A big thank you to all parents and volunteers who helped feed the teams!

The Gustavus School will be hosting their winter program (Gustavus Winter Warm-up Night) on Wednesday December 10th. It will be a fun-filled evening of karaoke, hot chocolate, and treats. Karaoke sign-up sheets have been handed out to students, as well as sent via email to parents and posted at the Post Office. The Student Body will help with coordinating desserts.

Proposed fundraiser idea for the Gustavus School Fund - drive-thru dinner. Food would be prepped in the school kitchen and picked up in the school parking lot. Possible entrees would be tacos, chili, burgers, etc. We hope to have it some time toward the end of January/beginning of February.

Regards,

Karen McSpadden

Principal, Gustavus School

B. Presentation:

Colin Devenny, Student Body President, spoke about the AASB Youth Leadership Institute that he attended in Anchorage last week.

He enjoyed round-table discussions with people from other school districts (including Angoon), discussing how to make changes and sharing problem solving ideas. Specific problems that Colin addressed were limited budget for sports, and the need for new gym equipment.

He was able to meet some influential people, including Senator Murkowski, Miss Alaska, and Social Media motivational speaker, Derek Moore.

Colin's takeaway from the conference was that it showed him how to be a better leader for his fellow students. Key points he wants to emphasize are:

1. Students' voices need to be heard.
2. Schools need to cater more to the students.
3. Meet students where they are at in order to help them grow and develop.
4. Asking others for help is crucial.

Once concern Colin mentioned (not relating to the conference) was the suggestion that Dr. Beau be the Spanish teacher, rather than using the current online curriculum.

Colin would like to encourage other Student Body members to attend future conferences. It was extremely beneficial in many areas.

C. Treasurer Report:

Jarvis reported that the current Gustavus School Fund total is $74,184.88.

The volleyball dessert auction was a success, the school raised close to $1,000.

Barker made 1st motion to allow up to $1,200 to be used to purchase 10 new basketballs, 1 new basketball rim, and 2 new basketball nets. Jarvis made 2nd motion. Barker then amended the motion to add 3-5 women's basketballs. The motion will now read: 10 new men's basketballs, up to 5 women's basketballs, 1 new basketball rim, and 2 new basketball nets. Jarvis made 2nd motion. Approved by unanimous consent.

ITEMS FOR ADVISORY SCHOOL BOARD CONSIDERATION:

OLD BUSINESS:

- None

NEW BUSINESS:

1. Currently nobody has expressed interest in filling the vacant ASB position. Will revisit the vacancy after the first of the year.

2. ASB members left the school at 5:50, headed to City Hall to present the EFG application. Returned from City Hall at 6:50.

3. ASB has discussed choosing 1 student request to work on for the rest of the year. The latest request by Colin Devenny, student body president, was for new basketballs, a rim, and nets. We approved the funding for this request, and we will discuss more possible requests in our January meeting. Possible dance or prom? Barker will mention the idea to Principal McSpadden to get student council's input.

4. ASB would like to show the staff appreciation in February by having personalized t-shirts and caricatures made, and by providing baked goods.

5. ASB would like to do a drive thru fundraiser at the end of January/start of February. We would like to serve breakfast burritos. There will be flyers w/QR code posted throughout town, and people will have the option to pre-order. We will also try to post it on the school's FB page and on Foxtales. More details to come at our next meeting in January.

BOARD MEMBER COMMENTS:

- None

DISCUSSION:

- Barker discussed with CTE teacher Steve Ilg about more learning opportunities for the students. It is possible that we may have more Grant money available with the Grant that the school already has secured.

ITEMS FOR NEXT MEETING AGENDA:

- Staff Appreciation in February
- Update on breakfast burrito drive-thru fundraiser end of Jan./early Feb.
- Community breakfasts Feb.-May(Durco has Dec covered, working on Jan.)

NEXT MEETING:

- January 19, 2026

MEETING ADJOURNED:

- Adjourned 8:53 pm