

# Fairbanks North Star Borough School District

## Annual Comprehensive Financial Report

*For the fiscal year ended June 30, 2022*



**Excellence and Equity for All**

A component unit of the  
Fairbanks North Star Borough  
Fairbanks, Alaska





**A Component Unit of the Fairbanks North Star Borough, Alaska**

# **Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2022**

**Karen Melin**  
*Acting Superintendent*

Prepared by:

**Andreau Degraw, MBA**  
*Chief Operations Officer*

**Nicole “Nico” Herbert, CPA**  
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# Introductory Section







# FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

520 Fifth Avenue Fairbanks, Alaska 99701-4718 (907) 452-2000

[www.k12northstar.org](http://www.k12northstar.org)



November 15, 2022

Members of the Board of Education and citizens of the  
Fairbanks North Star Borough School District  
Fairbanks, Alaska

The comprehensive annual financial report of the Fairbanks North Star Borough School District (District) for the fiscal year ended June 30, 2022, is submitted herewith. This report was prepared by the District's Accounting Services department following the guidelines recommended by the Government Finance Officers Association of the United States and Canada, the Association of School Business Officials International, and U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The statutes of the State of Alaska and Fairbanks North Star Borough code of ordinances require that the District Board of Education provide for an audit of all school accounts within ninety days following the close of the fiscal year, by an independent certified public accountant.

## Introduction to the Comprehensive Annual Financial Report

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with District management. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

### Internal Control

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting controls. Management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### Independent Financial Statement Audit

The District's basic financial statements and the financial statements of each nonmajor governmental fund (financial statements) have been audited by Altman, Rogers & Co., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2022 are free of material misstatement. The independent audit involved consideration of internal control in assessing the risks of material misstatement of the financial statements; evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2022 are fairly presented in accordance with GAAP. The independent auditor's report is presented as the first component of the *financial section* of this report.

## Management's Discussion and Analysis

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors in the *financial section* of this report.

## Single Audits of State and Federal Awards

The independent audit of the financial statements of the District was part of a broader, state and federally mandated "Single Audit" designed to meet the special needs of state and federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of state and federal awards. These reports are available in the *single audit* section of this report.

## Profile of the District

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The District was established on January 1, 1964, the date of incorporation of the Fairbanks North Star Borough (Borough), the primary government. A borough is most similar to the county form of government used in much of the rest of the United States. The District, serving grades K through 12, encompasses an area of 7,444 square miles...roughly the size of Rhode Island, Delaware and Connecticut combined.

## Reporting Entity

Based on criteria developed by the Governmental Accounting Standards Board, the District is a component unit of the Fairbanks North Star Borough. Audited financial statements for the Borough are available upon request from its administrative offices. The District has elected to issue a separate comprehensive financial report pursuant to Alaska statutes.

Pursuant to Alaska Statute section 14.12.020(c), the Borough Assembly provides the money which must be raised from local sources to maintain and operate the District. Alaska Statute section 14.14.060 states a borough can establish a centralized treasury and is responsible for major rehabilitation, all construction and major repair of school buildings. The Borough provides for new construction, major repair of school buildings and a centralized treasury. Therefore, bonded debt, capital improvement funds for school construction, tax levies, and tax collection are reflected in the *notes to the basic financial statements* and the *statistical section* of this report but are accounted for by the Borough.

Alaska Statute sections 14.12.010 - 115 provide for the creation of Districts in the State of Alaska and establish school boards as the governing body for each district. The seven voting members of the District Board of Education determine policy for operation and management of the District. Each member serves for three years, elected each year for overlapping terms.

## Services Provided by the District

Over 12,000 students attend the thirty-six schools including five charter schools and three alternative programs. Class size varies, but the fiscal year 2022 district-wide average was 17.64 students per general (operating) fund teacher.

Our diverse student body includes children from over 82 different language backgrounds. Each child in the district is offered a comprehensive general educational program. High school students have available a comprehensive career technical education curriculum. Special needs are met with the assistance of programs and services such as Alaska Native Education, Extended Learning (formerly Gifted/Talented), English Language Learners, Title I, Migrant Education, and Special Education for Students with Disabilities.

## Charter Schools

Charter Schools in Alaska must be approved by both the local School Board and the State Board of Education, and operate under the guidance of Academic Policy Committees of their own selection. School charters may be up to ten years in duration, and the majority of funding is provided through the State's foundation funding formula similar to that of per capita small school funding. The District has five approved charter schools: Watershed Charter School (grades K-8), Chinook Montessori Charter School (grades K-8), Effie Kokrine Early College Charter School (grades 7-12), Boreal Sun Charter School (grades K-7), and Discovery Peak Charter School (K-8).



## Budgetary Control

The objective of the District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. Transfers between programs in excess of \$100,000 are authorized by the Board of Education. Therefore, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the object level. All other transfers are authorized by the superintendent and reported monthly to the Board of Education. The budgetary process is explained in Note A in the notes to the required supplementary information in the *required supplementary information* section of this Comprehensive Annual Financial Report.

## Economic Condition Information

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### Local Economy

Located near the center of the state, the District encompasses the state's second largest urban area. The Borough serves as the economic hub for interior and northern Alaska. Prior to the outbreak of the novel coronavirus (COVID-19) the impacts of the national economic upturn were to be felt in interior Alaska, they were somewhat mild compared to what the nation had experienced.

Alaska's unemployment rate is currently at 4.6 percent as of August 2022. The unemployment rate has been less useful as an economic measure during the pandemic because of data collection difficulties and an unusually large number of people leaving the labor market — that is, not working or looking for a job.

Job growth is at 3.1 percent as of August of 2022. Although employment is up significantly from pandemic lows, it is still 3.9 percent below August 2019. U.S. employment, which was up 3.8 percent from July 2021, is now 1 percent above its 2019 level.

Wage growth is up 7.8 percent from year-ago levels in the first quarter of 2022 and 3.1 percent above first quarter 2019.

While the District has no authority to levy taxes, a fairly steady economy provides the Borough the wherewithal to fund its local contribution to education. The local contribution to education represents about 25.8 percent of general (operating) fund revenues for the year ended June 30, 2022. When a community's assessed property values and the ability of local taxpayers to fund education increases, the state's foundation formula reduces education funding. The reduction in state revenues over the last five years due to increased assessed values has been mitigated by legislative action providing for a graduated rise in the base student allocation.

### Projected Enrollment

Student enrollments generate a majority of district revenues and also dictate personnel needs, which represent over 84.6 percent of the District's 2022-23 operating budget. The State of Alaska requires that student enrollment projections for the following school year be reported to them within one week after the end of the official student count period for the current year, which ends on the fourth Friday of each October.

During the preparation of the 2022-23 operating budget it was expected that enrollment would continue to increase slightly due to society being able to establish new normal expectations after the COVID pandemic decreased. We did see this positive increase during our FY23 October count.

## Military Installations

There are two large military installations within the Borough, Fort Wainwright Army Post and Eielson Air Force Base. These installations account for over one-fifth of the Borough's population. Fort Wainwright was transformed into a Stryker Brigade Combat Team in 2001, and is therefore subject to periodic deployment. Although it appears that most dependents remain in Fairbanks, deployment is often a suspected cause of declining and fluctuating enrollments.

## Facilities

The Borough owns all school facilities. Periodic investment in major maintenance of building components such as roofs, mechanical and electrical systems, plumbing, exteriors, and playgrounds, etc. remain a top priority of the District. In fiscal year 2019, the Board of Education, as part of an agreement with the Borough, set aside approximately \$7.4 million for the replacement of aging roofs at Woodriver Elementary and Ben Eielson Jr/Sr High School. The capital project to complete the renovation at Barnette Magnet School rose to number 1 on the State of Alaska's capital needs list during fiscal year 2019, also, and approximately \$7.4 million of the project was funded through the capital budget. The Borough will be required to provide an additional \$4 million between 2019-2022 years to complete the project.

## District Initiatives

The School Board establishes a list of primary strategic goals and on-going commitments to support the mission "to provide an excellent, equitable education in a safe, supportive environment so all students will succeed and contribute to a diverse and changing society." Those four overarching commitments are:

- **Student Success** – Increase academic achievement and social emotional well-being for all students.
- **Equity & Inclusion** -- Provide equitable opportunities and an inclusive environment where all students and staff are respected and feel welcome, safe and supported.
- **Communication & Engagement** – Ensure students, staff, families and the community are informed, connected and engaged with the District.
- **Workforce & Organizational Excellence** – Create an environment that supports the strengths and needs of staff so they can create a safe climate where students thrive.

## Long-Term Financial Planning

By state statute, district decisions are designed to focus on annual operations rather than long range planning in a fiscal sense. By state statute, the Borough (primary) government is responsible for maintaining a centralized treasury. The District does not own school facilities nor is it responsible for major maintenance. The District has no authority to issue bonds or manage and invest district funds. Unless required by grant agreements, all interest earnings are retained by the Borough.

There are state statutes and local ordinances limiting the District's ability to retain excess fund balance in the operating fund. State statute limits an accumulation of fund balance to less than ten percent of current year expenditures. Alaska Administrative Code defines six items that are not subject to the fund balance accumulation threshold. A *statement of compliance* required by the code to be included in this report can be found on page 180. A local ordinance requires any accumulated unrestricted funds over 40 percent of the Borough's annual local appropriation be returned to the Borough in support of a school facilities major maintenance reserve fund.

However, we do accomplish long range planning from a fiscal perspective based on how we develop and implement instructional programs. A key objective in district financial planning is developing sustainable instructional programs and efficient and cost effective initiatives that support the instructional process. Establishing reasonable but steady class size targets (or pupil-teacher ratios) is paramount, since personnel costs represent over 84.6 percent of the budget. Another example impacting financial planning and decision making includes reliance on the District's preventive maintenance and energy monitoring program.

The Education Stabilization Fund grants has continued to help offset the loss of revenue to maintain existing services as costs increase across salaries, services, and supplies. For the FY23 budget, the District is expected to spend \$12.1 million to bridge the funding gap in the General (Operating) Fund.

## Awards and Acknowledgements

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### ***Certificate of Excellence/Certificate of Achievement***

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2021.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2021.

This was the thirtieth consecutive year that the District has achieved these prestigious awards. In order to be awarded a Certificate of Excellence and a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Excellence and a Certificate of Achievement are valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Excellence and Certificate of Achievement Program requirements, and we are submitting it to the ASBO and the GFOA to determine its eligibility for another certificate.

### ***Acknowledgments***

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the accounting and administrative services departments. We would like to express our appreciation to all staff members who assisted and contributed to its preparation. We would also like to thank the members of the Fairbanks North Star Borough District Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Andreau Degraw, MBA  
Chief Operations Officer



Nicole "Nico" Herbert, CPA  
Director of Accounting Services



# 2021-22 Board of Education



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**Committee(s):** Legislative-Chair

*Seat D, expires October 2022*



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**Committee(s):** Parent Engagement-Chair, Legislative

*Seat A, expires October 2024*



**Margaret (Maggie) Matheson, Member**  
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*Seat G, expires October 2023*



**Timothy Doran, Member**  
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**Committee(s):** Policy-Chair

*Seat E, expires October 2023*



**Colonel Antonio Alvarado,  
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*Appointed position, advisory vote*



**April Smith, Vice President**  
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**Committee(s):** Curriculum-Chair, Legislative

*Seat F, expires October 2023*



**Chrya Sanderson, Clerk**  
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**Committee(s):** Diversity-Chair

*Seat B, expires October 2024*



**Matthew Sampson, Member**  
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**Committee(s):** Career Technical Education, Audit

*Seat C, expires October 2022*



**Olivia Smith  
Regional Student Council  
Student Representative –  
North Pole High School**

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*Appointed position, advisory vote*



**Colonel Nathan S. Surrey,  
Post Representative**  
1046 Marks Road #6000  
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*Appointed position, advisory vote*



# 2021-2022



**Chief School Administrator**  
Karen Melin

Communications, Development, and Engagement

## INSTRUCTION

**Assistant Superintendent**  
Kate LaPlaunt

- Elementary Schools
- Fairbanks Coalition Builders
- Music
- Nursing
- Special Education
  - 504 Plan Management
  - Assistive Technology
  - Extended Learning Program
- Teaching and Learning
  - Assessment & Intervention
  - Curriculum
  - Elementary Art Center
  - Instructional Technology
  - Library Media Services
  - Professional Development

## SUPPORT

**Assistant Superintendent**  
Luke Meinert

- Secondary Schools
- Activities
- Career & Technical Education
- Title IX
- Alternative Schools & Programs
  - BEST, Charter Schools, SMART, Golden Heart Academy, Alternative Learning Systems, North Star College, Star of the North and Career Education Center
- Programs, eLearning
- Student Support Services
  - Federal Programs
    - 21<sup>st</sup> Century, AK Native Ed., English Language Learners, Foster Care, McKinney-Vento, Migrant, Title I
  - Social Emotional Learning & Prevention
    - Counselors, Social Service Managers, Behavior Aides, Prevention-Intervention, Safety Assistants, AK Rises, SEL PD

## OPERATIONS

**Chief Operations Officer**  
Andy DeGraw

- Administrative Services
  - Accounting Services
  - Business Services
  - Purchasing
- Facilities Management
  - Building Rentals
  - Custodial
  - Maintenance
- Human Resources
  - EEO
  - Labor Relations
- Information & Technology
  - Business Information Systems
  - Network & Computer Services
  - Research & Accountability
  - Records Management
  - Student Information Systems
- Nutrition Services
- Transportation



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Fairbanks North Star Borough  
School District**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

**William A. Sutter**  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

**David J. Lewis**  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Fairbanks North Star Borough School District  
Alaska**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

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# Financial Section





## **Independent Auditor's Report**

Members of the School Board  
Fairbanks North Star Borough School District  
Fairbanks, Alaska

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

### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fairbanks North Star Borough School District (District), a component unit of the Fairbanks North Star Borough, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Fairbanks North Star Borough School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Fairbanks North Star Borough School District, as of June 30, 2022, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (Government Auditing Standards), issued by the Comptroller 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 Fairbanks North Star Borough School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Emphasis of Matter - Change in Accounting Principle**

As discussed in Note 16 to the financial statements, in 2022, the District implemented GASB Statement No. 87, *Leases*, which established standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement apply to financial statements of all state and local governments.

The new standard requires the District to recognize certain lease assets and liabilities for leases. It establishes a single model for lease accounting based on the underlying principle that leases are financings of the right to use an underlying asset for a period of time. Under this Statement, a lessee is required to recognize a liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the District's leasing activities. Our opinion is not modified with respect to this matter.

## **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 Fairbanks North Star Borough School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fairbanks North Star Borough School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fairbanks North Star Borough School District's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules on pages 5-13 and 62-64, respectively, and the Schedules of the District's Proportionate Share of the Net Pension and OPEB Liabilities (Assets) and Contributions for the Public Employee's Retirement System and Teachers' Retirement System on pages 65-72, and the Notes to Required Supplementary Information on page 73, 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.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Fairbanks North Star Borough School District's basic financial statements. The additional supplementary information listed in the table of contents as Combining and Individual Fund Statements and Schedules and the Schedule of Expenditures of Federal Awards and notes to schedule, 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*; the Schedule of State Financial Assistance and notes to schedule which are presented as required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits; and the information listed in the table of contents as Supplemental Reports are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with 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.

Fairbanks North Star Borough School District's basic financial statements for the year ended June 30, 2021, which are not presented with the accompanying financial statements were audited by other auditors whose report thereon dated December 10, 2021 expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. Their audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fairbanks North Star Borough School District's basic financial statements as a whole. The combining and individual fund financial statements and schedules for the year ended June 30, 2021, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 basic financial statements. The information was subjected to the audit procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In their opinion, the 2021 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

#### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2022 on our consideration of the Fairbanks North Star Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Fairbanks North Star Borough School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fairbanks North Star Borough School District's internal control over financial reporting and compliance.



Anchorage, Alaska  
November 15, 2022

# Fairbanks North Star Borough School District

## Management's Discussion and Analysis June 30, 2022

### Introduction

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As management of the Fairbanks North Star Borough School District (District) we have prepared the following discussion and analysis to inform readers of the District's annual financial report and the financial information that the enclosed statements present for the year ended June 30, 2022 with selected comparative data for the year ended

June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal in the Introductory Section of this report and the District's financial statements, which immediately follow this section.

### Financial Highlights

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#### Government-wide financial statements

The District's financial status as of June 30, 2022, and as reflected in total net position, increased by \$29.9 million to a deficit of \$63.5 million from \$93.5 million. The change in total net position is discussed further in the Management's Discussion and Analysis section titled Government-wide Financial Analysis.

In fiscal year 2022 the District adopted the provisions of GASB Statement No. 87 Leases, which among other accounting and reporting criteria requires the District to recognize certain lease assets and liabilities for leases. For more information on the new account principal see note 16 that provides details on the increase to both the Districts assets and liabilities.

General revenues accounted for \$171.5 million, including \$50.7 million in local appropriations and \$119.1 million in aid from the State of Alaska. Program revenues, in the form of charges for services, operating grants and contributions,

and capital grants and contributions, accounted for \$29.0 million. The total revenue from all sources was \$200.5 million.

The District had \$170.6 million in expenses related to programs, a decrease of \$37.9 million from the prior year. That decrease is discussed further in the Management's Discussion and Analysis section titled Government-wide Financial Analysis.

#### Governmental funds financial statements

The overall fund balance of the general (school operating) fund, decreased by \$1.7 million to \$11.0 million from \$12.7 million. The general fund balance is comprised of \$917 thousand nonspendable fund balance related to prepaid items and inventories, \$356 thousand restricted fund balance related to homeschool student allotments, and \$7.7 million assigned fund balance related to encumbrances and subsequent year's budget appropriation of fund balance.

### Overview of Financial Statements

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This discussion and analysis is intended to serve as an introduction to the District's basic financial statements are comprised of three parts:

1. Government-wide financial statements include the statement of net position and the statement of activities which provide a broad, long-term overview of the District's overall financial condition.
2. Fund financial statements include governmental, proprietary, and fiduciary funds. These statements provide a greater level of detail of revenues and expenditures and focus on individual parts of the District, while also indicating how well the District has performed in the short-term, in the most significant funds.
3. Notes to the basic financial statements are disclosures to ensure that a complete picture is presented in the financial statements.

# Fairbanks North Star Borough School District

## Management's Discussion and Analysis (continued) June 30, 2022

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the District's financial position, which assists in assessing the economic condition at year-end. They are prepared using the economic resources focus and full accrual basis of accounting. These are methods similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if the cash has not been received. The government-wide financial statements include two statements:

- The statement of net position presents assets, liabilities, and deferred inflows/outflows of resources with the difference between the two reported as "net position." The statement combines and consolidates all of the District's current financial resources (short-term spendable resources) with capital assets (net of accumulated depreciation) and liabilities. The end result is net position segregated into three components: net investment in capital assets, restricted, and unrestricted net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows, in future fiscal periods (such as earned, but unused, vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the District. The majority of the District's revenue is general revenue, grants, and contributions from other governments.

Governmental activities include the District basic services which are instruction – regular and special education, support services - schools, school administration, district administration, operations and maintenance of plant, student activities, student transportation, food services, and interest expense. Borough appropriations, state and federal aid finance most of these activities.

The government-wide financial statements can be found on pages 15-17 of this report.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the District funds, focusing on the most significant or "major" funds—not the District as a whole. The District fund financial statements provide detailed information about its most significant funds.

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental Funds**

Most of the basic services provided by the District are accounted for in governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on balances of spendable resources available at the end of the fiscal year. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The governmental fund financial statements and reconciliations can be found on pages 18-26 of this report.



# Fairbanks North Star Borough School District

## Management's Discussion and Analysis (continued) June 30, 2022

- **Proprietary Funds**

Proprietary funds are used to show activities that operate more like those of commercial enterprises. These type of funds charge fees for services that are provided to outside customers. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the full accrual basis of accounting and the economic resources measurement focus. Therefore, no reconciliation is needed between the government-wide financial statements for proprietary fund financial statements.

The District's proprietary funds include two internal service funds: Risk Management and Equipment Replacement.

The proprietary fund financial statements can be found on pages 26-28 of this report.

- **Fiduciary Fund**

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds.

The District's only fiduciary fund is the Custodial Fund. The custodial funds are primarily raised by employees, for their benefit, and are held in a custodial capacity by the District.

The fiduciary fund financial statement can be found on pages 30-31 of this report.

### **Summary of Significant Accounting Policies and the Notes to Financial Statements**

The Summary of Significant Accounting Policies and Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The summary and notes can be found on pages 32-61 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the budget process, proportionate share of the net pension and other post-employment benefit liabilities and contributions, and the notes to the required supplementary information. The required supplementary information can be found on pages 62-75 of this report.

Results of the state and federally mandated Single Audits which include auditor's opinions, schedule of expenditures of federal awards, schedule of state financial assistance and schedules of findings and questioned costs can be found on pages 160-178 of this report.

# Fairbanks North Star Borough School District

Management's Discussion and Analysis (continued)  
June 30, 2022

## Government-Wide Financial Analysis

### Net Position

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the District, governmental activities liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$63.5 million at the close of the most recent fiscal year.

Net investment in capital assets (machinery and equipment) represents the assets the District uses to provide an education to the students. Consequently, these assets are not liquid, nor available for future spending or liquidation of any liabilities. All school buildings and associated land are owned by the Borough. The Borough may issue debt to finance school construction; however, it is not debt of the District. Additional information is included in footnote 6.

Restricted for grants and allotments represents the amounts that have constraints placed on them by external parties, laws, or regulations.

The District's financial position is the net result of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

To assess the overall financial position of the District, additional non-financial factors, such as changes in the Fairbanks North Star Borough's property tax base and the condition of school buildings and other facilities, should be considered.

For fiscal year 2022 the biggest impact to both the Statement of Net Position and Statement of Activities is related to large swings in the State of Alaska's pension and other post-employment benefits. The State of Alaska considered adjustments to costs and liabilities to both the pension and other post-employment benefits of the Teachers Retirement System and Public Employees Retirement System related to impacts of the ongoing COVID-19 pandemic. These adjustments are the cause of the increases and decreases in long-term net OPEB asset, deferred outflows of resources, long-term liabilities, and deferred inflows of resources.

**Table 1: Net Position – Years ended June 30, 2022 and 2021**

	2022	Restated 2021	Increase (Decrease)
<b>Assets</b>			
Current and other assets	\$ 37,118,524	\$ 32,487,715	\$ 4,630,809
Capital assets	22,978,389	25,321,887	(2,343,498)
Long-term net OPEB asset	105,307,054	20,460,310	84,846,744
<b>Total assets</b>	<b>165,403,967</b>	<b>78,269,912</b>	<b>87,134,055</b>
<b>Deferred outflows of resources</b>	<b>18,915,647</b>	<b>26,391,430</b>	<b>(7,475,783)</b>
<b>Liabilities</b>			
Long-term liabilities	127,790,652	182,437,471	(54,646,819)
Other liabilities	3,351,056	3,314,746	36,310
<b>Total liabilities</b>	<b>131,141,708</b>	<b>185,752,217</b>	<b>(54,610,509)</b>
<b>Deferred inflows of resources</b>	<b>116,691,575</b>	<b>12,362,228</b>	<b>104,329,347</b>
<b>Net position</b>			
Net investment in capital assets	2,328,233	2,926,203	(597,970)
Restricted	5,282,392	3,448,633	1,833,759
Unrestricted deficit	(71,124,294)	(99,827,939)	28,703,645
<b>Total net position (deficit)</b>	<b>\$ (63,513,669)</b>	<b>\$ (93,453,103)</b>	<b>\$ 29,939,434</b>

# Fairbanks North Star Borough School District

## Management's Discussion and Analysis June 30, 2022

### Change in Net Position

The District's change in net position of \$29.9 million is significantly related to the large changes in deferred inflows of resources and deferred outflows of resources discussed

above under net position. Later in the Special Revenue Funds analysis we discuss the large increase in grant funding from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and American Rescue Plan (ARP) grants.

**Table 2: Change in Net Position – Years ended June 30, 2022 and 2021**

	2022	Restated 2021	Increase (Decrease)
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 205,601	\$ 90,348	\$ 115,253
Operating grants and contributions	28,736,266	30,087,995	(1,351,729)
Capital grants and contributions	81,818	-	81,818
General revenues:			
Borough direct appropriation	50,736,152	49,045,400	1,690,752
State grants and entitlements not restricted	119,074,335	124,998,404	(5,924,069)
Other	1,706,964	2,038,423	(331,459)
<b>Total revenues</b>	<b>200,541,136</b>	<b>206,260,570</b>	<b>(5,719,434)</b>
<b>Expenses:</b>			
Instruction	60,325,693	81,563,675	(21,237,982)
Special education instruction	20,268,833	25,518,427	(5,249,594)
Special education support services - students	5,702,297	7,267,310	(1,565,013)
Support services - students	11,890,047	15,341,432	(3,451,385)
Support services - instruction	7,277,183	8,756,160	(1,478,977)
Support services - technology	786,000	654,059	131,941
School administration	5,533,927	6,696,911	(1,162,984)
School administration support services	5,323,309	5,494,589	(171,280)
District administration	2,003,323	2,453,107	(449,784)
District administration support services	10,064,138	10,639,947	(575,809)
Operations and maintenance of plant	20,409,550	25,471,699	(5,062,149)
Student activities	3,615,543	2,283,183	1,332,360
Student transportation - to and from school	9,306,327	10,642,529	(1,336,202)
Food services	6,989,491	4,877,851	2,111,640
Interest expense	1,106,041	857,424	248,617
<b>Total expenses</b>	<b>170,601,702</b>	<b>208,518,303</b>	<b>(37,916,601)</b>
<b>Change in net position</b>	<b>29,939,434</b>	<b>(2,257,733)</b>	<b>32,197,167</b>
<b>Net position, (deficit) beginning</b>	<b>(93,453,103)</b>	<b>(91,195,370)</b>	<b>(2,257,733)</b>
<b>Net position, (deficit) ending</b>	<b>\$ (63,513,669)</b>	<b>\$ (93,453,103)</b>	<b>\$ 29,939,434</b>

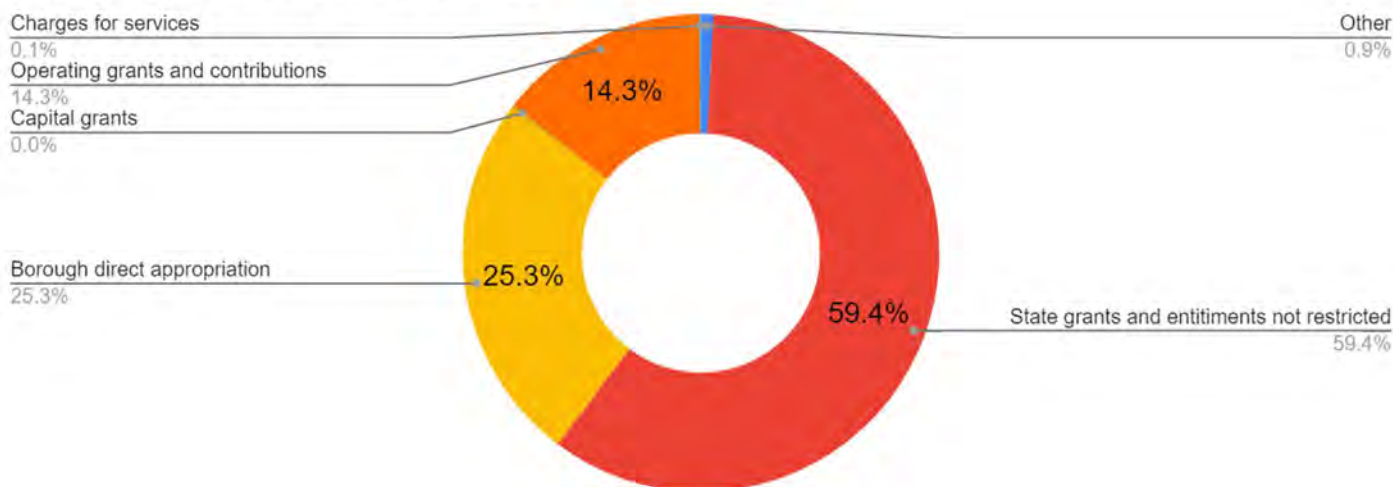
# Fairbanks North Star Borough School District

## Management's Discussion and Analysis June 30, 2022

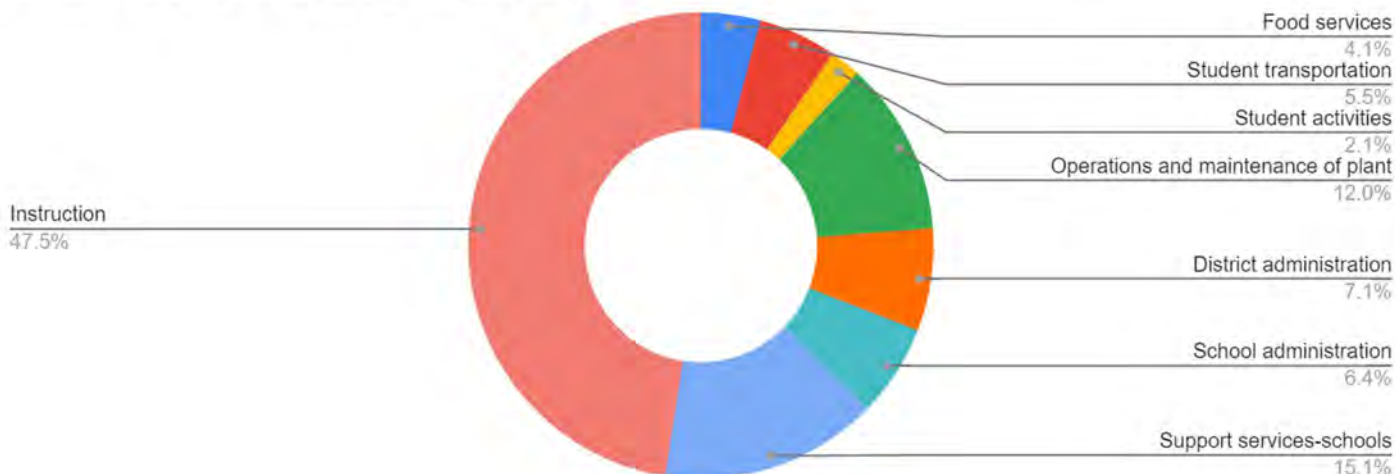
Charts 1 and 2 display government-wide revenues and expenses, respectively, for the current year. The Borough appropriation and the State of Alaska Foundation Program accounted for most of the District's revenue. Funds from these two sources contributed approximately 78.2 percent of every dollar needed. The remaining 21.8 percent came from grants and contributions, fees charged for services, and other miscellaneous revenues.

Most of the District's expenses are related to instruction (including special education), instructional support, food services, and student transportation services. Expenses in these areas comprised approximately 74.1 percent of all school system expenditures. Student activities are expenses directly related to student's extracurricular sports and/or organizations, such as: hockey, student council, etc.

### Chart 1: Source of Revenues



### Chart 2: Expenses by Category



# Fairbanks North Star Borough School District

## Management's Discussion and Analysis June 30, 2022

Table 3 presents the total cost of services for the School District's main functional activities. Net Cost of Services represents the Total Cost of Services less charges for services and revenue from operating grants and

contributions. The net cost shows the financial burden placed on the School District's General Fund by each of these functions.

**Table 3: Cost of Governmental Activities - Years ended June 30, 2022 and 2021**

	2022		Restated 2021	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 80,594,526	\$ 75,842,057	\$ 107,082,102	\$ 97,821,499
Support services - schools	25,655,527	22,724,741	32,018,961	27,079,329
School administration	10,857,236	12,396,602	12,191,500	12,141,310
District administration	12,067,461	11,313,309	13,093,054	11,955,173
Operations and maintenance of plant	20,409,550	20,625,546	25,471,699	24,821,018
Student activities	3,615,543	1,654,734	2,283,183	1,490,524
Student transportation - to and from school	9,306,327	(1,091,099)	10,642,529	1,307,200
Food services	6,989,491	(2,993,914)	4,877,851	866,483
Interest expense	1,106,041	1,106,041	857,424	857,424
<b>Total</b>	<b>\$ 170,601,702</b>	<b>\$ 141,578,017</b>	<b>\$ 208,518,303</b>	<b>\$ 178,339,960</b>

## Financial Analysis of Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Reviewing the funds helps the reader consider whether the District is being accountable for the resources provided by the State, Borough, and others and may provide more insight into the District's overall financial health.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District governmental funds reported combined ending fund balances of \$20.2 million, a decrease of \$1.8 million, as reported on the Governmental Funds Balance Sheet on page 18.

The District has three major governmental funds in the current fiscal year. A major fund is defined as a fund whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Funds that do not meet those criteria may also be

designated as major funds if they are considered important to the District or the readers of its financial statements.

### General (School Operating) Fund

The District's general (school operating) fund is the primary operating fund of the District. At the end of the current fiscal year the total fund balance was \$9.0 million, a change of \$(1.8) million from the prior year. This change is a related to actual impact aid revenue and salary and benefit expenses being lower than budgeted by \$6.4 million and \$5.3 million, respectively.

In fiscal year 2022 the District recognized \$1.3 million in Borough allocated revenue and expenses. These allocated services are primarily related to treasury and risk management.

A measure of the general (school operating) fund's liquidity would be the comparison of unrestricted fund balance to total expenditures. Unrestricted fund balance is comprised of committed, assigned and unassigned fund balance. For the current fiscal year the District's unrestricted fund balance was \$7.7 million or 4.1 percent of expenditures. In addition, the level of unrestricted fund balance to expenditures as calculated on a state basis was 0.00 percent, which is below the School Board's adopted fund balance policy range of being between 2 to 4 percentages below the 10 percent maximum allowed under state law.

# Fairbanks North Star Borough School District

## Management's Discussion and Analysis (continued) June 30, 2022

### Special Revenue Funds

The fund balance of the student transportation special revenue fund at the end of the current fiscal year changed by \$1.1 million due to an increase in the amount of funding from the State of Alaska and reduced expenses related to the limited numbers of home to school routes able to be provided by the transportation vendor.

Grants reported in the federal programs special revenue fund are cost reimbursable grants; therefore, expenditures are equal to revenues. Expenditures and revenues for the federal programs for the year were \$27.1 million, an increase of 70.6 percent from the prior year of \$15.9 primarily related to the additional Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and American Rescue Plan (ARP) grants.

The food service special revenue fund change in fund balance was \$3.1 for the current fiscal year. This was a result of COVID-19 and the U.S. Department of Agriculture (USDA) releasing a number of waivers effective for school year 2021-22. These waiver allowed meals and snacks to be served under the Seamless Summer Option (SSO)

which resulted in an increase in overall participation. Revenue changed by \$6.0 million, whereas expenditures only changed by \$2.1 million.

### Capital Projects Fund

The capital projects fund had a fund balance at the end of the current year of \$2.3 million, a change of \$(0.6) million from the prior year. That decrease is related to the completion of the roof replacement projects at Ben Eielson Jr./Sr. High School and Woodriver Elementary and the beginning of the Barnett Magnet Elementary equipment renovation.

It is important to note that the District is fiscally dependent on grants and contributions from the Borough, State, and Federal governments for its operating resources, as the District has no authority to levy taxes or issue bonded debt.

The Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance, which identifies these major funds is located on page 18 and 21.

### Proprietary Funds

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The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

The risk management internal service fund experienced an operating income(loss) of \$3.1 million in fiscal year 2022 due to (1) a continued decrease in health and life insurance

costs and (2) a decrease in claim reserves which is money set aside to pay for future expenses of the claimants.

The Equipment replacement internal service fund ending net position for the current year was \$2.9 million. The net position is expected to grow and deplete on a cyclical basis as computing devices for students and staff reach the end of their life cycle.

### General Fund Budgetary Highlights

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The District Board of Education holds public hearings and approves the District budget. The Fairbanks North Star Borough (Borough) Assembly then approves the bottom line total for the District budget and the appropriation of local funds. Once approved, state law requires the District to submit the budget to the State of Alaska, Department of Education and Early Development.

During the year, there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. Schools and or departments do move original appropriation within their

department but none were significant to require Board approval.

Actual revenues on the budgetary basis was 97.8 percent of budgeted revenues due to lower than anticipated funds from impact aid payments.

Actual expenditures on the budgetary basis was 98.2 percent of budgeted expenditures and is attributable to unspent funds due to vacancies and actual wages lower than originally budgeted for the fiscal year.



# Fairbanks North Star Borough School District

## Management's Discussion and Analysis (continued) June 30, 2022

### Capital Assets and Long-Term Obligations

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#### Capital Assets

The District's investment in capital assets for its governmental activities was \$23.0 million as of June 30, 2022 (net of accumulated depreciation and amortization). This investment in capital assets includes machinery, equipment and software. The Borough owns the land and buildings. Additional information is available in footnote 3 of the notes to the financial statements.

#### Long-Term Obligations

The District has no authority to incur bonded debt.

The long-term obligations of the District, in the amount of \$127.8 million, consist of net pension and other post-employment benefits (OPEB) liabilities, claims payable and accrued self-insurance reserves, operating leases and compensated absences resulting from annual leave earned but not taken by employees. Additional information on the District's long-term obligations is available in footnote 5 of the notes to the financial statements.

### Economic Factors Future Budgets

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The District must consider a multitude of factors as it prepares future budgets. Unfortunately projected revenues do not increase at the same rate as projected expenses, leaving the District vulnerable to a structural deficit. This makes it necessary for the District to find ways to mitigate on-going costs.

In setting the budget for FY2023, the District considered a number of issues. Notable factors influencing future budgets are:

- The uncertain state of the federal budget affecting funding decisions at the state and local levels.

- Ongoing capital projects with funding for renovations and additions to existing schools including major systemic renovations to many of the older school facilities.
- Salary increases in accordance with negotiated agreements with employee bargaining units.
- Increases in the cost of employee health and benefits.

### Requests for Information

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This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of the District finances and shows the accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact:

Andy DeGraw, Chief Operations Officer  
Fairbanks North Star Borough School District  
Department of Administrative Services  
520 5th Avenue, Fairbanks, Alaska 99701  
Phone (907) 452-2000  
Email: [andy.degraw@k12northstar.org](mailto:andy.degraw@k12northstar.org)

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# Financial Section

## Basic Financial Statements





# Fairbanks North Star Borough School District

## Statement of Net Position June 30, 2022

	Governmental Activities
<b>Assets</b>	
Equity in central treasury cash	\$ 23,748,566
Accounts receivable	11,311,395
Due from Fairbanks North Star Borough	87,504
Inventories	1,672,577
Prepaid items	298,482
Machinery and equipment	12,369,217
Less accumulated depreciation	(9,524,631)
Right to use leased assets, net of amortization	20,068,971
Intangible assets, net of amortization	64,832
Long-term other postemployment benefits asset	105,307,054
<b>Total assets</b>	<b>165,403,967</b>
<b>Deferred Outflows of Resources</b>	
Pension related	14,786,492
Other postemployment benefits related	4,129,155
<b>Total deferred outflows of resources</b>	<b>18,915,647</b>
<b>Liabilities</b>	
Accounts payable	1,555,330
Accrued payroll and liabilities	1,425,138
Unearned revenue	352,781
Due to Fairbanks North Star Borough	-
Due to external groups and agencies	17,807
Long-term liabilities:	
Current portion	10,185,054
Long-term portion	117,605,598
<b>Total liabilities</b>	<b>131,141,708</b>
<b>Deferred Inflows of Resources</b>	
Pension related	65,510,795
Other postemployment benefits related	51,180,780
<b>Total deferred inflows of resources</b>	<b>116,691,575</b>
<b>Net Position</b>	
Net investment in capital assets	2,328,233
Restricted for grants	4,926,162
Restricted for student allotments	356,230
Unrestricted (deficit)	(71,124,294)
<b>Total net position (deficit)</b>	<b>\$ (63,513,669)</b>

See accompanying notes to the basic financial statements

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# Fairbanks North Star Borough School District

## Statement of Activities

For the Year Ended June 30, 2022

		Program Revenues			Net (Expense)
	Expense	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
<b>Governmental activities:</b>					
Instruction	\$ 60,325,693	\$ -	\$ 3,678,738	\$ -	\$ (56,646,955)
Special education instruction	20,268,833	-	1,073,731	-	(19,195,102)
Special education support services - students	5,702,297	-	(1,041,604)	-	(6,743,901)
Support services - students	11,890,047	101,524	2,963,302	-	(8,825,221)
Support services - instruction	7,277,183	-	907,564	-	(6,369,619)
Support services - technology	786,000	-	-	-	(786,000)
School administration	5,533,927	-	(1,390,518)	-	(6,924,445)
School administration support services	5,323,309	-	(148,848)	-	(5,472,157)
District administration	2,003,323	-	(171,104)	-	(2,174,427)
District administration support services	10,064,138	-	925,256	-	(9,138,882)
Operations and maintenance of plant	20,409,550	-	(297,814)	81,818	(20,625,546)
Student activities	3,615,543	-	1,960,809	-	(1,654,734)
Student transportation - to and from school	9,306,327	-	10,397,426	-	1,091,099
Adult and continuing education	-	-	-	-	-
Community services	-	-	-	-	-
Food services	6,989,491	104,077	9,879,328	-	2,993,914
Interest expense	1,106,041	-	-	-	(1,106,041)
<b>Total governmental activities</b>	<b>\$ 170,601,702</b>	<b>\$ 205,601</b>	<b>\$ 28,736,266</b>	<b>\$ 81,818</b>	<b>\$ (141,578,017)</b>
<b>General revenues:</b>					
Borough direct appropriation					\$ 50,736,152
State grants and entitlements not restricted					119,074,335
Other					1,706,964
<b>Total general revenues</b>					<b>171,517,451</b>
Change in net position					29,939,434
<b>Net position, (deficit) beginning</b>					<b>(93,296,433)</b>
Restatement - GASB 87 implementation (note 16)					(156,670)
<b>Net position, (deficit) beginning as restated</b>					<b>(93,453,103)</b>
<b>Net position, (deficit) ending</b>					<b>\$ (63,513,669)</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Governmental Funds

### Balance Sheet

June 30, 2022

(With comparative totals for 2021)

	General	Student Transportation Special Revenue	Federal Programs Special Revenue
<b>Assets</b>			
Equity in central treasury cash	\$ 512,137	\$ 5,040,591	\$ 3,197
Accounts receivable	272,556	-	9,528,260
Due from other funds	9,266,113	-	-
Due from Fairbanks North Star Borough	5,686	-	-
Inventories	618,560	-	-
Prepaid items	298,482	-	-
<b>Total assets</b>	<b>\$ 10,973,534</b>	<b>\$ 5,040,591</b>	<b>\$ 9,531,457</b>
<b>Liabilities and Fund Balances (Deficit)</b>			
<b>Liabilities</b>			
Accounts payable	\$ 526,304	\$ 256,764	\$ 410,871
Accrued payroll and liabilities	1,413,187	-	11,951
Unearned revenue	-	-	-
Due to other funds	-	-	9,105,269
Due to Fairbanks North Star Borough	-	-	-
Due to external groups and agencies	17,275	-	532
<b>Total liabilities</b>	<b>1,956,766</b>	<b>256,764</b>	<b>9,528,623</b>
<b>Fund balances</b>			
Nonspendable	917,042	-	-
Restricted	356,230	1,065,542	2,834
Committed	-	-	-
Assigned	7,743,496	3,718,285	-
Unassigned (deficit)	-	-	-
<b>Total fund balances (deficit)</b>	<b>9,016,768</b>	<b>4,783,827</b>	<b>2,834</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,973,534</b>	<b>\$ 5,040,591</b>	<b>\$ 9,531,457</b>

See accompanying notes to the basic financial statements



# Fairbanks North Star Borough School District

## Governmental Funds

### Balance Sheet

June 30, 2022

(With comparative totals for 2021)

		Total Governmental Funds	
	Nonmajor Governmental	2022	2021
<b>Assets</b>			
Equity in central treasury cash	\$ 5,730,984	\$ 11,286,909	\$ 14,331,977
Accounts receivable	111,751	9,912,567	5,746,519
Due from other funds	-	9,266,113	6,591,889
Due from Fairbanks North Star Borough	81,818	87,504	3,253
Inventories	1,054,017	1,672,577	1,276,938
Prepaid items	-	298,482	334,038
<b>Total assets</b>	<b>\$ 6,978,570</b>	<b>\$ 32,524,152</b>	<b>\$ 28,284,614</b>
<b>Liabilities and Fund Balances (Deficit)</b>			
<b>Liabilities</b>			
Accounts payable	\$ 77,413	\$ 1,271,352	\$ 1,760,865
Accrued payroll and liabilities	-	1,425,138	1,143,682
Unearned revenue	352,781	352,781	347,809
Due to other funds	160,844	9,266,113	6,591,889
Due to Fairbanks North Star Borough	-	-	7,262
Due to external groups and agencies	-	17,807	19,612
<b>Total liabilities</b>	<b>591,038</b>	<b>12,333,191</b>	<b>9,871,119</b>
<b>Fund balances</b>			
Nonspendable	1,054,017	1,971,059	1,610,976
Restricted	3,857,785	5,282,391	3,367,302
Committed	1,475,730	1,475,730	1,534,425
Assigned	-	11,461,781	13,228,414
Unassigned (deficit)	-	-	(1,327,622)
<b>Total fund balances (deficit)</b>	<b>6,387,532</b>	<b>20,190,961</b>	<b>18,413,495</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,978,570</b>	<b>\$ 32,524,152</b>	<b>\$ 28,284,614</b>

See accompanying notes to the basic financial statements

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# Fairbanks North Star Borough School District

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2022

Total fund balances for governmental funds		\$ 20,190,961
Total net position reported for governmental activities in the statement 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.		
Machinery and equipment	12,369,217	
Accumulated depreciation to date	(9,524,631)	
Right to use leased assets, net of amortization	20,068,971	
Intangible assets, net of accumulated amortization	<u>64,832</u>	
Total capital assets		22,978,389
Other long-term assets are not available to pay for current-period expenditures and; therefore; are not reported in the funds.		
Net pension asset		105,307,054
Amounts reported in the Proprietary Funds of the District are used to support risk management and equipment replacement. Their activities are appropriately recorded with governmental activities in the statement of net position.		
		6,584,586
Long-term liabilities are not due and payable in the current period and therefore are not reported as fund liabilities. Long-term liabilities reported in these statements consist of:		
Compensated absences	(4,816,234)	
Leases	(20,650,157)	
Net pension liability	<u>(95,332,340)</u>	
Total long-term liabilities		(120,798,731)
Certain changes in net pension liabilities are deferred rather than recognized immediately. These are amortized over time.		
Deferred outflows of resources related to pensions	14,786,492	
Deferred outflows of resources related to other postemployment benefits	4,129,155	
Deferred inflows of resources related to pensions	(65,510,795)	
Deferred inflows of resources related to other postemployment benefits	<u>(51,180,780)</u>	
Total deferred pension items		<u>(97,775,928)</u>
<b>Total net position of governmental activities</b>		<b>\$ <u>(63,513,669)</u></b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Governmental Funds

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

For the Year Ended June 30, 2022

(With comparative totals for 2021)

	General	Student Transportation Special Revenue	Federal Programs Special Revenue
<b>Revenues:</b>			
Local sources	\$ 51,715,737	\$ -	\$ -
State sources	123,933,819	10,397,426	-
Federal sources	11,387,607	-	27,092,956
<b>Total revenues</b>	<b>187,037,163</b>	<b>10,397,426</b>	<b>27,092,956</b>
<b>Expenditures - current:</b>			
Instruction	82,035,371	-	12,741,481
Special education instruction	23,656,275	-	5,212,950
Special education support services - students	8,618,726	-	-
Support services - students	12,701,053	-	4,164,922
Support services - instruction	8,474,293	-	1,307,219
Support services - technology	779,492	-	-
School administration	8,659,077	-	175,617
School administration support services	5,850,106	-	76,081
District administration	2,821,164	-	-
District administration support services	10,407,604	-	1,836,497
Operations and maintenance of plant	21,048,011	-	1,096,522
Student activities	1,544,900	-	390,517
Student transportation - to and from school	-	9,331,883	-
Food services	-	-	90,954
Debt service:			
Interest	1,106,041	-	-
Principal	1,102,238	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>188,804,351</b>	<b>9,331,883</b>	<b>27,092,760</b>
Excess (deficiency) of revenues over expenditures	(1,767,188)	1,065,543	196
<b>Other financing sources (uses):</b>			
Lease liabilities issued	-	-	-
Proceeds from sale of capital assets	26	-	-
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>26</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(1,767,162)	1,065,543	196
<b>Fund balances - beginning</b>	<b>10,783,930</b>	<b>3,718,284</b>	<b>2,638</b>
<b>Fund balances - ending</b>	<b>\$ 9,016,768</b>	<b>\$ 4,783,827</b>	<b>\$ 2,834</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Governmental Funds

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

For the Year Ended June 30, 2022

(With comparative totals for 2021)

		Total Governmental Funds	
	Nonmajor Governmental	2022	Restated 2021
<b>Revenues:</b>			
Local sources	\$ 2,477,722	\$ 54,193,459	\$ 51,033,787
State sources	210,044	134,541,289	134,928,022
Federal sources	9,798,120	48,278,683	36,349,407
<b>Total revenues</b>	<b>12,485,886</b>	<b>237,013,431</b>	<b>222,311,216</b>
<b>Expenditures - current:</b>			
Instruction	46,453	94,823,305	99,940,153
Special education instruction	-	28,869,225	28,719,344
Special education support services - students	-	8,618,726	8,696,662
Support services - students	317,948	17,183,923	16,973,641
Support services - instruction	4,983	9,786,495	9,404,706
Support services - technology	-	779,492	647,551
School administration	-	8,834,694	8,398,439
School administration support services	-	5,926,187	5,671,476
District administration	-	2,821,164	2,646,614
District administration support services	10,674	12,254,775	10,616,359
Operations and maintenance of plant	23,902	22,168,435	46,094,192
Student activities	2,125,611	4,061,028	2,535,486
Student transportation - to and from school	-	9,331,883	10,638,435
Food services	6,789,311	6,880,265	4,788,395
Debt service:			
Interest	-	1,106,041	857,424
Principal	-	1,102,238	1,370,313
Capital outlay	688,115	688,115	2,657,219
<b>Total expenditures</b>	<b>10,006,997</b>	<b>235,235,991</b>	<b>260,656,409</b>
Excess (deficiency) of revenues over expenditures	2,478,889	1,777,440	(38,345,193)
<b>Other financing sources (uses):</b>			
Lease liabilities issued	-	-	23,765,997
Proceeds from sale of capital assets	-	26	45
Transfers in	-	-	694,409
Transfers out	-	-	(694,409)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>26</b>	<b>23,766,042</b>
Net change in fund balances	2,478,889	1,777,466	(14,579,151)
<b>Fund balances - beginning</b>	<b>3,908,643</b>	<b>18,413,495</b>	<b>32,992,646</b>
<b>Fund balances - ending</b>	<b>\$ 6,387,532</b>	<b>\$ 20,190,961</b>	<b>\$ 18,413,495</b>

See accompanying notes to the basic financial statements

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# Fairbanks North Star Borough 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, 2022

Net change in fund balances - total governmental funds \$ 1,777,466

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and amortization exceeded capital outlays:

Capital outlay and equipment purchases	468,452	
Current depreciation/amortization expense	(2,184,709)	
Gain(loss) on termination of leases	17,131	
Gain(loss) on disposal of assets	(1,083)	
	<hr/>	(1,700,209)

Amounts reported in the Proprietary Funds of the District are used to support risk management and equipment replacement. Their activities are appropriately recorded with governmental activities in the statement of activities.

3,680,853

The issuance of long-term debt (e.g. leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Repayment of principal on capital lease	1,102,238
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Some expenses reported in the statement of activities such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

702,005

Pension contributions made during the year are reported as expenditures in the governmental funds. However, in the statement of activities contributions made during the year are deferred and not reflected as expenses because they were made after the June 30, 2020 measurement date. Contributions made in the current fiscal year are reflected as expenses in the statement of activities in the current year. These consist of:

Contributions subsequent to the measurement date	10,720,726
Employer contribution expense	(11,639,317)

Net pension and OPEB liability related items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. These activities consist of:

Pension expense	(13,154,065)
OPEB reduction in expense	<hr/> 38,449,737

### Change in Net Position of Governmental Activities

**\$ 29,939,434**

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2022**  
**(With comparative totals for 2021)**

	Governmental Activities	
	Internal Service Funds	
	2022	2021
<b>Assets</b>		
<b>Current Assets</b>		
Equity in central treasury cash	\$ 12,461,657	\$ 9,404,694
Accounts receivable	1,398,828	1,390,296
Total current assets	13,860,485	10,794,990
<b>Total assets</b>	<b>\$ 13,860,485</b>	<b>\$ 10,794,990</b>
<b>Liabilities and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 283,978	\$ 35,516
Claims payable	5,036,865	5,504,727
Total current liabilities	5,320,843	5,540,243
<b>Noncurrent Liabilities</b>		
Claims payable	41,858	46,711
Accrued self-insurance reserves	1,913,198	2,304,303
Total noncurrent liabilities	1,955,056	2,351,014
<b>Total liabilities</b>	<b>7,275,899</b>	<b>7,891,257</b>
<b>Net Position</b>		
Unrestricted	6,584,586	2,903,733
<b>Total net position</b>	<b>\$ 6,584,586</b>	<b>\$ 2,903,733</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**Proprietary Funds**  
**Statement of Revenues, Expenditures and Changes in Net Position**  
**For the Year Ended June 30, 2022**  
**(With comparative totals for 2021)**

	Governmental Activities	
	Internal Service Funds	
	2022	2021
<b>Operating revenues:</b>		
Local sources:		
Charges for services	\$ 38,564,481	\$ 39,573,803
Other local revenue	5,047	9,270
Total local sources	38,569,528	39,583,073
<b>Total revenues</b>	<b>38,569,528</b>	<b>39,583,073</b>
<b>Operating expenses:</b>		
Auto and general liability insurance	733,020	1,043,624
Property and other insurance	698,347	639,599
Workers' compensation insurance	890,380	1,738,938
Health and life insurance	32,104,848	34,496,270
Supplies, materials and media	462,080	353,892
<b>Total operating expenses</b>	<b>34,888,675</b>	<b>38,272,323</b>
Operating income (loss)	3,680,853	1,310,750
Change in net position	3,680,853	1,310,750
<b>Net position - beginning</b>	<b>2,903,733</b>	<b>1,592,983</b>
<b>Net position - ending</b>	<b>\$ 6,584,586</b>	<b>\$ 2,903,733</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2022**  
**(With comparative totals for 2021)**

	Governmental Activities	
	Internal Service Funds	
	2022	2021
<b>Cash flow from operating activities:</b>		
Receipts from interfund charges	\$ 36,995,151	\$ 37,968,575
Receipts from employees	1,565,845	1,327,076
Payments to suppliers	(1,270,955)	(1,519,751)
Payments to employees	(930,973)	(1,019,123)
Payments to Fairbanks North Star Borough	(33,302,105)	(34,381,242)
<b>Net cash provided by (used in) operating activities</b>	<b>3,056,963</b>	<b>2,375,535</b>
<b>Net increase (decrease) in equity in central treasury cash</b>	<b>3,056,963</b>	<b>2,375,535</b>
<b>Equity in central treasury cash - beginning</b>	<b>9,404,694</b>	<b>7,029,159</b>
<b>Equity in central treasury cash - ending</b>	<b>\$ 12,461,657</b>	<b>\$ 9,404,694</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ 3,680,853	\$ 1,310,750
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Decrease (increase) in accounts receivable	(8,532)	(287,422)
Increase (decrease) in accounts payable	248,462	35,516
Increase (decrease) in claims payable, current	(467,862)	430,626
Increase (decrease) in claims payable, noncurrent	(4,853)	(2,430)
Increase (decrease) in accrued self-insurance reserves	(391,105)	888,495
<b>Total adjustments</b>	<b>(623,890)</b>	<b>1,064,785</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 3,056,963</b>	<b>\$ 2,375,535</b>

See accompanying notes to the basic financial statements

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# Fairbanks North Star Borough School District

School District Custodial Fund  
Statement of Fiduciary Net Position  
June 30, 2022  
(With comparative totals for 2021)

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 44,702	\$ 38,400
<b>Total assets</b>	\$ 44,702	\$ 38,400
<b>Liabilities</b>		
Accounts payable	\$ 2,379	\$ -
<b>Total liabilities</b>	2,379	-
<b>Net Position</b>		
Restricted	42,323	38,400
<b>Total net position</b>	\$ 42,323	\$ 38,400

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## School District Custodial Fund Statement of Changes in Fiduciary Net Position For the Year Ended June 30, 2022

	2022	2021
<b>Additions:</b>		
Contributions:		
Individuals	\$ 28,146	\$ 16,976
<b>Total additions</b>	<b>28,146</b>	<b>16,976</b>
<b>Deductions:</b>		
Other purchased services	1,601	800
Supplies, materials and media	17,743	10,089
Other expenses	4,879	1,425
<b>Total deductions</b>	<b>24,223</b>	<b>12,314</b>
Net change in fund balance	3,923	4,662
<b>Net position - beginning</b>	<b>38,400</b>	<b>33,738</b>
<b>Net position - ending</b>	<b>\$ 42,323</b>	<b>\$ 38,400</b>

See accompanying notes to the basic financial statements



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# Financial Section

## Basic Financial Statements

Summary of Significant Accounting  
Policies

Notes to the Basic Financial Statements





# Fairbanks North Star Borough School District

## Summary of Significant Accounting Policies June 30, 2022

### Financial Reporting Entity

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The Fairbanks North Star Borough School District (the District) operates a public school system under an elected school board, as permitted by Alaska Statutes 14.14.060 and 29.35.160. The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accompanying financial statements include all the activities of the District. The District is a component unit of the Fairbanks North Star Borough, Alaska (Borough). A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. The District is reported in a separate column in the Borough's government-wide financial statements, to emphasize that the District is legally separate from the Borough.

Pursuant to Alaska Statutes 29.35.160 the Fairbanks North Star Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for compliance with the statutes to the Fairbanks North Star Borough School District Board of Education, while retaining certain responsibilities. The Borough issues bonds to finance school construction, levies taxes and collects and disburses the funds, and has responsibility for funding any deficits. The Borough Assembly remains responsible for approving the School District's total budget and is also responsible for providing a minimum level of local support per State statutes.

The financial statements included in this report are for the Fairbanks North Star Borough School District only. There are no component units for which the District is financially accountable, nor do any special financial relationships exist between the District and any other entity.

### Governmental-Wide and Fund Financial Statements

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The statement of net position and the statement of activities display information on all of the non-fiduciary activities of the District as a whole. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers, parents or students who purchase, use, or directly benefit from goods or services provided by a given function and grants and contributions that are restricted to meeting the operational

or capital requirements of a particular function. The primary government's contribution to education, State of Alaska public school foundation program revenue, other State aid, Federal Impact Aid, and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus on the fund financial statements is on major funds which are presented in separate columns. Nonmajor funds are aggregated and presented in a single column.

### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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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. Local appropriations and state and federal aid are recognized in the year for which they were approved by the provider. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are

# Fairbanks North Star Borough School District

## Summary of Significant Accounting Policies (continued) June 30, 2022

### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Entitlements and shared revenues are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenue for expenditure-driven grants is recognized when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

#### Governmental Funds

The District has the following major funds in the fund financial statements:

*General Fund* – the District’s primary operating fund. Major revenue sources include the Borough’s contribution to education, the State of Alaska public school foundation program, the Public Employees’ and Teachers’ Retirement System on-behalf payments, and other state and federal revenues. Expenditures are authorized in the annual budget and are made for such activities as student instruction, support services, administration, operations and maintenance, and student activities.

*Student Transportation Special Revenue Fund* – the student transportation special revenue fund accounts for activities related to student transportation to and from school and other State-approved student transportation. Revenues include State student transportation revenue and any necessary transfers from the District general fund.

*Federal Programs Special Revenue Fund* – the federal programs special revenue fund accounts for federal grants received directly from the federal government, passed through the State of Alaska or passed through other funding entities.

*Capital Projects Fund* – accounts for all resources used for property acquisition, major equipment expense, and infrastructure improvements.

In addition, the District has the following nonmajor governmental funds: food service, local programs, state programs and school activities.

#### Proprietary Funds

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting used in the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations.

*Internal Service Funds* – the District’s internal service funds are used to account for the costs of maintaining the District’s self-insurance programs for health, dental, and workers’ compensation benefits for its employees and to account for the costs of equipment replacement.

The principal operating revenues of the District’s internal service funds are premium contributions to the health, dental and workers’ compensation to the risk management fund and charges for services to the equipment replacement fund. Operating expenses for the internal service funds cover the cost of providing these services, including administrative, claim and related payments and equipment expense. All revenues and expenses are reported as operating revenues and expenses.

Assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Position. The effect of inter-fund services provided and used between functions have been eliminated in the Statement of Activities, so that only the net amount is included in the governmental activities column.

#### Fiduciary Funds

*Custodial Funds* – Custodial funds are custodial in nature and do not involve measurement of results of operations. The District’s custodial fund accounts for the assets held by the District as an agent for various school-related employee groups. The activities of the groups are mostly philanthropic in nature for the benefit of District employees and students.

The custodial fund reports only assets and liabilities are reported using the economic resources measurement focus and the accrual basis of accounting.

# Fairbanks North Star Borough School District

## Summary of Significant Accounting Policies (continued) June 30, 2022

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

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#### Equity in Central Treasury Cash

All cash funds of the District are maintained in the Borough's Central Treasury to maximize investment income while minimizing risks of loss of capital and as such are recognized as a receivable from the Borough. The Borough requires all deposits to be insured or collateralized. The District holds no investments and as such has no investment policy.

#### 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. Certain receivables and payables between the District and the Borough are referred to as "due to/from Fairbanks North Star Borough."

Through various negotiated agreements with employees, the District has put in place a cost sharing mechanism for health costs. At June 30 of each year, total health costs for the fiscal year are used to calculate an amount expected to be collected from employees in the following calendar year through payroll deductions. The District records an employee dollar share receivable at June 30 of each year in the risk management internal service fund.

#### Inventories and Prepaid Items

General Fund central stores inventory consists of school supplies valued at cost using the weighted average cost method. General Fund print shop inventory consists of printing supplies and inventory in the Food Service Fund consists of expendable food and supplies held for consumption, both are valued at the lower of cost using the first-in, first-out (FIFO) method. The cost of inventory is recorded as an asset at the time individual inventory items are purchased. As inventory is consumed, the cost is charged to expenditures.

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded using the consumption method. The nonspendable fund balance classification includes an

amount for prepaid items to indicate that prepaid items do not represent an amount expected to be converted to cash.

#### Capital Assets

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

All purchased capital assets are valued at cost. Donated capital assets are valued at their acquisition value on the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. The buildings and associated land are owned and capitalized by the Borough and are not recorded in these financial statements.

Depreciation is computed on the straight-line basis over the estimated useful life of the assets, generally 5 – 25 years for machinery and equipment, and 5 – 10 years for intangible assets (software). Expenditures for maintenance and repairs that do not add to the expected useful life or add functionality to an asset are recognized as operating expenses when incurred and are not capitalized.

#### Unearned Revenue

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

#### Deferred Outflows / Inflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

A deferred inflow of resources represents an acquisition of net asset that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

# Fairbanks North Star Borough School District

## Summary of Significant Accounting Policies (continued) June 30, 2022

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

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#### Pensions and Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net pension and OPEB liabilities and the related deferred outflows of resources and deferred inflows of resources 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/TRS fiduciary net position have been determined on the same basis as they are reported by PERS/TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation pay benefits. Each employee group agreement of the District allows for the payment of varying amounts of unused annual/personal leave subject to certain restrictions and maximum accumulations. At termination accumulated annual leave is paid and accumulated personal leave is forfeited for two of the three employee group agreements. All vacation leave is reported when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of impending employee resignations and retirements.

Sick leave, which may accumulate indefinitely, is recorded as an expenditure when used. Members of the Teachers' Retirement System (TRS) may either transfer their unused sick leave to another Alaska school district upon resigning or may submit the unused balance for an increase in service credit when retiring. Members of the Public Employees' Retirement System (PERS) who are retiring receive payment for unused leave on a sliding scale, based on years of service.

#### Other Long-Term Liabilities

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the

statement of net position. Long-term obligations of claims payable and accrued self-insurance reserved are recorded in the risk management internal service fund and are reported as governmental activities in the government-wide financial statements as this fund serves only governmental funds.

Debt incurred for the construction of school facilities is the obligation of the Borough; therefore it is not included on the District's government-wide statement of net position. It is, however, disclosed in the Debt on School Construction footnote for informational purposes.

#### Net Position / Fund Balance

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation and capital lease liability. Net position is reported as restricted when there are limitations placed on its use through external restrictions imposed by grantors or laws or regulations of other governments.

Fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

*Non-spendable* – this classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

*Restricted* – amounts that can be spent only for specific purposes because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education through an adopted resolution. The Board of Education may also modify or rescind the commitment by similar formal action.

# Fairbanks North Star Borough School District

## Summary of Significant Accounting Policies (continued) June 30, 2022

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

*Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Education authorized the Superintendent to assign fund balances through formal action taken at its regular meeting on June 22, 2011.

*Unassigned* – all other spendable amounts. This is the residual classification for the governmental funds. The General Fund and Nonmajor Governmental Funds are the only funds that report a positive unassigned fund balance amount. If expenditures incurred for specific purposes

exceeded the amounts restricted, committed, or assigned for these purposes, it may be necessary to report a negative unassigned fund balance.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the District's policy to use fund balance in the following order: committed, assigned, unassigned.

The following shows the composition of fund balance of the governmental funds as of June 30, 2022.

	General Fund	Student Transportation Special Revenue Fund	Federal Programs Special Revenue Fund	Nonmajor Governmental Funds	Totals
Non-spendable:					
Inventory	\$ 618,560	\$ -	\$ -	\$ 1,054,017	\$ 1,672,577
Prepaid items	298,482	-	-	-	298,482
Total non-spendable	917,042	-	-	1,054,017	1,971,059
Restricted:					
Student allotments	356,230	-	-	-	356,230
Student transportation	-	1,065,542	-	-	1,065,542
Federal programs	-	-	2,834	-	2,834
Construction	-	-	-	2,347,094	2,347,094
Food service	-	-	-	1,302,156	1,302,156
Local programs	-	-	-	171,902	171,902
State programs	-	-	-	36,633	36,633
Total restricted	356,230	1,065,542	2,834	3,857,785	5,282,391
Committed:					
School activities	-	-	-	1,475,730	1,475,730
Total committed	-	-	-	1,475,730	1,475,730
Assigned:					
Encumbrances	614,275	-	-	-	614,275
Impact aid advance	7,129,221	-	-	-	7,129,221
Subsequent year's expenditures	-	-	-	-	-
Student transportation	-	3,718,285	-	-	3,718,285
Food service	-	-	-	-	-
Construction	-	-	-	-	-
Total assigned	7,743,496	3,718,285	-	-	11,461,781
<b>Total fund balance</b>	<b>\$ 9,016,768</b>	<b>\$ 4,783,827</b>	<b>\$ 2,834</b>	<b>\$ 6,387,532</b>	<b>\$ 20,190,961</b>



# Fairbanks North Star Borough School District

## Summary of Significant Accounting Policies (continued) June 30, 2022

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

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#### Contract for Operating On-Base Schools

In 1992 the State of Alaska Department of Education and Early Development (DEED) entered into an agreement with the United States Department of Education that required a change in the handling of Impact Aid revenues for the students living on Fort Wainwright Army Post and Eielson Air Force Base. Revenues that had previously gone to the DEED and were used to partially fund the foundation program and tuition in lieu of local taxes were required to be passed on directly to the District. The increase in federal revenue through the State of Alaska was offset by the equalization deduction in foundation revenue as provided in Alaska Statute section 14.17.410 and a reduction in tuition in lieu of taxes. An agreement was reached between the District and the DEED that the change in the treatment of revenue would not result in an adverse impact on the operating revenue of the District.

#### On-Behalf Pension and Postemployment Healthcare Benefit Payments

Effective July 1, 2007 new State regulation set the effective contribution rates of the Alaska Public Employees' Retirement System and the Teachers' Retirement System defined benefit plan tiers below the actuarially determined rates. This legislation also provided that payments be made by the State on behalf of employers to make up the difference between the effective rate and the actuarially determined rate. As required by the Alaska Department of Education and Early Development, the on-behalf payments for all funds of the District are recorded as revenue in the general fund. The corresponding pension expenditures are also recorded in the general fund in amounts equal to the on-behalf payments.

In the government-wide financial statements the pension on-behalf payments and related revenue are replaced with nonemployer pension expense as of the measurement date and revenue equal to the nonemployer pension expense.

#### Indirect Costs

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

#### Use of Estimates

The preparation of financial statements in accordance 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 disclosures 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.

#### Comparative Data

The financial statements include certain prior-year summarized comparative information in order to provide an understanding of the changes in the financial position and operation of the District's funds. Such comparative information does not include the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Certain amounts presented in prior year data, which have no effect on change in net position or net change in fund balances, have been reclassified in order to be consistent with the current year's presentation.

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### Note 1: Equity in Central Treasury Cash and Investments

The District's cash resources for general operations are maintained in a central treasury shared with the Borough. Negative cash balances have been reclassified to "due to other funds."

#### *Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District is a component unit of the Borough. The Borough has approved an investment policy, which includes the District, under which the Borough may invest only in and through United States banks, credit unions and brokers, investments fully collateralized if the amount is more than insurance provided, and institutions with third-party security agreements for collateral on file with the Borough. The cash deposits in the accounts maintained in the District's name are insured by the Federal Deposit Insurance Corporation or covered by securities held by the Borough.

The Borough's investments are subject to "interest rate risk" – the risk that changes in interest rates will adversely affect the fair value of an investment. The Borough's policies to manage the interest rate risk of its investments include limiting their time to maturity at the date of purchase. In addition, the Borough's entire investment portfolio cannot have an average maturity exceeding three years. Further, at the time of purchasing an investment, not more than 30 percent of

the prior 12-month moving average value of the portfolio may be in the three- to five-year range.

The Borough's investments in debt securities are also subject to "credit risk" – the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured by nationally recognized statistical rating agencies, such as Standard & Poor's, Moody's, and Fitch in the form of credit quality ratings. The Borough's policies limit its investments in debt securities to obligations of the U.S. government, which are considered to be free of any credit risk in accordance with GAAP, and to the highest-rated debt securities where the credit risk is low.

The Borough also invests in the Alaska Municipal League Investment Pool, Inc. (Pool). The Pool is not SEC-registered, but is a 2a7-like money market fund, operating in a manner consistent with that rule. In December 2020, Standard & Poor's affirmed its AAAM principal stability fund rating to the Pool. Regulatory oversight of the Pool is established by Alaska Statue 37.23. The Pool must maintain a dollar-weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 13 months or less. As of June 30, 2022, the fair value of the investments in the Pool approximates the amortized cost at which the investments were reported. The fair value of the Borough's investments in the Pool is the same as the value of the Pool units.

### Note 2: Interfund Receivables, Payables and Transfers

Interfund balances result 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. Detail of interfund balances for the year ended June 30, 2022 follows:

Due to/from other funds	Interfund receivable	Interfund payable
General fund	\$ 9,266,113	\$ -
Federal programs special revenue fund	-	9,105,269
Nonmajor governmental funds	-	160,844
<b>Total amount due to/from other funds</b>	<b>\$ 9,266,113</b>	<b>\$ 9,266,113</b>

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

Transfers are made to use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with

budgetary authorizations. Detail of transfers for the year ended June 30, 2022 follows:

<b>Transfers</b>	Transfers In	Transfer Out
General fund	\$ -	\$ -
Student transportation special revenue fund	-	-
Nonmajor governmental funds	-	-
<b>Total transfers</b>	<b>\$ -</b>	<b>\$ -</b>

## Note 3: Capital Assets

Significant capital construction and related capital asset activity relevant to the District has been recorded on the

Borough's financial statements. Capital asset activity for the year ended June 30, 2022 follows:

Governmental Activities	Balance* June 30, 2021	Additions	Deductions	Balance June 30, 2022
Machinery and equipment	\$ 12,443,557	\$ 468,452	\$ (542,792)	\$ 12,369,217
Less accumulated depreciation	(9,443,460)	(622,880)	541,709	(9,524,631)
Total, net of accumulated depreciation	3,000,097	(154,428)	(1,083)	2,844,586
Leased right to use	23,765,997		(1,576,395)	22,189,602
Less accumulated amortization	(1,526,983)	(1,543,885)	950,237	(2,120,631)
Total, net of accumulated amortization	22,239,014	(1,543,885)	(626,158)	20,068,971
Intangible assets (software)	1,658,334	-	-	1,658,334
Less accumulated amortization	(1,575,558)	(17,944)	-	(1,593,502)
Total, net of accumulated amortization	82,776	(17,944)	-	64,832
<b>Net capital assets</b>	<b>\$ 25,321,887</b>	<b>\$ (1,716,257)</b>	<b>\$ (627,241)</b>	<b>\$ 22,978,389</b>

\* Beginning balance has been restated, see note 16 for more information

Depreciation/amortization expense was charged to governmental functions as follows:

Instruction	\$ 94,873
Special education instruction	295,262
Special education support services - students	1,135
Support services - students	31,832
Support services - instruction	52,292
Support services - technology	6,508
School administration support services	868
District administration	8,406
District administration support services	340,938
Operations and maintenance of plant	1,319,514
Student activities	2,121
Student transportation - to and from school	5,839
Food services	25,121
<b>Total depreciation and amortization</b>	<b>\$ 2,184,709</b>

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

### Note 4: Leases

The District has entered into agreements to lease certain building spaces and equipment. These leases are recorded at their present value of the future minimum lease payments as of the date of their inception and amortized over the lease term.

Lease Description	Payment	Termination Date	Renewal Options	Discount Rate
Chinook Charter School	\$315,000 annually	07/31/31	one for 10 years	5.00%
Career Education Center	\$81,850.00 annually	06/30/23	one for 1 year	3.00%
North Pole Academy	\$14,943 monthly	06/30/30	two for 10 years	5.00%
Watershed Charter School	\$31,827 monthly	07/31/29	two for 10 years	5.00%
BRIDGE program <sup>(a)</sup>	\$25,585 monthly	08/31/24	n/a	3.00%
Boreal Sun Charter School	\$31,200 month	06/30/27	two for 5 years	5.75%
Discovery Peak Charter School	\$31,500 monthly	06/30/29	two for 10 years	5.00%
Data center space	\$22,640 monthly	06/30/22	n/a	3.00%
Multifunction Printers	\$12,895 monthly	06/30/22	n/a	3.00%

As a result of these leases, the District has recorded a right to use asset with a total net book value of \$20,068,971, as displayed in further detail in Note 3: Capital Assets. The future minimum lease obligation and net present value of these minimum lease payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 666,733	\$ 1,046,448	\$ 1,713,181
2024	700,348	1,012,833	1,713,181
2025	656,645	977,415	1,634,061
2026	691,517	942,543	1,634,061
2027	731,086	905,746	1,636,832
2028 - 2032	4,299,606	3,901,511	8,201,118
2033 - 2037	5,613,885	2,624,906	8,238,791
2038 - 2042	3,642,324	1,331,607	4,973,931
2043 - 2047	2,319,054	639,780	2,958,834
2048 - 2052	1,328,957	86,392	1,415,349
Remaining after 2052	20,650,156	13,469,180	34,119,336
Total payments	\$ 41,300,312	\$ 26,938,361	\$ 68,238,673

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

### Note 5: Long-Term Obligations

Long-term liabilities for governmental activities for the year ended June 30, 2022 follows:

Governmental Activities	Balance* June 30, 2021	Additions	Deductions	Balance June 30, 2022	Due Within One Year
Compensated absences	\$ 5,518,239	\$ 4,227,514	\$ (4,929,519)	\$ 4,816,234	\$ 4,481,456
Claims on reserves	7,855,741	31,196,332	(32,060,152)	6,991,921	5,036,865
Leasees	22,395,684		(1,745,527)	20,650,157	666,733
Net pension liability	146,543,101	-	(51,210,761)	95,332,340	-
Net OPEB liability	124,706	-	(105,431,760)	-	-
<b>Total long term liabilities</b>	<b>\$ 182,437,471</b>	<b>\$ 35,423,846</b>	<b>\$ (195,377,719)</b>	<b>\$ 127,790,652</b>	<b>\$ 10,185,054</b>

\* Beginning balance has been restated, see note 16 for more information

The risk management internal service fund serves the governmental funds. Accordingly, long-term liabilities related to claims and reserves are included as part of the above totals for governmental activities. Also, for governmental activities, claims and reserves are

generally liquidated by the risk management internal service fund and compensated absences, net pension liability and net OPEB liability are generally liquidated by the general fund.

### Note 6: Debt on School Construction

A summary of general obligation bonds issued for school related debt, for which the District has no liability

either primary or secondary, is included in the Borough financial statements as follows:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year
2013, Series Q	\$ 3,610,000	\$ -	\$ (1,760,000)	\$ 1,850,000	\$ 1,850,000
2015, Series S	5,650,000	-	(1,550,000)	4,100,000	1,615,000
2016, Series T	47,670,000	-	(2,290,000)	45,380,000	2,410,000
2019, Series U	5,045,749	-	(306,333)	4,739,416	315,086
<b>Total bonds</b>	<b>\$ 98,185,749</b>	<b>\$ -</b>	<b>\$ (5,906,333)</b>	<b>\$ 56,069,416</b>	<b>\$ 6,190,086</b>

Annual debt service requirements to maturity for school-related general obligation bonds are as shown below. During the year, the Borough paid total principal

and interest of \$3,509,662 for school-related debt service.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 8,580,000	\$ 2,854,325	\$ 11,434,325
2024	7,085,000	2,470,775	9,555,775
2025	6,485,000	2,131,525	8,616,525
2026	5,985,000	1,819,775	7,804,775
2027	5,600,000	1,530,150	7,130,150
2028 - 2032	22,430,000	4,587,450	27,017,450
2033 - 2037	15,495,000	947,175	16,442,175
<b>Total principal and interest</b>	<b>\$ 71,660,000</b>	<b>\$ 16,341,175</b>	<b>\$ 88,001,175</b>

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

### Note 7: Commitments

As of June 30, 2022 the District had encumbered amounts intended to honor in the subsequent year for the following governmental funds:

Encumbrances	2022
Major Governmental funds:	
General fund	\$ 614,275
Federal programs special revenue fund	269,992
Student transportation special revenue fund	4,255,141
Total major governmental funds	\$ 5,139,408
Nonmajor governmental funds:	
Special revenue funds	\$ 359,287
Capital projects fund	34,147

### Note 8: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to, and illnesses of, employees and their dependents; and natural disasters. The Borough's risk management program includes both the Borough and the District. The program employs various combinations of insurance policies provided by commercial carriers and self-insured retention amounts, depending upon the type of risk. Commercial insurance, with zero or small deductibles, is secured for the following coverages: employee life insurance, employee fidelity bonds and employee disability insurance. The program self-insures some portion of the following risk exposures: employee and dependent medical, auto and general liability, workers' compensation, errors and omissions/public officials, property, and employment practices. Commercial insurance has also been obtained for excess coverage above self-retention limits for all risk exposures, except environmental. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The Borough has committed fund balance in the amount of \$1,500,000 to provide resources for catastrophic losses up to self-retention limits and for

contractual indemnification purposes, as well as to demonstrate financial responsibility to insurance carriers of excess coverage. The adequacy of this committed amount is re-evaluated periodically.

The District accounts for its self-insurance and risk management program in the risk management internal service fund. The Borough administers the program and charges the District for claims paid and administration expenses incurred.

Self-insurance liabilities are accrued when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Self-insurance liabilities include estimates for expected future development on claims already reported, as well as considering known and unknown events that might create claims, but for which none have been reported. Based on the type of claim, estimates of the ultimate cost of settling these claims are made by using a case-by-case review of claims or by extrapolating historical experience, and may include specific, incremental claim adjustment expenditures, net of any recoveries. Both methods adjust for current trends and other information and the estimates include the effects of inflation and other economic and social factors.

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

Changes in the risk management internal service fund liability amounts in fiscal years were:

Claims liability	2022	2021
July 1	\$ 7,855,741	\$ 6,539,050
Current year claims	32,118,800	35,286,979
Changes in estimates	(922,468)	738,844
Claims payments	(32,060,152)	(34,709,132)
June 30	\$ 6,991,921	\$ 7,855,741

Through various negotiated agreements with employees, the District has put in place a cost sharing mechanism for health costs. At June 30 of each year, total health costs for the fiscal year are used to calculate an amount expected to be collected from employees in

the following calendar year through payroll deductions. The District records an employee receivable at June 30 of each year for this amount. The employee receivable at June 30, 2022 and 2021 was \$1,398,828 and \$1,390,296, respectively.

## Note 9: Borough In-Kind and Allocated Services

During the year, certain services are provided by the Borough to the District. These include use of various Borough facilities, debt service on school facilities, certain administrative functions and major facility

maintenance. The costs of these services have not been charged to the District. Other services provided by the Borough during the year are allocated and charged to District operations as follows:

Allocated Services	2022	2021
Risk management overhead	\$ 727,193	\$ 580,749
Auto/general liability, property and other insurance premiums	1,499,327	1,258,711
Workers' compensation insurance premiums	214,563	238,916
Health and workers' compensation claims paid	30,855,869	34,030,298
General/auto liabilities, errors & omissions claims paid	13,952	196,952
Audit	69,840	68,087
<b>Total allocated services</b>	<b>\$ 33,380,744</b>	<b>\$ 37,869,107</b>

## Note 10: Defined Benefit (DB) Pension Plans

### General Information about the Plan

The District participates in two cost-sharing multiple employer defined benefit pension plans. The Teachers' Retirement System (TRS) is mandatory for certificated employees scheduled to work at least 17.5 hours a week in positions that require teaching certificates as a condition of employment. The Public Employees' Retirement System (PERS) is mandatory for permanent employees scheduled to work at least 15 hours a week, other than teachers. Both plans were established and are administered by the State of Alaska to provide pension, death and disability, and postemployment health care benefits. Benefit and contribution provisions

are established by State law and may be amended only by the State Legislature.

Both plans are included in comprehensive annual financial reports that include financial statements and other required supplemental information. Those reports are available via the internet at <http://doa.alaska.gov/drb>. Actuarial valuation reports, audited financial statements, and other detailed plan information are also available on this website.

There are three tiers of employee within PERS and two tiers with TRS, based on entry date. Vesting occurs with five paid-up years of service for PERS and eight paid-up years of services for TRS. The tiers within the plans



# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

establish differing criteria regarding normal retirement age, early retirement age, and criteria for calculation of average monthly salary (AMS), and cost of living allowance for Alaska residents. For all tiers within the DB pension plans, full retirement benefits are generally calculated using a formula comprised of a multiplier times the AMS times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. A complete benefit comparison chart is available at the website noted previously.

Both PERS and TRS DB Plans were closed to new entrants on June 30, 2006. New employees hired after that date participate in the PERS/TRS Defined Contribution (DC) Plans described later in these footnotes.

### ***Historical Context and Special Funding Situation***

In 2008, State legislation converted the PERS agent multiple employer plan to a cost-sharing plan with an effective date of July 1, 2008. The State also passed legislation which statutorily capped the employer contribution rate for both plans, establishing a State funded on-behalf contribution, and required that employer contributions be calculated against all PERS/TRS eligible wages, including wages paid to participants of the PERS/TRS defined contribution plans described later in these footnotes.

The State funded on-behalf contribution amount, when combined with the employer contribution, will be sufficient to pay the total contribution rate adopted by the Alaska Retirement Management (ARM) Board. As such, both plans are considered to be in a special funding situation as defined by GASB. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as revenues and expenditures. In the government-wide financial statements, the on-behalf amounts reflect revenue and expenses only during the measurement period in which the Plan recognizes the payments,

resulting in a one-year timing lag between the cash transfers and revenue and expense recognition.

### ***Employee Contribution Rates***

PERS employees are required to contribute 6.75 percent of their annual covered salary or 9.60 percent for employees on a nine-month contract. Teachers and other certificated employees are required to contribute 8.65 percent of annual covered salary to the TRS plan.

### ***Employer and Other Contribution Rates***

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

***Employer Effective Rate:*** The rate established by State statute is capped at 22.00 percent of eligible wages for PERS and 12.56 percent of eligible wages for TRS. These rates are applied to all PERS/TRS eligible compensation, including those wages attributable to employees in the defined contribution plan. Contributions derived from the defined contribution employee payroll are referred to as the Defined Benefit Unfunded Liability or DBUL contribution.

***ARM Board Adopted Rate:*** This is the actuarially determined rate formally adopted by the Alaska Retirement Management Board. Each year the ARM Board certifies an appropriate contribution rate for normal costs and for liquidating any past service liability determined by a level percent of pay method with a 25 year closed amortization period.

***On-behalf Contribution Rate:*** This is the rate paid in by the State as an on-behalf payment under the current statute. The statute requires the State to contribute, based on funding availability, an on-behalf amount equal to the difference between the ARM Board Rate and the Employer Effective Rate.



## Fairbanks North Star Borough School District

### Notes to the Basic Financial Statements (continued) June 30, 2022

The District's contribution rates for the 2022 fiscal year were as follows:

<b>PERS</b>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	22.00%	24.01%	8.11%
Postemployment healthcare	0.00%	6.10%	0.00%
<b>Total contribution rates</b>	22.00%	30.11%	8.11%

<b>TRS</b>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	12.56%	25.49%	19.29%
Postemployment healthcare	0.00%	6.36%	0.00%
<b>Total contribution rates</b>	12.56%	31.85%	19.29%

Contributions into each plan for the fiscal year were as follows:

	Measurement Period July 1, 2020 to June 30, 2021		Fiscal Year July 1, 2021 to June 30, 2022	
<b>PERS</b>				
Employer contributions (including DBUL)	\$	4,586,431	\$	4,588,036
Nonemployer contributions (on-behalf)		3,274,011		3,048,450
<b>Total contributions</b>	\$	7,860,442	\$	7,636,486

In addition, employee contributions to the plan totaled \$846,099 during the District's fiscal year.

	Measurement Period July 1, 2020 to June 30, 2021		Fiscal Year July 1, 2021 to June 30, 2022	
<b>TRS</b>				
Employer contributions (including DBUL)	\$	2,904,889	\$	2,690,549
Nonemployer contributions (on-behalf)		12,790,046		12,641,247
<b>Total contributions</b>	\$	15,694,935	\$	15,331,796

In addition, employee contributions to the plan totaled \$2,661,828 during the District's fiscal year.

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### ***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability (NPL)

that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State proportion, and the total portion of the net pension liability that was associated with the District were as follows:

	PERS	TRS
District's proportionate share of NPL	\$ 52,588,281	\$ 42,744,059
State's proportionate share of NPL associated with the District	7,123,584	36,273,616
<b>Total net pension liability</b>	<b>\$ 59,711,865</b>	<b>\$ 79,017,675</b>

The total net pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the present value of projected future contributions of all participating employers and the State to the total present value of projected future contributions for the fiscal years 2023 to 2039 to the plan.

At the measurement date of June 30, 2021 the District's proportionate share of PERS was 1.43351 percent, which was a change of 20.79 percent from its proportion of 1.18675 percent measured as of June 30, 2020. For

TRS the District's proportion was 5.37004 percent, which was a change of 42.97 percent from its proportion of 3.76323 percent measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized a pension expense of \$4,870,900 for PERS and a pension expense of \$3,861,832 for TRS. In addition, the District recognized on-behalf from the State of Alaska in the amount of \$10,214 and \$(4,644,282) for PERS and TRS, respectively. At June 30, 2022 the District reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

<b>PERS</b>	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ (232,979)
Changes in actuarial assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(20,738,054)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,851,765	-
District contributions subsequent to the measurement date	4,588,036	-
<b>Total deferred outflows and inflows of resources related to pensions</b>	<b>\$ 6,439,801</b>	<b>\$ (20,971,033)</b>

## Fairbanks North Star Borough School District

### Notes to the Basic Financial Statements (continued) June 30, 2022

TRS	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ (410,932)
Changes in actuarial assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(44,128,830)
Changes in proportion and differences between District contributions and proportionate share of contributions	5,656,142	-
District contributions subsequent to the measurement date	2,690,549	-
		-
<b>Total deferred outflows and inflows of resources related to pensions</b>	<b>\$ 8,346,691</b>	<b>\$ (44,539,762)</b>

The District reported \$7,278,585 as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date, which will be recognized as a reduction of the net

pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows

Year ending June 30,	PERS	TRS
2022	\$ (3,200,464)	\$ (4,989,085)
2023	(4,750,275)	(10,063,871)
2024	(5,138,484)	(10,938,790)
2025	(6,030,045)	(12,891,874)
2026	-	-
<b>Total amortization</b>	<b>\$ (19,119,268)</b>	<b>\$ (38,883,620)</b>

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### **Actuarial Assumptions**

The total net pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2021. The actuarial assumptions used in the June 30, 2021 actuarial valuation were based on the results of an experience study for the period July 1, 2013 to June 30, 2017,

resulting in changes in actuarial assumptions adopted by the ARM Board to better reflect expected future experience. The assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation.

Generally, both PERS and TRS follow the same assumptions, except as noted:

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Inflation rate	2.50%
Salary increases	Graded by service, from 6.75% to 2.75% for teachers For all others, increases range from 6.75% to 2.75% based on service.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	<p>Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.</p> <p>Teachers' post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Deaths are assumed to result from occupational causes 15% of the time.</p> <p>For all others, post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Deaths are assumed to result from occupational causes 40% of the time.</p>

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# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### Long-term Expected Rate of Return

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.50%).

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	6.24%
Global equity (non-U.S.)	6.67%
Aggregate bonds	-0.16%
Opportunistic	3.01%
Real Assets	3.82%
Private equity	10.00%
Cash equivalents	1.09%

### Discount Rate

The discount rate used to measure the total pension liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer and nonemployer contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods

of projected benefit payments to determine the total pension liability.

### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability as of June 30, 2022, calculated using the discount rate of 7.38%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	Proportionate Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
<b>PERS</b>				
Net pension liability	100.00%	\$ 5,433,558,000	\$ 3,668,499,000	\$ 2,185,623,000
District's proportionate share of the NPL	1.43351%	\$ 77,890,570	\$ 52,588,281	\$ 31,331,113

	Proportionate Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
<b>TRS</b>				
Net pension liability	100.00%	\$ 1,609,245,000	\$ 795,973,000	\$ 111,008,000
District's proportionate share of the NPL	5.37004%	\$ 86,417,080	\$ 42,744,059	\$ 5,961,173

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

### ***Pension Plan Fiduciary Net Position***

Detailed information about the pension plans' fiduciary net position is available in the separately issued PERS and TRS financial reports.

### **Note 11: Defined Contribution (DC) Pension Plans**

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Employees hired on or after July 1, 2006 participate in PERS Tier IV or TRS Tier III defined contribution plans. These plans are administered by the State of Alaska in conjunction with the defined benefit plans noted above. Benefits are provided through the Defined Contribution Retirement Trust. The plan provides pension, retiree medical insurance plan and a separate Health Reimbursement Arrangement (HRA) account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. These plans are included in the comprehensive annual financial reports for PERS and TRS, and at the following website, as noted above.

Contributions to the DC plans consist solely of employer and employee contributions with no special funding or other nonemployer contributions. The District is required to contribute 22 percent and 12.56 percent to PERS and TRS, respectively. After deducting the DC pension plan contributions and related DC OPEB contributions, the remaining contribution (the DBUL) is deposited into the DB plan (pension and/or OPEB) as noted earlier.

#### ***Benefit Terms***

Employees immediately vest 100 percent in their own contributions and vest 25 percent with two years of

service, plus an additional 25 percent per year thereafter for full vesting at five years of service. Alaska Statutes require that forfeitures be used to reduce employer contributions and cannot be used to increase the benefits of any member. For the year ended June 30, 2022 forfeitures reduced pension's expenses by \$220,466.75.

#### ***Employee Contribution Rate***

Employees are required to contribute 8.0 percent of their annual covered salary for both PERS and TRS. This amount goes directly to the individual's account.

#### ***Employer Contribution Rate***

For the year ended June 30, 2022, the District was required to contribute 5 percent and 7 percent of covered salary into the plans for PERS and TRS, respectively. The District and employee contributions to PERS for pensions for the year ended June 30, 2022 were \$2,120,872 and \$2,376,118, respectively. The District and employee contributions to TRS for pensions for the year ended June 30, 2022 were \$3,358,385 and \$5,280,591, respectively. District contributions are recognized as pension expenditures.

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

### Note 12: Defined Benefits Other Post-Employment Benefit (OPEB) Plans

As part of its participation in PERS and TRS, the District participates in the following cost sharing multiple employer defined benefit OPEB plans: Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD). The ARHCT is self-insured and self-funded and provides major medical coverage to retirees of the DB Plan without cost for all members hired before July 1, 1986 (Tier I).

Benefits vary by Tier level. Members hired on or after July 1, 1986 (Tier II) with five years of PERS credited service (ten years of credited service for those PERS first hired on or after July 1, 1996 (Tier III)) or eight years of TRS credit service may pay the full monthly premium if they are under age 60 (or over age 60 with less than ten years of PERS service for those first hired on or after July 1, 1996), and receive benefits at no premium cost if they are over age 60 or are receiving disability benefits.

Active members who become totally and permanently disabled from either occupational or nonoccupational causes may be eligible to receive a monthly disability benefit. Survivor beneficiaries receive benefits when a member dies from either occupational or nonoccupational causes before a member's retirement.

The RMP is self-insured and provides major medical coverage to retirees of the PERS and TRS DC Plans

(Tier IV for PERS and Tier III for TRS). The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS and TRS.

Members became eligible for the healthcare benefits of the RMP beginning in June 2017. No plan members are eligible to use the RMP until they have at least ten years of service. Active members who become totally and permanently disabled from occupational causes may be eligible to receive a monthly benefit. Survivor beneficiaries receive benefits when an employee dies from occupational causes before retirement.

All of the plans are administered by the State of Alaska, Department of Administration. The OPEB plans are included in the comprehensive annual financial reports for PERS and TRS, at the following website: <http://doa.alaska.gov/drb>.

#### Contribution Rates

Employer contribution rates are actuarially determined and adopted and may be amended by the Board. Employees do not contribute.

Employer contribution rates for the year ended June 30, 2022 were as follows:

	PERS	TRS
Alaska Retiree Healthcare Trust	0.00%	0.00%
Retiree Medical Plan	1.07%	0.83%
Occupational Death and Disability Benefits	0.31%	0.08%
<b>Total contribution rates</b>	<b>1.38%</b>	<b>0.91%</b>

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

In 2022, the District was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2020 to June 30, 2021	Fiscal Year July 1, 2021 to June 30, 2022
<b>PERS</b>		
Employer contributions - ARHCT	\$ 942,712	\$ 697,828
Employer contributions - RMP	316,817	284,083
Employer contributions - ODD	77,326	82,273
<b>Total contributions</b>	<b>\$ 1,336,855</b>	<b>\$ 1,064,184</b>

	Measurement Period July 1, 2020 to June 30, 2021	Fiscal Year July 1, 2021 to June 30, 2022
<b>TRS</b>		
Employer contributions - ARHCT	\$ 2,393,393	\$ 1,995,868
Employer contributions - RMP	384,658	348,497
Employer contributions - ODD	33,091	33,592
<b>Total contributions</b>	<b>\$ 2,811,142</b>	<b>\$ 2,377,957</b>

### ***OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs***

At June 30, 2022, the amounts recognized by the District as its proportionate share of the net OPEB (asset) liability, the related State of Alaska support, and the total portion of the net OPEB (asset) liability that was associated with the District were as follows:

	PERS	TRS
District's proportionate share of NOL (asset) - ARHCT	\$ (36,928,906)	\$ (64,892,038)
District's proportionate share of NOL (asset) - RMP	(458,207)	(1,831,808)
District's proportionate share of NOL (asset) - ODD	(638,928)	(557,167)
<b>Total District's proportionate share of NOL (asset)</b>	<b>(38,026,041)</b>	<b>(67,281,013)</b>
State's proportionate share of ARHCT NOL associated with the District	(4,838,553)	(50,529,398)
<b>Total net OPEB liability (asset)</b>	<b>\$ (42,864,594)</b>	<b>\$ (117,810,411)</b>



## Fairbanks North Star Borough School District

### Notes to the Basic Financial Statements June 30, 2022

The total net OPEB (asset) liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net

OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

	June 30, 2020 Measurement Date Employer Proportion	June 30, 2021 Measurement Date Employer Proportion	Change
<b>PERS</b>			
District's proportionate share of the net OPEB liability (asset):			
ARHCT	1.18630%	1.43952%	0.25322%
RMP	1.75816%	1.70705%	-0.05111%
ODD	1.40918%	1.44970%	0.04052%
<b>TRS</b>			
District's proportionate share of the net OPEB liability (asset):			
ARHCT	3.75268%	5.58124%	1.82856%
RMP	9.03644%	9.12255%	0.08611%
ODD	9.00318%	9.14138%	0.13820%

For the year ended June 30, 2022, the District recognized a reduction of OPEB expense of \$15,766,704 for PERS and \$38,295,693 for TRS. In addition, the District recognized a reduction of revenue

equal to the nonemployer portion of total OPEB expense of \$1,679,796 and \$14,638,720 for PERS and TRS, respectively.

## Fairbanks North Star Borough School District

### Notes to the Basic Financial Statements June 30, 2022

At June 30, 2022 the District reported deferred outflows and deferred inflows of resources related to PERS OPEB from the following sources:

<b>PERS - Deferred Outflow of Resources</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
Difference between expected and actual experience	\$ -	\$ 34,068	\$ -	\$ 34,068
Changes in actuarial assumptions	-	142,419	-	142,419
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	6,773	27,803	34,576
District contributions subsequent to the measurement date	697,828	284,083	82,273	1,064,184
<b>Total deferred outflows of resources related to OPEB</b>	<b>\$ 697,828</b>	<b>\$ 467,343</b>	<b>\$ 110,076</b>	<b>\$ 1,275,247</b>

<b>PERS - Deferred Inflows of Resources</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
Difference between expected and actual experience	\$ (387,813)	\$ (21,786)	\$ (174,512)	\$ (584,111)
Changes in actuarial assumptions	(1,395,552)	(272,312)	(4,854)	(1,672,718)
Net difference between projected and actual earnings on pension plan investments	(17,280,752)	(409,928)	(102,454)	(17,793,134)
Changes in proportion and differences between District contributions and proportionate share of contributions	(251,467)	(10,060)	(18,616)	(280,143)
<b>Total deferred inflows of resources related to OPEB</b>	<b>\$ (19,315,584)</b>	<b>\$ (714,086)</b>	<b>\$ (300,436)</b>	<b>\$ (20,330,106)</b>

The District reported \$1,064,184 as deferred outflows of resources related to OPEBs resulting from district contributions subsequent to the measurement date, which will be recognized as a reduction of the net OPEB

liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

<b>PERS - Year ending June 30,</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
2022	\$ (6,083,171)	\$ (112,883)	\$ (52,809)	\$ (6,248,863)
2023	(3,979,699)	(113,074)	(52,743)	(4,145,516)
2024	(4,276,369)	(117,212)	(53,818)	(4,447,399)
2025	(4,979,345)	(130,271)	(57,237)	(5,166,853)
2026	-	(16,081)	(26,756)	(42,837)
Thereafter	-	(41,305)	(29,270)	(70,575)
<b>Total amortization</b>	<b>\$ (19,318,584)</b>	<b>\$ (530,826)</b>	<b>\$ (272,633)</b>	<b>\$ (20,122,043)</b>

## Fairbanks North Star Borough School District

### Notes to the Basic Financial Statements June 30, 2022

At June 30, 2022 the District reported deferred outflows and deferred inflows of resources related to TRS OPEB from the following sources:

<b>TRS - Deferred Outflow of Resources</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
Difference between expected and actual experience	\$ -	\$ 351,522	\$ -	\$ 351,522
Changes in actuarial assumptions	-	124,429	-	124,429
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-	-	-
District contributions subsequent to the measurement date	1,995,868	348,497	33,592	2,377,957
<b>Total deferred outflows of resources related to OPEB</b>	<b>\$ 1,995,868</b>	<b>\$ 824,448</b>	<b>\$ 33,592</b>	<b>\$ 2,853,908</b>

<b>TRS - Deferred Inflows of Resources</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
Difference between expected and actual experience	\$ (455,485)	\$ (59,319)	\$ (65,359)	\$ (580,163)
Changes in actuarial assumptions	(1,873,455)	(677,641)	(306)	(2,551,402)
Net difference between projected and actual earnings on pension plan investments	(25,372,303)	(720,353)	(71,376)	(26,164,032)
Changes in proportion and differences between District contributions and proportionate share of contributions	(1,518,427)	(18,737)	(17,913)	(1,555,077)
<b>Total deferred inflows of resources related to OPEB</b>	<b>\$ (29,219,670)</b>	<b>\$ (1,476,050)</b>	<b>\$ (154,954)</b>	<b>\$ (30,850,674)</b>

The District reported \$2,377,957 as deferred outflows of resources related to OPEBs resulting from district contributions subsequent to the measurement date, which will be recognized as a reduction of the net OPEB

liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

<b>TRS - Year ending June 30,</b>	<b>ARHCT</b>	<b>RMP</b>	<b>ODD</b>	<b>Total</b>
2022	\$ (9,787,952)	\$ (212,907)	\$ (29,016)	\$ (10,029,875)
2023	(5,845,089)	(213,218)	(28,870)	(6,087,177)
2024	(6,276,352)	(221,610)	(29,747)	(6,527,709)
2025	(7,310,277)	(246,551)	(32,307)	(7,589,135)
2026	-	(43,485)	(12,141)	(55,626)
Thereafter	-	(62,328)	(22,873)	(85,201)
<b>Total amortization</b>	<b>\$ (29,219,670)</b>	<b>\$ (1,000,099)</b>	<b>\$ (154,954)</b>	<b>\$ (30,374,723)</b>

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### Actuarial Assumptions

The total net OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions used in

the June 30, 2021 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions adopted by the Alaska Retirement Management Board in January 2019 to better reflect expected future experience.

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Inflation rate	2.50%
Salary increases	Graded by service from 6.75% to 2.75% for teachers Graded by service from 6.75% to 2.75% for all others
Investment rate of return	7.38%, net of OPEB plan investment expenses. This is based on an average inflation rate of 2.5% and a real rate of return of 4.88%.
Healthcare cost trend rates (a)	Pre-65 medical: 7.0% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drugs: 8.0% grading down to 4.5% Employer group waiver program: 8.0% grading down to 4.5%
Healthcare participation (b)	100% of system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. 20% of non-system paid members are assumed to elect the healthcare benefits as soon as they are eligible.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.  Teachers' post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.  For all others, post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

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(a) Applicable to retiree medical and death and disability only

(b) Applicable to death and disability only

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### Long-term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of

return by the target asset allocation percentage, which is based on the nature and mix of current and expected plan investments, and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	6.30%
Global equity (non-U.S.)	4.10%
Aggregate bonds	0.76%
Opportunistic	4.39%
Real assets	3.16%
Private equity	9.29%
Cash equivalents	0.13%

### Discount Rate

The discount rate used to measure the total OPEB liability was 7.38 percent. The projection of cash flows used to determine the discount rate assumed that employer and nonemployer contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability in accordance with the

method prescribed by GASB Statement No. 67 and GASB Statement No. 74.

### Sensitivity of the Net OPEB (Asset) Liability to Changes in the Discount Rate

The following presents the net OPEB (asset) liability and the District's proportionate share of the net OPEB (asset) liability as of June 30, 2022, calculated using the discount rate of 7.38 percent, as well as what the District's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	Proportionate Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
<b>PERS</b>				
Net OPEB liability (asset) - ARHCT	100.00%	\$ (1,677,703,000)	\$ (2,564,354,000)	\$ (3,302,482,000)
Net OPEB liability (asset) - RMP	100.00%	\$ 60,348,000	\$ (26,842,000)	\$ (17,519,000)
Net OPEB liability (asset) - ODD	100.00%	\$ (42,202,000)	\$ (44,073,000)	\$ (45,563,000)
District's proportionate share of the net OPEB liability (asset):				
ARHCT	1.439520%	\$ (24,150,950)	\$ (36,928,906)	\$ (47,540,046)
RMP	1.707050%	\$ 1,030,171	\$ (458,207)	\$ (299,058)
ODD	1.449700%	\$ (611,804)	\$ (638,928)	\$ (660,529)

## Fairbanks North Star Borough School District

### Notes to the Basic Financial Statements (continued) June 30, 2022

<b>TRS</b>	Proportionate Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
Net OPEB liability (asset) - ARHCT	100.00%	\$ (837,747,000)	\$ (1,162,681,000)	\$ (1,431,519,000)
Net OPEB liability (asset) - RMP	100.00%	\$ (7,415,000)	\$ (20,080,000)	\$ (29,553)
Net OPEB liability (asset) - ODD	100.00%	\$ (610,000)	\$ (6,095,000)	\$ (6,088,000)
District's proportionate share of the net OPEB liability (asset):				
ARHCT	5.581240%	\$ (46,756,686)	\$ (64,892,038)	\$ (79,896,537)
RMP	9.122550%	\$ (676,437)	\$ (1,831,808)	\$ (2,695,987)
ODD	9.141380%	\$ (558,538)	\$ (557,167)	\$ (556,527)

#### **Sensitivity of the Net OPEB (Asset) Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB (asset) liability and the District's proportionate share of the net OPEB (asset) liability as of June 30, 2022, calculated using the

healthcare cost trend rates and using the trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

<b>PERS</b>	Proportionate Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability (asset) - ARHCT	100.00%	\$ (3,388,772,000)	\$ (2,564,354,000)	\$ (1,571,703,000)
Net OPEB liability (asset) - RMP	100.00%	\$ (25,347,000)	\$ (26,842,000)	\$ 65,144,000
Net OPEB liability (asset) - ODD	100.00%	n/a	\$ (44,073,000)	n/a
District's proportionate share of the net OPEB liability (asset):				
ARHCT	1.439520%	\$ (48,782,212)	\$ (36,928,906)	\$ (22,625,054)
RMP	1.707050%	\$ (432,686)	\$ (458,207)	\$ 1,112,041
ODD	1.449700%	n/a	\$ (638,928)	n/a

<b>TRS</b>	Proportionate Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability (asset) - ARHCT	100.00%	\$ (1,461,739,000)	\$ (1,162,681,000)	\$ (1,571,703,000)
Net OPEB liability (asset) - RMP	100.00%	\$ (30,830,000)	\$ (20,080,000)	\$ (5,307,000)
Net OPEB liability (asset) - ODD	100.00%	n/a	\$ (6,095,000)	n/a
District's proportionate share of the net OPEB liability (asset):				
ARHCT	5.581240%	\$ (81,583,188)	\$ (64,892,038)	\$ (44,666,902)
RMP	9.122550%	\$ (2,812,482)	\$ (1,831,808)	\$ (484,134)
ODD	9.141380%	n/a	\$ (557,167)	n/a

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements (continued) June 30, 2022

### ***OPEB Plan Fiduciary Net Position***

Detailed information about the OPEB plans' fiduciary net position is available in the separately issued PERS and TRS financial reports.

### **Note 13: Defined Contribution (DC) OPEB Plans**

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PERS and TRS defined contribution members also participate in the Health Reimbursement Arrangement Plan (HRA Plan). The HRA Plan allows medical care expenses to be reimbursed from individual savings accounts for eligible persons. The HRA Plan became effective July 1, 2006 at which time contributions by employers began.

#### ***Contribution Rate***

The employer contribution is a flat dollar amount per employee based on 3.00 percent of the average annual compensation of all employees of all employers in the plan. The flat dollar amount for fiscal year 2022 was

\$83.40 per pay period for full-time employees. For PERS part-time employees the flat dollar amount was \$1.39 per hour and the rate for TRS part-time employees is based on the contract percentage worked multiplied by the flat dollar amount per bi-weekly pay period for full-time employees.

#### ***Annual Postemployment Healthcare Cost***

In 2022, the District contributed \$1,233,068 in DC OPEB costs to PERS and \$1,170,705 in DC OPEB costs to TRS. These amounts have been recognized as expense/expenditures.

### **Note 14: Fund Balance/Appropriation Lapse**

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#### ***Fund Balance Compliance***

Borough Ordinance 7.04.125 requires the District to not accumulate unrestricted fund balances, for all funds from all sources, greater than 40 percent of the Borough's July 1st direct appropriation to education for that fiscal year, exclusive of any impact aid advance and without regard to any proration among sources. It further explains what types of unrestricted funds are excluded from the permitted accumulation calculation, such as the local programs special revenue fund and student activities special revenue fund. The excess over the permitted accumulation amount shall be deposited to the Borough's maintenance reserve fund

for District Facilities by the December following the completion of the annual audit.

Title 14 of Alaska State Statutes limits an accumulation of fund balance in the general fund to less than ten percent of current year expenditures. Any amount in excess of this limit will reduce the subsequent year's state foundation aid. Alaska Administrative Code defines six items that are not subject to the fund balance accumulation threshold. A statement of compliance required by the Code can be found in the Supplemental Reports section of this comprehensive annual financial report. For the 2022 fiscal year the Alaska State Statute was waived.

### **Note 15: Contingencies**

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School operations are monitored by the Alaska Department of Education and Early Development; therefore, revenues from State of Alaska sources may be subject to subsequent adjustment. Additionally, amounts received or receivable from grantor agencies are subject to audit by grantor agencies.

Any disallowed claims, including amounts already collected, would become a liability of the general fund. The District, in the normal course of its activities, is involved in various claims and litigation proceedings and seeks to accrue amounts it considers sufficient to cover settlements that may be payable as a result of unfavorable outcomes.

# Fairbanks North Star Borough School District

## Notes to the Basic Financial Statements June 30, 2022

### Note 16: New Accounting Pronouncement

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In 2022, the District implemented GASB Statement No. 87, Leases, which established standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement apply to the financial statements of all state and local governments.

The new standard requires the District to recognize certain lease assets and liabilities for leases. It establishes a single model for lease accounting based on the underlying principle that leases are financings of the right to use an underlying asset for a period of time. Under this Statement, a lessee is required to recognize

a liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the District's leasing activities.

As a result of adopting this new accounting pronouncement, there were changes to the beginning of the year's net position. The District recognized the following amounts in financial statements with regard to leases:

<b>Statement of Net Position</b>	<b>Governmental Activities</b>
Beginning total assets, as previously reported July 1, 2021	\$ 56,030,898
Right-to-use assets	23,765,997
Accumulated amortization, related to right-to-use assets	(1,526,983)
Opening total assets, as restated	78,269,912
Beginning total liabilities, as previously reported July 1, 2021	\$ 163,356,533
Current portion	1,102,239
Long-term portion	21,293,445
Opening total liabilities, as restated	185,752,217

<b>Statement of Activities</b>	<b>Governmental Activities</b>
Beginning net position, as previously reported on July 1, 2021	\$ (93,296,433)
Expenditures:	
Special education instruction	(18,031)
District administration support services	(18,117)
Operations and maintenance of plant	(664,606)
Debt services - interest	857,424
Opening net position, as restated	\$ (93,453,103)



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# Financial Section

## Required Supplementary Information





# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Budgeted Amounts			Actual on	Variance
	Original	Final	Actual	Budgetary	with Final
				Basis	Budget
<b>Revenues:</b>					
Local sources	\$ 50,602,400	\$ 50,602,400	\$ 51,715,737	\$ 51,715,737	\$ 1,113,337
State sources	121,288,199	123,634,487	123,933,819	123,933,819	299,332
Federal sources	16,921,766	16,921,766	11,387,607	11,387,607	(5,534,159)
<b>Total revenues</b>	<b>188,812,365</b>	<b>191,158,653</b>	<b>187,037,163</b>	<b>187,037,163</b>	<b>(4,121,490)</b>
<b>Expenditures:</b>					
Instruction	96,712,920	82,062,535	82,035,371	81,677,782	384,753
Special education instruction	26,856,977	24,675,483	23,656,275	23,654,967	1,020,516
Special education support services - students	8,723,482	9,000,988	8,618,726	8,628,108	372,880
Support services - students	14,284,260	14,481,994	12,701,053	12,729,884	1,752,110
Support services - instruction	8,447,739	8,668,707	8,474,293	8,487,003	181,704
Support services - technology:	722,777	728,777	779,492	771,153	(42,376)
School administration	8,346,646	8,543,861	8,659,077	8,659,077	(115,216)
School administration support services	5,883,265	6,082,151	5,850,106	5,870,144	212,007
District administration	2,883,733	2,756,773	2,821,164	2,815,654	(58,881)
District administration support services	10,193,580	10,148,505	10,407,604	10,475,329	(326,824)
Operations and maintenance of plant	26,179,226	22,874,934	21,048,011	21,334,093	1,540,841
Student activities	2,336,186	1,686,236	1,544,900	1,540,570	145,666
<b>Debt service:</b>					
Interest	-	-	1,106,041	1,106,041	(1,106,041)
Principal	-	-	1,102,238	1,102,238	(1,102,238)
<b>Total debt service</b>	<b>-</b>	<b>-</b>	<b>2,208,279</b>	<b>2,208,279</b>	<b>(2,208,279)</b>
<b>Total expenditures</b>	<b>211,570,791</b>	<b>191,710,944</b>	<b>188,804,351</b>	<b>188,852,043</b>	<b>2,858,901</b>
Excess (deficiency) of revenues over expenditures	(22,758,426)	(552,291)	(1,767,188)	(1,814,880)	(1,262,589)
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	-	-	26	26	26
Transfers out	(694,409)	(463,553)	-	-	463,553
<b>Total other financing sources (uses)</b>	<b>(694,409)</b>	<b>(463,553)</b>	<b>26</b>	<b>26</b>	<b>463,579</b>
Net change in fund balance	<u>\$ (23,452,835)</u>	<u>\$ (1,015,844)</u>	<u>(1,767,162)</u>	<u>\$ (1,814,854)</u>	<u>\$ (799,010)</u>
<b>Fund balance - beginning</b>			10,783,930		
<b>Fund balance - ending</b>			<u>\$ 9,016,768</u>		

# Fairbanks North Star Borough School District

## Student Transportation Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Actual on Budgetary Basis	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
State sources	\$ 10,042,868	\$ 10,042,868	\$ 10,397,426	\$ 10,397,426	\$ 354,558
<b>Total revenues</b>	10,042,868	10,042,868	10,397,426	10,397,426	354,558
<b>Expenditures:</b>					
Student transportation - to and from school	14,273,321	13,536,007	9,331,883	13,218,367	317,640
<b>Total expenditures</b>	14,273,321	13,536,007	9,331,883	13,218,367	317,640
Excess (deficiency) of revenues over expenditure	(4,230,453)	(3,493,139)	1,065,543	(2,820,941)	672,198
Net change in fund balance	<u>\$ (4,230,453)</u>	<u>\$ (3,493,139)</u>	1,065,543	<u>\$ (2,820,941)</u>	<u>\$ 672,198</u>
<b>Fund balance - beginning</b>			3,718,284		
<b>Fund balance - ending</b>			<u>\$ 4,783,827</u>		

# Fairbanks North Star Borough School District

## Federal Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Budgeted Amounts			Actual on	Variance
	Original	Final	Actual	Budgetary	with Final
				Basis	Budget
<b>Revenues:</b>					
Federal sources	\$ 11,000,000	\$ 54,866,281	\$ 27,092,956	\$ 27,092,956	\$ (27,773,325)
<b>Total revenues</b>	11,000,000	54,866,281	27,092,956	27,092,956	(27,773,325)
<b>Expenditures:</b>					
Instruction	4,640,000	29,920,263	12,741,481	12,791,746	17,128,517
Special education instruction	3,275,000	7,633,421	5,212,950	5,212,950	2,420,471
Support services - students	250,000	9,913,576	4,164,922	4,182,796	5,730,780
Support services - instruction	2,835,000	1,712,624	1,307,219	1,307,219	405,405
School administration	-	175,625	175,617	175,617	8
School administration support services	-	76,081	76,081	76,081	-
District administration	-	50,000	-	-	50,000
District administration support services	-	3,460,145	1,836,497	1,836,497	1,623,648
Operations and maintenance of plant	-	1,246,731	1,096,522	1,096,522	150,209
Student activities	-	449,153	390,517	390,517	58,636
Food service	-	28,520	90,954	90,954	(62,434)
<b>Total current</b>	11,000,000	54,666,139	27,092,760	27,160,899	27,505,240
<b>Total expenditures</b>	11,000,000	54,666,139	27,092,760	27,160,899	27,505,240
Excess (deficiency) of revenues over expenditure	-	200,142	196	(67,943)	(268,085)
Net change in fund balance	\$ -	\$ 200,142	196	\$ (67,943)	\$ (268,085)
<b>Fund balance - beginning</b>			2,638		
<b>Fund balance - ending</b>			\$ 2,834		

# Fairbanks North Star Borough School District

**Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)**  
**Public Employees' Retirement System (PERS)**  
**Defined Benefit Pension Plan**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>District's proportion of the net pension liability (asset)</b>	<b>District's proportionate share of the net pension liability (asset)</b>	<b>State of Alaska's proportionate share of the net pension liability (asset)</b>	<b>Total net pension liability (asset)</b>	<b>District's covered payroll</b>	<b>District's proportionate share of the net pension liability as a percentage of its covered payroll</b>	<b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>
2015	0.83535%	\$ 38,961,973	\$ 34,637,437	\$ 73,599,410	\$ 22,799,065	170.89%	62.37%
2016	1.59763%	77,485,110	20,753,489	98,238,599	21,055,300	368.01%	63.96%
2017	1.46640%	81,965,649	10,328,585	92,294,234	19,703,788	415.99%	59.55%
2018	1.15616%	59,766,961	22,267,660	82,034,621	18,026,510	331.55%	63.37%
2019	1.24569%	61,898,825	17,928,534	79,827,359	16,068,624	385.22%	65.19%
2020	1.15680%	63,325,850	25,142,649	88,468,499	14,295,690	442.97%	63.42%
2021	1.18675%	70,032,235	28,978,856	99,011,091	14,364,419	487.54%	61.61%
2022	1.43351%	52,588,281	7,123,584	59,711,865	12,683,306	414.63%	76.46%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

## Schedule of the School District's Pension Contributions Public Employees' Retirement System (PERS) Defined Benefit Pension Plan Last Ten Fiscal Years

Fiscal Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2015	\$ 3,512,945	\$ 3,512,945	\$ -	\$ 21,055,300	16.68%
2016	3,576,532	3,576,532	-	19,703,788	18.15%
2017	3,967,085	3,967,085	-	18,026,510	22.01%
2018	4,376,828	4,410,368	(33,540)	16,068,624	27.45%
2019	4,159,194	4,177,930	(18,736)	14,295,690	29.23%
2020	4,029,891	4,003,266	26,625	14,364,419	27.87%
2021	4,501,740	4,586,431	(84,691)	12,683,306	36.16%
2022	4,596,702	4,588,036	8,666	10,800,693	42.48%

\* Information for previous years is not available



# Fairbanks North Star Borough School District

**Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)**  
**Teachers' Retirement System (TRS)**  
**Defined Benefit Pension Plan**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>District's proportion of the net pension liability (asset)</b>	<b>District's proportionate share of the net pension liability (asset)</b>	<b>State of Alaska's proportionate share of the net pension liability (asset)</b>	<b>Total net pension liability (asset)</b>	<b>District's covered payroll</b>	<b>District's proportionate share of the net pension liability as a percentage of its covered payroll</b>	<b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>
2015	1.58672%	\$ 47,586,729	\$ 249,903,789	\$ 297,490,518	\$ 54,739,191	86.93%	55.70%
2015	3.90081%	72,572,580	115,994,452	188,567,032	52,103,588	139.29%	73.82%
2016	4.60671%	105,186,990	125,022,680	230,209,670	49,079,783	214.32%	68.40%
2017	3.55078%	71,960,606	125,588,693	197,549,299	46,120,887	156.03%	72.39%
2018	3.88135%	74,301,775	110,464,440	184,766,215	43,588,853	170.46%	74.09%
2019	4.00383%	74,813,286	110,957,378	185,770,664	40,023,497	186.92%	74.68%
2020	3.76323%	76,510,866	132,771,021	209,281,887	38,468,607	198.89%	72.81%
2021	5.37004%	42,744,059	36,273,616	79,017,675	34,577,440	123.62%	89.43%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

## Schedule of the School District's Pension Contributions Teachers' Retirement System (TRS) Defined Benefit Pension Plan Last Ten Fiscal Years

Fiscal Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2015	\$ 3,882,614	\$ 3,882,614	\$ -	\$ 52,103,588	7.45%
2016	3,589,818	3,589,818	-	49,079,783	7.31%
2017	3,815,829	3,815,829	-	46,120,887	8.27%
2018	4,004,840	4,017,542	(12,702)	43,588,853	9.22%
2019	3,742,806	3,731,294	11,512	40,023,497	9.32%
2020	3,426,561	3,449,079	(22,518)	38,468,607	8.97%
2021	2,788,813	2,904,889	(116,076)	34,577,440	8.40%
2022	2,779,981	2,690,549	89,432	30,760,983	8.75%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

## Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset) Public Employees' Retirement System (PERS) Defined Benefit OPEB Plan Last Ten Fiscal Years

Fiscal Year	District's proportion of the net pension liability (asset)	District's proportionate share of the net pension liability (asset)	State of Alaska's proportionate share of the net pension liability (asset)	Total net pension liability (asset)	District's covered payroll	District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
<b>Alaska Retiree Health Care Trust (ARHCT)</b>							
2018	1.56320%	\$ 9,768,118	\$ 3,641,238	\$ 13,409,356	\$ 18,026,510	54.19%	89.68%
2019	1.24544%	12,781,758	3,710,299	16,492,057	16,068,624	79.54%	88.12%
2020	1.15670%	1,716,352	682,338	2,398,690	14,295,690	12.01%	98.13%
2021	1.18630%	(5,372,164)	(2,228,848)	(7,601,012)	14,364,419	-37.40%	106.15%
2022	1.43952%	(36,928,906)	(4,838,553)	(41,767,459)	12,683,306	-291.16%	135.54%
<b>Retiree Medical</b>							
2018	1.68907%	\$ 88,085	\$ -	\$ 88,085	\$ 17,551,339	0.50%	93.98%
2019	1.73060%	220,218	-	220,218	19,398,257	1.14%	88.71%
2020	1.79278%	428,906	-	428,906	29,666,590	1.45%	83.17%
2021	1.75816%	124,706	-	124,706	23,992,511	0.52%	95.23%
2022	1.70705%	(458,207)	-	(458,207)	24,463,917	-1.87%	115.10%
<b>Occupational Death and Disability</b>							
2018	1.68907%	\$ (239,662)	\$ -	\$ (239,662)	\$ 17,551,339	-1.37%	212.97%
2019	1.73060%	(336,116)	-	(336,116)	19,398,257	-1.73%	270.62%
2020	1.42501%	(345,494)	-	(345,494)	29,666,590	-1.16%	297.43%
2021	1.40918%	(384,143)	-	(384,143)	23,992,511	-1.60%	283.80%
2022	1.44970%	(638,928)	-	(638,928)	24,463,917	-2.61%	374.22%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

## Schedule of the School District's OPEB Contributions Public Employees' Retirement System (PERS) Defined Benefit OPEB Plan Last Ten Fiscal Years

Fiscal Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
<b>Alaska Retiree Health Care Trust (ARHCT)</b>					
2019	\$ 1,486,989	\$ 1,486,989	\$ -	\$ 14,295,690	10.40%
2020	1,609,542	1,609,542	-	14,364,419	11.21%
2021	942,712	942,712	-	12,683,306	7.43%
2022	697,828	697,828	-	10,800,693	6.46%
<b>Retiree Medical</b>					
2019	\$ 210,389	\$ 210,389	\$ -	\$ 29,666,590	0.71%
2020	313,622	313,622	-	23,992,511	1.31%
2021	316,817	316,817	-	24,463,917	1.30%
2022	284,083	284,083	-	26,516,501	1.07%
<b>Occupational Death and Disability</b>					
2019	\$ 58,182	\$ 58,182	\$ -	\$ 29,666,590	0.20%
2020	61,796	61,796	-	23,992,511	0.26%
2021	77,326	77,326	-	24,463,917	0.32%
2022	82,273	82,273	-	26,516,501	0.31%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

**Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)**  
**Teachers' Retirement System (TRS)**  
**Defined Benefit OPEB Plan**  
**Last Ten Fiscal Years**

Fiscal Year	District's proportion of the net pension liability (asset)	District's proportionate share of the net pension liability (asset)	State of Alaska's proportionate share of the net pension liability (asset)	Total net pension liability (asset)	District's covered payroll	District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
<b>Alaska Retiree Health Care Trust (ARHCT)</b>							
2018	3.53977%	\$ 6,510,802	\$ 11,418,299	\$ 17,929,101	\$ 46,120,887	14.12%	93.75%
2019	3.87239%	12,040,777	17,968,742	30,009,519	43,588,853	27.62%	90.23%
2020	3.99596%	-	(9,086,472)	(9,086,472)	40,023,497	0.00%	105.50%
2021	3.75268%	(13,424,971)	(23,399,450)	(36,824,421)	38,468,607	-34.90%	113.78%
2022	5.58124%	(64,892,038)	(50,529,398)	(115,421,436)	34,577,440	-187.67%	145.41%
<b>Retiree Medical</b>							
2018	8.59184%	\$ (407,256)	\$ -	\$ (407,256)	\$ 28,837,859	-1.41%	118.16%
2019	8.66246%	(277,026)	-	(277,026)	31,145,862	-0.89%	109.56%
2020	8.81154%	(338,011)	-	(338,011)	32,944,783	-1.03%	110.03%
2021	9.03644%	(891,445)	-	(891,445)	36,948,655	-2.41%	125.59%
2022	9.12255%	(1,831,808)	-	(1,831,808)	41,361,256	-4.43%	142.54%
<b>Occupational Death and Disability</b>							
2018	8.59184%	\$ (280,781)	\$ -	\$ (280,781)	\$ 28,837,859	-0.97%	1342.59%
2019	8.66246%	(303,706)	-	(303,706)	31,145,862	-0.98%	1304.81%
2020	8.81797%	(354,571)	-	(354,571)	32,944,783	-1.08%	1409.77%
2021	9.00318%	(387,587)	-	(387,587)	36,948,655	-1.05%	931.08%
2022	9.14138%	(557,167)	-	(557,167)	41,361,256	-1.35%	1254.36%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

## Schedule of the School District's OPEB Contributions Teachers' Retirement System (TRS) Defined Benefit OPEB Plan Last Ten Fiscal Years

Fiscal Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
<b>Alaska Retiree Health Care Trust (ARHCT)</b>					
2018	\$ 1,983,461	\$ 1,983,461	\$ -	\$ 43,588,853	4.55%
2019	1,813,732	1,813,732	-	40,023,497	4.53%
2020	1,932,510	1,932,510	-	38,468,607	5.02%
2021	2,393,393	2,393,393	-	34,577,440	6.92%
2022	1,995,868	1,995,868	-	30,760,983	6.49%
<b>Retiree Medical</b>					
2018	\$ 283,341	\$ 283,341	\$ -	\$ 31,145,862	0.91%
2019	271,832	271,832	-	32,944,783	0.83%
2020	403,145	403,145	-	36,948,655	1.09%
2021	384,658	384,658	-	41,361,256	0.93%
2022	348,497	348,497	-	41,987,368	0.83%
<b>Occupational Death and Disability</b>					
2018	\$ -	\$ -	\$ -	\$ 31,145,862	0.00%
2019	27,525	27,525	-	32,944,783	0.08%
2020	29,578	29,578	-	36,948,655	0.08%
2021	33,091	33,091	-	41,361,256	0.08%
2022	33,592	33,592	-	41,987,368	0.08%

\* Information for previous years is not available

# Fairbanks North Star Borough School District

## Notes to the Required Supplementary Information June 30, 2022

### Note 1: Budgetary Comparison Schedules

#### General Budget Policies

The District follows these procedures for adoption of the budget for the general fund and special revenue funds:

1. Approval by the Fairbanks North Star Borough School District Board of Education (Board of Education), with community input.
2. Submission to the Fairbanks North Star Borough Assembly (Borough Assembly) for approval of the total budget and appropriation of the local contribution. The deadline for submitting the budget to the Borough Assembly is May 1, in accordance with Alaska Statute section 14.14.060(c) Compiled School Laws. Borough ordinance 7.12.020 however, requires the Board of Education to submit their formally adopted budget to the Borough Assembly by April 1 of each year. The Borough Assembly must furnish the Board of Education with a statement of the local appropriation not more than thirty days after the date on which it first receives the education budget. After the Borough Assembly has set the local appropriation, the Board of Education will again review the budget to make any changes necessitated by the Assembly's action. An opportunity for a public hearing on proposed changes will be provided and at least 24 hours' notice will be given of the meeting at which action is proposed.
3. Submission to the Commissioner of the State of Alaska, Department of Education and Early Development by July 15, in accordance with Alaska Statute section 14.07.170(2) Compiled School Laws.

The original adopted budget for the year ended June 30, 2022, was prepared on the "program" level of budgetary control for information purposes. The budget in these financial statements was approved by the Board of Education by fund and function to comply with the *Alaska Department of Education and Early Development Uniform Chart of Accounts and Account Code Descriptions for Public School Districts*, (2018 edition).

Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, and capital project funds. An annual budget is legally adopted for the general fund. Annual budgets are legally adopted for all special revenue funds except the School Activity special revenue fund. Capital projects are controlled through project budgets. Adopted project budgets provide authorization to complete projects that extend beyond one fiscal year. Multi-fiscal year projects are controlled by comparing project-to-date expenditures with project budgets. Differences in accounting for encumbrances, as described later, exist between the basis of accounting used for budgetary purposes and that used for reporting in accordance with U.S. generally accepted accounting principles (GAAP).

The objective of the School District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. Transfers between programs in excess of \$100,000 are authorized by the Board of Education. Therefore, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the object level. All other transfers are authorized by the superintendent and reported monthly to the Board of Education.

#### Encumbrances

For budgetary purposes, annual appropriations lapse at year-end, except for that portion related to encumbered amounts. District policy requires recording of an encumbrance as a charge against appropriation in the accounting period in which a purchase order is issued, rather than in the accounting period when goods or services are received as required by generally accepted accounting principles (GAAP). Encumbrances outstanding at year-end are reported as assigned fund balance in the general fund only. All other encumbrances are disclosed in the notes to the basic financial statements. All encumbrances are automatically carried forward to the new fiscal year budget. Appropriations for those capital projects funds with project budgets do not lapse until the purpose of the appropriation has been accomplished.

# Fairbanks North Star Borough School District

## Notes to the Required Supplementary Information (continued) June 30, 2022

### Basis of Budgeting

Because such encumbrances constitute the equivalent of expenditures for budgetary purposes, the accompanying schedules present comparisons of actual results to the annual budgets of the governmental funds on the basis of budgeting. Adjustments to convert actual expenditures to the basis of budgeting are reflected in the *actual on budgetary basis* column in the accompanying Budget (Non-GAAP Basis) and Actual Comparison Schedules for each major fund. The adjustment includes the addition for current year encumbrances and the deduction for expenditures on prior year encumbrances. The same adjustment is reflected in the revenue portion of those special revenue funds where State and Federal grant

revenues are considered unearned until actual expenditures are incurred. The *original budget* column is that adopted by the School Board in its annual appropriation. The final budget column combines the *original budget* column, a deduction for expenditures on prior year encumbrances, and budget amendments made during the current fiscal year.

The following schedule reconciles revenues and expenditures on the *Statement of Revenues, Expenditures and Changes in Fund Balances* to revenues and expenditures on the *Budget (Non-GAAP Basis) and Actual Comparison Schedules* for each major governmental fund that has a legally adopted budget.

	General Fund	Student Transportation Special Revenue	Federal Programs Special Revenue
Revenues reported on the basis of budgeting	\$ 187,037,163	\$ 10,397,426	\$ 27,092,956
Basis difference	-	-	-
Revenues reported on the basis of GAAP	\$ 187,037,163	\$ 10,397,426	\$ 27,092,956
Expenditures reported on the basis of budgeting	\$ 188,852,043	\$ 13,218,367	\$ 27,160,899
Add expenditures on prior year encumbrances	566,583	368,657	201,853
Deduct current year encumbrances	(614,275)	(4,255,141)	(269,992)
Expenditures reported on the basis of GAAP	\$ 188,804,351	\$ 9,331,883	\$ 27,092,760

### Note 2: Changes in Benefit Terms

There were no changes in benefit terms from the prior measurement period.

### Note 3: Changes in Assumptions, Methods, and Benefits Since the Prior Valuation

#### Defined Benefit Pension and Postemployment Healthcare Benefit Plan

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

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

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

- Healthcare claim costs are updated annually.
- For PERS Retired member contributions were updated to reflect the 5% decrease from CY20 to CY21. The amounts included in the normal cost for administrative expenses were changed from \$7,223,000 to \$7,625,000 for pension,



Fairbanks North Star Borough School District

Notes to the Required Supplementary Information (continued)  
June 30, 2022

and from \$4,934,000 to \$5,531,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets).

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

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

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

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

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

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

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

- Healthcare claim costs are updated annually.
- For PERS the amounts included in the normal cost for administrative expenses were changed from \$1,000 to \$16,000 for occupational death and disability, and from \$20,000 to \$24,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets).
- The TRS amounts included in the normal cost for administrative expenses were changed from \$0 to \$5,000 for occupational death and disability, and from \$8,000 to \$22,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets).
- There were no other changes in actuarial assumptions since the prior valuation.

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

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

# Financial Section

## Combining and Individual Fund Statements and Schedules





# Financial Section

## General Fund

To account for resources traditionally associated with districts which are not required to be accounted for in another fund.





# Fairbanks North Star Borough School District

**General (School Operating) Fund**  
**Balance Sheet**  
**June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 512,137	\$ 4,731,457
Accounts receivable	272,556	404,902
Due from other funds	9,266,113	6,591,889
Due from Fairbanks North Star Borough	5,686	3,253
Inventories	618,560	682,127
Prepaid items	298,482	334,038
<b>Total assets</b>	<b>\$ 10,973,534</b>	<b>\$ 12,747,666</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 526,304	\$ 800,442
Accrued payroll and liabilities	1,413,187	1,143,682
Due to external groups and agencies	17,275	19,612
<b>Total liabilities</b>	<b>1,956,766</b>	<b>1,963,736</b>
<b>Fund balance</b>		
Nonspendable	917,042	1,016,165
Restricted	356,230	257,635
Assigned	7,743,496	9,510,130
<b>Total fund balance</b>	<b>9,016,768</b>	<b>10,783,930</b>
<b>Total liabilities and fund balance</b>	<b>\$ 10,973,534</b>	<b>\$ 12,747,666</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	Restated 2021
<b>Revenues:</b>		
Local sources:		
Borough appropriation	\$ 50,736,152	\$ 49,045,400
E-rate revenue	400,256	485,750
Other local revenue	579,329	498,745
Tuition from students	-	5,728
<b>Total local sources</b>	<b>51,715,737</b>	<b>50,035,623</b>
State sources:		
Foundation program	106,221,195	107,298,740
QSI grant	393,551	395,285
TRS on-behalf	12,641,248	12,790,046
PERS on-behalf	3,048,450	3,274,011
On-base schools	1,450,000	1,450,000
Other state revenue	179,375	183,389
<b>Total state sources</b>	<b>123,933,819</b>	<b>125,391,471</b>
Federal sources:		
Direct	346,831	377,881
Medicaid revenue	98,619	96,590
Other federal revenue	1,199,000	680,000
Through the State of Alaska	9,743,157	15,530,402
<b>Total federal sources</b>	<b>11,387,607</b>	<b>16,684,873</b>
<b>Total revenues</b>	<b>187,037,163</b>	<b>192,111,967</b>
<b>Expenditures:</b>		
Instruction:		
Certificated salaries	43,281,513	51,115,770
Non-certificated salaries	4,364,135	3,312,056
Employee benefits	28,541,330	32,800,865
Professional and technical services	1,359,211	788,002
Staff travel	9,366	3,159
Student travel	96,550	6,103
Utility services	59,451	88,501
Other purchased services	282,125	176,842
Supplies, materials and media	3,793,360	4,259,928
Tuition and stipends	233,881	217,396
Other expenses	6,980	16,985
Capital outlay	7,469	-
<b>Total instruction</b>	<b>82,035,371</b>	<b>92,785,607</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	Restated 2021
Special education instruction:		
Certificated salaries	\$ 8,420,399	\$ 8,378,881
Non-certificated salaries	4,756,180	5,735,993
Employee benefits	8,466,851	8,820,245
Professional and technical services	1,680,260	1,895,000
Staff travel	431	-
Student travel	1,946	1,022
Utility services	5,473	7,108
Other purchased services	13,330	15,276
Supplies, materials and media	165,166	172,134
Tuition and stipends	140,243	255,069
Capital outlay	5,996	-
<b>Total special education instruction</b>	<b>23,656,275</b>	<b>25,280,728</b>
Special education support services - students:		
Certificated salaries	3,893,862	3,993,595
Non-certificated salaries	979,343	1,019,549
Employee benefits	3,001,882	3,086,014
Professional and technical services	596,796	508,518
Staff travel	30,197	12,204
Student travel	97	-
Other purchased services	1,485	168
Supplies, materials and media	111,926	75,414
Other expenses	3,138	1,200
<b>Total special education support services - students</b>	<b>8,618,726</b>	<b>8,696,662</b>
Support services - students:		
Certificated salaries	3,515,191	3,907,695
Non-certificated salaries	3,931,710	3,787,593
Employee benefits	4,997,417	5,151,399
Professional and technical services	83,119	145,780
Staff travel	11,095	1,436
Student travel	18,882	-
Utility services	319	-
Other purchased services	24,544	87,885
Supplies, materials and media	118,776	567,551
Other expenses	-	1,466
<b>Total support services - students</b>	<b>12,701,053</b>	<b>13,650,805</b>

See accompanying notes to the basic financial statements

continued



# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	Restated 2021
Support services - instruction:		
Certificated salaries	\$ 1,525,316	\$ 1,475,773
Non-certificated salaries	2,377,871	2,444,071
Employee benefits	2,952,854	2,636,030
Professional and technical services	434,471	565,838
Staff travel	56,121	10,655
Utility services	150	10,605
Other purchased services	3,594	3,485
Supplies, materials and media	1,121,675	866,842
Other expenses	2,241	1,659
<b>Total support services - instruction</b>	<b>8,474,293</b>	<b>8,014,958</b>
Support services - technology:		
Utility services	771,153	647,551
Supplies, materials and media	8,339	-
<b>Total support services - technology</b>	<b>779,492</b>	<b>647,551</b>
School administration:		
Certificated salaries	5,277,144	5,196,564
Non-certificated salaries	86,185	12,553
Employee benefits	3,256,640	3,158,420
Professional and technical services	4,296	3,403
Staff travel	7,571	15
Supplies, materials and media	416	1,037
Other expenses	26,825	26,447
<b>Total school administration</b>	<b>8,659,077</b>	<b>8,398,439</b>
School administration support services:		
Non-certificated salaries	3,392,661	3,278,054
Employee benefits	2,252,525	2,189,824
Professional and technical services	2,131	5,407
Student travel	446	20
Utility services	44,028	47,971
Other purchased services	48,786	2,793
Supplies, materials and media	109,529	143,761
Other expenses	-	1,709
<b>Total school administration support services</b>	<b>5,850,106</b>	<b>5,669,539</b>

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	Restated 2021
District administration:		
Certificated salaries	\$ 519,923	\$ 488,919
Non-certificated salaries	973,777	929,040
Employee benefits	898,273	881,217
Professional and technical services	220,632	212,426
Staff travel	11,646	379
Utility services	549	532
Other purchased services	32,759	40,544
Supplies, materials and media	92,657	15,272
Other expenses	70,948	78,285
<b>Total district administration</b>	<b>2,821,164</b>	<b>2,646,614</b>
District administration support services:		
Certificated salaries	57,775	61,193
Non-certificated salaries	4,361,297	4,493,124
Employee benefits	2,833,342	3,126,814
Professional and technical services	1,693,865	804,735
Staff travel	18,624	1,512
Utility services	69,021	98,398
Other purchased services	105,716	95,387
Insurance and bond premiums	2,139,517	1,268,695
Supplies, materials and media	210,198	446,970
Other expenses	56,779	209,062
Indirect costs	(1,138,530)	(850,950)
Capital outlay	-	10,469
<b>Total district administration support services</b>	<b>10,407,604</b>	<b>9,765,409</b>
Operations and maintenance of plant:		
Non-certificated salaries	6,974,064	8,125,279
Employee benefits	4,686,985	5,492,762
Professional and technical services	38,026	35,768
Staff travel	12,304	1,871
Utility services	961,825	618,251
Energy	6,101,576	5,135,532
Other purchased services	302,766	24,201,009
Insurance and bond premiums	614,493	563,068
Supplies, materials and media	1,270,995	1,594,610
Other expenses	1,477	2,896
Capital outlay	83,500	147,295
<b>Total operations and maintenance of plant</b>	<b>21,048,011</b>	<b>45,918,341</b>

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	Restated 2021
Student activities:		
Certificated salaries	\$ 487,782	\$ 554,203
Non-certificated salaries	323,190	390,504
Employee benefits	245,610	327,314
Professional and technical services	154,649	117,085
Staff travel	6,466	2,290
Student travel	118,907	45,936
Other purchased services	89,994	153,175
Supplies, materials and media	53,531	77,856
Other expenses	64,771	64,178
<b>Total student activities</b>	<b>1,544,900</b>	<b>1,732,541</b>
Debt service:		
Interest	1,106,041	857,424
Principal	1,102,238	1,370,313
<b>Total debt service</b>	<b>2,208,279</b>	<b>2,227,737</b>
<b>Total expenditures</b>	<b>188,804,351</b>	<b>225,434,931</b>
Excess (deficiency) of revenues over expenditures	(1,767,188)	(33,322,964)
<b>Other financing sources (uses):</b>		
Lease liabilities issued	-	23,765,997
Proceeds from sale of capital assets	26	45
Transfers out	-	(694,409)
<b>Total other financing sources (uses)</b>	<b>26</b>	<b>23,071,633</b>
Net change in fund balance	(1,767,162)	(10,251,331)
<b>Fund balance - beginning</b>	<b>10,783,930</b>	<b>21,035,261</b>
<b>Fund balance - ending</b>	<b>\$ 9,016,768</b>	<b>\$ 10,783,930</b>

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Local sources:				
Borough appropriation	\$ 49,445,400	\$ 50,736,152	\$ 50,736,152	\$ 1,290,752
E-rate revenue	425,000	400,256	400,256	(24,744)
Other local revenue	707,000	579,329	579,329	(127,671)
Tuition from students	25,000	-	-	(25,000)
<b>Total local sources</b>	<b>50,602,400</b>	<b>51,715,737</b>	<b>51,715,737</b>	<b>1,113,337</b>
State sources:				
Foundation program	106,221,531	106,221,195	106,221,195	(336)
QSI grant	393,550	393,551	393,551	1
TRS on-behalf	12,652,306	12,641,248	12,641,248	(11,058)
PERS on-behalf	2,732,100	3,048,450	3,048,450	316,350
On-base schools	1,450,000	1,450,000	1,450,000	-
Other state revenue	185,000	179,375	179,375	(5,625)
<b>Total state sources</b>	<b>123,634,487</b>	<b>123,933,819</b>	<b>123,933,819</b>	<b>299,332</b>
Federal sources:				
Direct	304,560	346,831	346,831	42,271
Medicaid revenue	450,000	98,619	98,619	(351,381)
Other federal revenue	-	1,199,000	1,199,000	1,199,000
Through the State of Alaska	16,167,206	9,743,157	9,743,157	(6,424,049)
<b>Total federal sources</b>	<b>16,921,766</b>	<b>11,387,607</b>	<b>11,387,607</b>	<b>(5,534,159)</b>
<b>Total revenues</b>	<b>191,158,653</b>	<b>187,037,163</b>	<b>187,037,163</b>	<b>(4,121,490)</b>
<b>Expenditures:</b>				
Instruction:				
Certificated salaries	43,216,772	43,281,513	43,281,513	(64,741)
Non-certificated salaries	4,288,106	4,364,135	4,364,135	(76,029)
Employee benefits	29,583,699	28,541,330	28,541,330	1,042,369
Professional and technical services	696,784	1,359,211	1,359,211	(662,427)
Staff travel	20,075	9,366	9,366	10,709
Student travel	77,859	96,550	96,550	(18,691)
Utility services	12,000	59,451	59,451	(47,451)
Other purchased services	383,466	282,125	311,429	72,037
Supplies, materials and media	3,554,859	3,793,360	3,413,936	140,923
Tuition and stipends	200,000	233,881	233,881	(33,881)
Other expenses	20,200	6,980	6,980	13,220
Capital outlay	8,715	7,469	-	8,715
<b>Total instruction</b>	<b>82,062,535</b>	<b>82,035,371</b>	<b>81,677,782</b>	<b>384,753</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
Special education instruction:				
Certificated salaries	\$ 8,288,462	\$ 8,420,399	\$ 8,420,399	\$ (131,937)
Non-certificated salaries	5,221,158	4,756,180	4,756,180	464,978
Employee benefits	8,760,024	8,466,851	8,466,851	293,173
Professional and technical services	1,680,361	1,680,260	1,680,260	101
Staff travel	700	431	431	269
Student travel	3,389	1,946	1,946	1,443
Utility services	5,992	5,473	5,473	519
Other purchased services	319,584	13,330	13,330	306,254
Supplies, materials and media	186,491	165,166	163,474	23,017
Tuition and stipends	203,326	140,243	140,627	62,699
Capital outlay	5,996	5,996	5,996	-
Total special education instruction	24,675,483	23,656,275	23,654,967	1,020,516
Special education support services - students:				
Certificated salaries	3,822,663	3,893,862	3,893,862	(71,199)
Non-certificated salaries	1,096,090	979,343	979,343	116,747
Employee benefits	3,279,881	3,001,882	3,001,882	277,999
Professional and technical services	642,136	596,796	609,451	32,685
Staff travel	40,879	30,197	30,197	10,682
Student travel	100	97	97	3
Other purchased services	1,530	1,485	1,485	45
Supplies, materials and media	114,215	111,926	108,653	5,562
Other expenses	3,494	3,138	3,138	356
Total special education support services - students	9,000,988	8,618,726	8,628,108	372,880
Support services - students:				
Certificated salaries	3,813,412	3,515,191	3,515,191	298,221
Non-certificated salaries	4,533,000	3,931,710	3,931,710	601,290
Employee benefits	5,620,258	4,997,417	4,997,417	622,841
Professional and technical services	191,521	83,119	94,615	96,906
Staff travel	10,682	11,095	11,095	(413)
Student travel	33,586	18,882	26,617	6,969
Utility services	-	319	319	(319)
Other purchased services	96,990	24,544	24,544	72,446
Supplies, materials and media	179,425	118,776	128,376	51,049
Other expenses	3,120	-	-	3,120
Total support services - students	14,481,994	12,701,053	12,729,884	1,752,110

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
Support services - instruction:				
Certificated salaries	\$ 1,662,608	\$ 1,525,316	\$ 1,525,316	\$ 137,292
Non-certificated salaries	2,447,924	2,377,871	2,377,871	70,053
Employee benefits	2,711,234	2,952,854	2,952,854	(241,620)
Professional and technical services	671,718	434,471	448,951	222,767
Staff travel	93,155	56,121	56,121	37,034
Utility services	102,720	150	150	102,570
Other purchased services	6,324	3,594	3,594	2,730
Supplies, materials and media	970,627	1,121,675	1,119,905	(149,278)
Other expenses	2,397	2,241	2,241	156
Total support services - instruction	8,668,707	8,474,293	8,487,003	181,704
Support services - technology:				
Utility services	728,777	771,153	771,153	(42,376)
Supplies, materials and media	-	8,339	-	-
Total support services - technology	728,777	779,492	771,153	(42,376)
School administration:				
Certificated salaries	5,149,275	5,277,144	5,277,144	(127,869)
Non-certificated salaries	-	86,185	86,185	(86,185)
Employee benefits	3,305,444	3,256,640	3,256,640	48,804
Professional and technical services	-	4,296	4,296	(4,296)
Staff travel	60,720	7,571	7,571	53,149
Supplies, materials and media	850	416	416	434
Other expenses	27,572	26,825	26,825	747
Total school administration	8,543,861	8,659,077	8,659,077	(115,216)
School administration support services:				
Non-certificated salaries	3,522,251	3,392,661	3,392,661	129,590
Employee benefits	2,410,968	2,252,525	2,252,525	158,443
Professional and technical services	2,311	2,131	2,131	180
Staff travel	1,180	-	-	1,180
Student travel	27	446	446	(419)
Utility services	8,475	44,028	44,028	(35,553)
Other purchased services	9,570	48,786	48,786	(39,216)
Supplies, materials and media	125,269	109,529	129,567	(4,298)
Other expenses	2,100	-	-	2,100
Total school administration support services	6,082,151	5,850,106	5,870,144	212,007

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
District administration:				
Certificated salaries	\$ 478,224	\$ 519,923	\$ 519,923	\$ (41,699)
Non-certificated salaries	1,028,776	973,777	973,777	54,999
Employee benefits	960,775	898,273	898,273	62,502
Professional and technical services	168,637	220,632	225,150	(56,513)
Staff travel	33,809	11,646	11,646	22,163
Utility services	-	549	549	(549)
Other purchased services	34,537	32,759	32,538	1,999
Supplies, materials and media	22,104	92,657	82,850	(60,746)
Other expenses	29,911	70,948	70,948	(41,037)
Total district administration	2,756,773	2,821,164	2,815,654	(58,881)
District administration support services:				
Certificated salaries	50,811	57,775	57,775	(6,964)
Non-certificated salaries	4,685,953	4,361,297	4,361,297	324,656
Employee benefits	3,261,997	2,833,342	2,833,610	428,387
Professional and technical services	1,201,178	1,693,865	1,735,886	(534,708)
Staff travel	25,322	18,624	18,624	6,698
Utility services	7,134	69,021	70,364	(63,230)
Other purchased services	280,181	105,716	105,329	174,852
Insurance and bond premiums	1,069,702	2,139,517	2,139,517	(1,069,815)
Supplies, materials and media	194,330	210,198	234,678	(40,348)
Other expenses	35,430	56,779	56,779	(21,349)
Indirect costs	(663,533)	(1,138,530)	(1,138,530)	474,997
Total district administration support services	10,148,505	10,407,604	10,475,329	(326,824)
Operations and maintenance of plant:				
Non-certificated salaries	7,535,964	6,974,064	6,974,064	561,900
Employee benefits	5,148,863	4,686,985	4,686,985	461,878
Professional and technical services	29,900	38,026	38,616	(8,716)
Staff travel	2,500	12,304	17,264	(14,764)
Utility services	810,960	961,825	961,825	(150,865)
Energy	5,197,692	6,101,576	6,101,576	(903,884)
Other purchased services	2,429,536	302,766	316,166	2,113,370
Insurance and bond premiums	454,957	614,493	614,493	(159,536)
Supplies, materials and media	1,202,062	1,270,995	1,298,127	(96,065)
Other expenses	2,500	1,477	1,477	1,023
Capital outlay	60,000	83,500	323,500	(263,500)
Total operations and maintenance of plant	22,874,934	21,048,011	21,334,093	1,540,841

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## General (School Operating) Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
Student activities:				
Certificated salaries	\$ 594,819	\$ 487,782	\$ 487,782	\$ 107,037
Non-certificated salaries	199,974	323,190	323,190	(123,216)
Employee benefits	276,335	245,610	245,610	30,725
Professional and technical services	132,195	154,649	150,149	(17,954)
Staff travel	12,249	6,466	6,466	5,783
Student travel	135,746	118,907	118,907	16,839
Other purchased services	133,408	89,994	88,494	44,914
Supplies, materials and media	133,237	53,531	55,804	77,433
Other expenses	68,273	64,771	64,168	4,105
<b>Total student activities</b>	<b>1,686,236</b>	<b>1,544,900</b>	<b>1,540,570</b>	<b>145,666</b>
Debt service:				
Interest	-	1,106,041	1,106,041	(1,106,041)
Principal	-	1,102,238	1,102,238	(1,102,238)
<b>Total debt service</b>	<b>-</b>	<b>2,208,279</b>	<b>2,208,279</b>	<b>(2,208,279)</b>
<b>Total expenditures</b>	<b>191,710,944</b>	<b>188,804,351</b>	<b>188,852,043</b>	<b>2,858,901</b>
Excess (deficiency) of revenues over expenditures	(552,291)	(1,767,188)	(1,814,880)	(1,262,589)
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	-	26	26	26
Transfers out	(463,553)	-	-	463,553
<b>Total other financing sources (uses)</b>	<b>(463,553)</b>	<b>26</b>	<b>26</b>	<b>463,579</b>
Net change in fund balance	<u>\$ (1,015,844)</u>	<u>\$ (1,767,162)</u>	<u>\$ (1,814,854)</u>	<u>\$ (799,010)</u>
<b>Fund balance - beginning</b>		10,783,930		
<b>Fund balance - ending</b>		<u>\$ 9,016,768</u>		

See accompanying notes to the basic financial statements

continued



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# Financial Section

## Special Revenue Funds

**Student Transportation:** this program provides transportation for regular and special education students that are bused to school.

**Federal Programs:** accounts for programs that are funded by federal sources received directly from the federal government or passed through the State of Alaska.

**Food Service:** accounts for the operations of the School District's Student Nutrition program. Financing is provided by user fees and proceeds received under the National School Lunch and Breakfast programs.

**Local Programs:** accounts for transactions of programs funded by nonfederal and nonstate sources.

**State Programs:** accounts for programs that are funded by nonfederal State of Alaska sources.

**School Activities:** accounts for transactions of district controlled school activity programs. School activity funds are not budgeted and are non-lapsing.





# Fairbanks North Star Borough School District

## Student Transportation Special Revenue Fund Balance Sheet June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 5,040,591	\$ 4,157,866
<b>Total assets</b>	<b>\$ 5,040,591</b>	<b>\$ 4,157,866</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 256,764	\$ 439,582
<b>Total liabilities</b>	<b>256,764</b>	<b>439,582</b>
<b>Fund balance</b>		
Restricted	1,065,542	-
Assigned	3,718,285	3,718,284
<b>Total fund balance</b>	<b>4,783,827</b>	<b>3,718,284</b>
<b>Total liabilities and fund balance</b>	<b>\$ 5,040,591</b>	<b>\$ 4,157,866</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Student Transportation Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Revenues:</b>		
State sources	\$ 10,397,426	\$ 9,325,958
<b>Expenditures:</b>		
Student transportation - to and from school:		
Non-certificated salaries	197,579	184,740
Employee benefits	119,984	113,246
Student travel	41	-
Other purchased services	8,024,110	9,810,126
Supplies, materials and media	990,169	530,323
Total student transportation - to and from school	9,331,883	10,638,435
<b>Total expenditures</b>	9,331,883	10,638,435
Excess (deficiency) of revenues over expenditures	1,065,543	(1,312,477)
<b>Other financing sources (uses):</b>		
Transfers in	-	517,232
<b>Total other financing sources (uses)</b>	-	517,232
Net change in fund balance	1,065,543	(795,245)
<b>Fund balance - beginning</b>	3,718,284	4,513,529
<b>Fund balance - ending</b>	\$ 4,783,827	\$ 3,718,284

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Student Transportation Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
State sources	\$ 10,042,868	\$ 10,397,426	\$ 10,397,426	\$ 354,558
<b>Expenditures:</b>				
Student transportation - to and from school:				
Non-certificated salaries	193,347	197,579	197,579	(4,232)
Employee benefits	117,963	119,984	119,984	(2,021)
Professional and technical services	7,000	-	-	7,000
Student travel	-	41	41	(41)
Other purchased services	12,393,497	8,024,110	11,983,180	410,317
Supplies, materials and media	824,200	990,169	917,583	(93,383)
Total student transportation - to and from school	13,536,007	9,331,883	13,218,367	317,640
<b>Total expenditures</b>	13,536,007	9,331,883	13,218,367	317,640
Excess (deficiency) of revenues over expenditures	(3,493,139)	1,065,543	(2,820,941)	672,198
Net change in fund balance	<u>\$ (3,493,139)</u>	<u>\$ 1,065,543</u>	<u>\$ (2,820,941)</u>	<u>\$ 672,198</u>
<b>Fund balance - beginning</b>		3,718,284		
<b>Fund balance - ending</b>		<u>\$ 4,783,827</u>		

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**Federal Programs Special Revenue Fund**  
**Balance Sheet**  
**June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 3,197	\$ 2,639
Accounts receivable	9,528,260	5,181,871
<b>Total assets</b>	<b>\$ 9,531,457</b>	<b>\$ 5,184,510</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 410,871	\$ 81,122
Accrued payroll and liabilities	11,951	-
Due to other funds	9,105,269	5,100,750
Due to external groups and agencies	532	-
<b>Total liabilities</b>	<b>9,528,623</b>	<b>5,181,872</b>
<b>Fund balance</b>		
Restricted	2,834	2,638
<b>Total fund balance</b>	<b>2,834</b>	<b>2,638</b>
<b>Total liabilities and fund balance</b>	<b>\$ 9,531,457</b>	<b>\$ 5,184,510</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Federal Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Revenues:</b>		
Federal sources	\$ 27,092,956	\$ 15,880,115
<b>Expenditures:</b>		
Instruction:		
Certificated salaries	5,317,029	1,035,936
Non-certificated salaries	2,674,847	1,987,195
Employee benefits	3,963,790	1,538,400
Professional and technical services	185,587	313,146
Staff travel	59,269	3,388
Student travel	29,213	1,116
Utility services	3,461	103,633
Other purchased services	6,599	2,877
Supplies, materials and media	341,255	2,000,742
Tuition and stipends	60,570	23,810
Other expenses	5,274	1,618
Capital outlay	94,587	51,415
<b>Total instruction</b>	<b>12,741,481</b>	<b>7,063,276</b>
Special education instruction:		
Certificated salaries	1,462,559	930,733
Non-certificated salaries	1,563,167	1,189,865
Employee benefits	1,520,591	1,098,798
Professional and technical services	65,125	67,643
Staff travel	131,838	-
Supplies, materials and media	469,670	151,577
<b>Total special education instruction</b>	<b>5,212,950</b>	<b>3,438,616</b>
Support services - students:		
Certificated salaries	355,911	301,856
Non-certificated salaries	1,432,221	1,090,370
Employee benefits	842,628	630,551
Professional and technical services	613,987	375,128
Staff travel	84,866	2,080
Student travel	66,873	258
Utility services	1,086	-
Other purchased services	1,759	3,364
Supplies, materials and media	763,307	530,713
Other expenses	2,284	1,055
<b>Total support services - students</b>	<b>4,164,922</b>	<b>2,935,375</b>

See accompanying notes to the basic financial statements



# Fairbanks North Star Borough School District

## Federal Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	2021
Support services - instruction:		
Certificated salaries	\$ 461,104	\$ 582,409
Non-certificated salaries	332,643	280,739
Employee benefits	387,793	422,819
Professional and technical services	49,739	60,559
Staff travel	48,680	329
Other purchased services	5,243	143
Supplies, materials and media	13,427	21,459
Other expenses	8,590	8,653
Total support services - instruction	1,307,219	1,377,110
School administration:		
Certificated salaries	120,481	-
Employee benefits	55,136	-
Total school administration	175,617	-
School administration support services:		
Non-certificated salaries	46,259	1,200
Employee benefits	29,822	737
Total school administration support services	76,081	1,937
District administration support services:		
Non-certificated salaries	111,154	-
Employee benefits	68,044	-
Professional and technical services	125,350	-
Supplies, materials and media	300,713	-
Indirect costs	1,127,857	840,561
Capital outlay	103,379	-
Total district administration support services	1,836,497	840,561
Operations and maintenance of plant:		
Non-certificated salaries	664,215	25,427
Employee benefits	404,246	15,558
Supplies, materials and media	28,061	20,702
Capital outlay	-	109,318
Total operations and maintenance of plant	1,096,522	171,005
Student activities:		
Certificated salaries	193,821	-
Non-certificated salaries	75,744	-
Employee benefits	120,952	-
Total student activities	390,517	-

See accompanying notes to the basic financial statements

continued

## Fairbanks North Star Borough School District

**Federal Programs Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
Food service:		
Supplies, materials and media	\$ 75,688	\$ 39,642
Capital outlay	15,266	12,000
Total food service	90,954	51,642
<b>Total expenditures</b>	<b>27,092,760</b>	<b>15,879,522</b>
Excess (deficiency) of revenues over expenditures	196	593
Net change in fund balance	196	593
<b>Fund balance - beginning</b>	<b>2,638</b>	<b>2,045</b>
<b>Fund balance - ending</b>	<b>\$ 2,834</b>	<b>\$ 2,638</b>

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## Federal Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Federal sources	\$ 54,866,281	\$ 27,092,956	\$ 27,092,956	\$ (27,773,325)
<b>Total revenues</b>	<b>54,866,281</b>	<b>27,092,956</b>	<b>27,092,956</b>	<b>(27,773,325)</b>
<b>Expenditures:</b>				
Instruction:				
Certificated salaries	5,672,734	5,317,029	5,317,029	355,705
Non-certificated salaries	3,203,155	2,674,847	2,674,847	528,308
Employee benefits	4,710,759	3,963,790	3,963,790	746,969
Professional and technical services	418,075	185,587	169,177	248,898
Staff travel	65,918	59,269	59,269	6,649
Student travel	67,391	29,213	29,213	38,178
Utility services	3,461	3,461	3,461	-
Other purchased services	17,121	6,599	6,599	10,522
Supplies, materials and media	15,526,628	341,255	341,255	15,185,373
Tuition and stipends	61,799	60,570	60,570	1,229
Other expenses	6,897	5,274	5,274	1,623
Capital outlay	166,325	94,587	161,262	5,063
<b>Total instruction</b>	<b>29,920,263</b>	<b>12,741,481</b>	<b>12,791,746</b>	<b>17,128,517</b>
Special education instruction:				
Certificated salaries	1,692,498	1,462,559	1,462,559	229,939
Non-certificated salaries	2,370,553	1,563,167	1,563,167	807,386
Employee benefits	1,986,076	1,520,591	1,520,591	465,485
Professional and technical services	138,200	65,125	65,125	73,075
Staff travel	154,000	131,838	131,838	22,162
Student travel	10,000	-	-	10,000
Supplies, materials and media	1,282,094	469,670	469,670	812,424
<b>Total special education instruction</b>	<b>7,633,421</b>	<b>5,212,950</b>	<b>5,212,950</b>	<b>2,420,471</b>
Support services - students:				
Certificated salaries	496,128	355,911	355,911	140,217
Non-certificated salaries	2,083,001	1,432,221	1,432,221	650,780
Employee benefits	1,269,712	842,628	842,628	427,084
Professional and technical services	887,152	613,987	584,355	302,797
Staff travel	156,219	84,866	84,866	71,353
Student travel	94,754	66,873	90,186	4,568
Utility services	1,674	1,086	1,086	588
Other purchased services	8,500	1,759	1,759	6,741
Supplies, materials and media	4,910,256	763,307	787,500	4,122,756
Other expenses	6,180	2,284	2,284	3,896
<b>Total support services - students</b>	<b>9,913,576</b>	<b>4,164,922</b>	<b>4,182,796</b>	<b>5,730,780</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Federal Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
Support services - instruction:				
Certificated salaries	\$ 587,332	\$ 461,104	\$ 461,104	\$ 126,228
Non-certificated salaries	367,073	332,643	332,643	34,430
Employee benefits	480,085	387,793	387,793	92,292
Professional and technical services	100,523	49,739	49,739	50,784
Staff travel	90,780	48,680	48,680	42,100
Other purchased services	5,400	5,243	5,243	157
Supplies, materials and media	66,879	13,427	13,427	53,452
Other expenses	14,552	8,590	8,590	5,962
Total support services - instruction	1,712,624	1,307,219	1,307,219	405,405
School administration:				
Certificated salaries	120,481	120,481	120,481	-
Employee benefits	55,144	55,136	55,136	8
Total school administration	175,625	175,617	175,617	8
School administration support services:				
Non-certificated salaries	46,259	46,259	46,259	-
Employee benefits	29,822	29,822	29,822	-
Total school administration support services	76,081	76,081	76,081	-
District administration:				
Professional and technical services	50,000	-	-	50,000
Total district administration	50,000	-	-	50,000
District administration support services:				
Non-certificated salaries	131,493	111,154	111,154	20,339
Employee benefits	80,750	68,044	68,044	12,706
Professional and technical services	155,350	125,350	125,350	30,000
Utility services	93,504	-	-	93,504
Supplies, materials and media	1,231,297	300,713	300,713	930,584
Indirect costs	1,664,372	1,127,857	1,127,857	536,515
Capital outlay	103,379	103,379	103,379	-
Total district administration support services	3,460,145	1,836,497	1,836,497	1,623,648
Operations and maintenance of plant:				
Non-certificated salaries	772,400	664,215	664,215	108,185
Employee benefits	474,331	404,246	404,246	70,085
Supplies, materials and media	-	28,061	28,061	(28,061)
Total operations and maintenance of plant	1,246,731	1,096,522	1,096,522	150,209

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## Federal Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
Student activities:				
Certificated salaries	\$ 225,361	\$ 193,821	\$ 193,821	\$ 31,540
Non-certificated salaries	74,744	75,744	75,744	(1,000)
Employee benefits	149,048	120,952	120,952	28,096
Total student activities	449,153	390,517	390,517	58,636
Food service:				
Supplies, materials and media	13,254	75,688	75,688	(62,434)
Capital outlay	15,266	15,266	15,266	-
Total food service	28,520	90,954	90,954	(62,434)
<b>Total expenditures</b>	<b>54,666,139</b>	<b>27,092,760</b>	<b>27,160,899</b>	<b>27,505,240</b>
Excess (deficiency) of revenues over expenditures	200,142	196	(67,943)	(268,085)
Net change in fund balance	<u>\$ 200,142</u>	<u>\$ 196</u>	<u>\$ (67,943)</u>	<u>\$ (268,085)</u>
Fund balance - beginning		2,638		
Fund balance - ending		<u>\$ 2,834</u>		

See accompanying notes to the basic financial statements

continued

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# Fairbanks North Star Borough School District

**Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2022  
(With comparative totals for 2021)**

	Food Service Special Revenue	Local Programs Special Revenue	State Programs Special Revenue
<b>Assets</b>			
Equity in central treasury cash	\$ 1,272,472	\$ 183,708	\$ 389,413
Accounts receivable	30,449	-	79,802
Due from Fairbanks North Star Borough	-	-	-
Inventories	1,054,017	-	-
<b>Total assets</b>	<b>\$ 2,356,938</b>	<b>\$ 183,708</b>	<b>\$ 469,215</b>
<b>Liabilities and Fund Balances (Deficit)</b>			
<b>Liabilities</b>			
Accounts payable	\$ 765	\$ 7,466	\$ 5,116
Unearned revenue	-	-	352,781
Due to other funds	-	4,340	74,686
Due to Fairbanks North Star Borough	-	-	-
<b>Total liabilities</b>	<b>765</b>	<b>11,806</b>	<b>432,583</b>
<b>Fund balances</b>			
Nonspendable	1,054,017	-	-
Restricted	1,302,156	171,902	36,632
Committed	-	-	-
Unassigned (deficit)	-	-	-
<b>Total fund balances (deficit)</b>	<b>2,356,173</b>	<b>171,902</b>	<b>36,632</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,356,938</b>	<b>\$ 183,708</b>	<b>\$ 469,215</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Nonmajor Governmental Funds Combining Balance Sheet June 30, 2022 (With comparative totals for 2021)

	School Activities Special Revenue	Capital Projects Fund	Total Nonmajor Governmental Funds	
			2022	2021
<b>Assets</b>				
Equity in central treasury cash	\$ 1,532,242	\$ 2,353,149	\$ 5,730,984	\$ 5,440,015
Accounts receivable	1,500	-	111,751	159,746
Due from Fairbanks North Star Borough	-	81,818	81,818	-
Inventories	-	-	1,054,017	594,811
<b>Total assets</b>	<b>\$ 1,533,742</b>	<b>\$ 2,434,967</b>	<b>\$ 6,978,570</b>	<b>\$ 6,194,572</b>
<b>Liabilities and Fund Balances (Deficit)</b>				
<b>Liabilities</b>				
Accounts payable	\$ 58,012	\$ 6,054	\$ 77,413	\$ 439,719
Unearned revenue	-	-	352,781	347,809
Due to other funds	-	81,818	160,844	1,491,139
Due to Fairbanks North Star Borough	-	-	-	7,262
<b>Total liabilities</b>	<b>58,012</b>	<b>87,872</b>	<b>591,038</b>	<b>2,285,929</b>
<b>Fund balances</b>				
Nonspendable	-	-	1,054,017	594,811
Restricted	-	2,347,095	3,857,785	3,107,029
Committed	1,475,730	-	1,475,730	1,534,425
Unassigned (deficit)	-	-	-	(1,327,622)
<b>Total fund balances (deficit)</b>	<b>1,475,730</b>	<b>2,347,095</b>	<b>6,387,532</b>	<b>3,908,643</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,533,742</b>	<b>\$ 2,434,967</b>	<b>\$ 6,978,570</b>	<b>\$ 6,194,572</b>

See accompanying notes to the basic financial statements



# Fairbanks North Star Borough School District

## Nonmajor Governmental Funds

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

For the Year Ended June 30, 2022

(With comparative totals for 2021)

	Food Service Special Revenue	Local Programs Special Revenue	State Programs Special Revenue
<b>Revenues:</b>			
Local sources	\$ 104,077	\$ 143,580	\$ -
State sources	-	-	210,044
Federal sources	9,798,120	-	-
<b>Total revenues</b>	<b>9,902,197</b>	<b>143,580</b>	<b>210,044</b>
<b>Expenditures:</b>			
Instruction	-	43,196	3,257
Support services - students	-	121,835	196,113
Support services - instruction	-	4,500	483
District administration support services	-	-	10,674
Operations and maintenance of plant	23,902	-	-
Student activities	-	-	-
Food service	6,789,311	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>6,813,213</b>	<b>169,531</b>	<b>210,527</b>
Excess (deficiency) of revenues over expenditures	3,088,984	(25,951)	(483)
Net change in fund balances	3,088,984	(25,951)	(483)
<b>Fund balances - beginning</b>	<b>(732,811)</b>	<b>197,853</b>	<b>37,115</b>
<b>Fund balances (deficit) - ending</b>	<b>\$ 2,356,173</b>	<b>\$ 171,902</b>	<b>\$ 36,632</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Nonmajor Governmental Funds

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

For the Year Ended June 30, 2022

(With comparative totals for 2021)

	School Activities Special Revenue	Capital Projects Fund	Total Nonmajor Governmental Funds	
			2022	2021
<b>Revenues:</b>				
Local sources	\$ 2,148,247	\$ 81,818	\$ 2,477,722	\$ 998,164
State sources	-	-	210,044	210,593
Federal sources	-	-	9,798,120	3,784,419
<b>Total revenues</b>	2,148,247	81,818	12,485,886	4,993,176
<b>Expenditures:</b>				
Instruction	-	-	46,453	91,270
Support services - students	-	-	317,948	387,461
Support services - instruction	-	-	4,983	12,638
District administration support services	-	-	10,674	10,389
Operations and maintenance of plant	-	-	23,902	4,846
Student activities	2,125,611	-	2,125,611	802,945
Food service	-	-	6,789,311	4,736,753
Capital outlay	-	688,115	688,115	2,657,219
<b>Total expenditures</b>	2,125,611	688,115	10,006,997	8,703,521
Excess (deficiency) of revenues over expenditure:	22,636	(606,297)	2,478,889	(3,710,345)
Net change in fund balances	22,636	(606,297)	2,478,889	(3,533,168)
<b>Fund balances - beginning</b>	1,453,094	2,953,392	3,908,643	7,441,811
<b>Fund balances (deficit) - ending</b>	\$ 1,475,730	\$ 2,347,095	\$ 6,387,532	\$ 3,908,643

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Food Service Special Revenue Fund Balance Sheet June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 1,272,472	\$ -
Accounts receivable	30,449	100,813
Inventories	1,054,017	594,811
<b>Total assets</b>	<b>\$ 2,356,938</b>	<b>\$ 695,624</b>
<b>Liabilities and Fund Balance (Deficit)</b>		
<b>Liabilities</b>		
Accounts payable	\$ 765	\$ 422
Due to other funds	-	1,428,013
<b>Total liabilities</b>	<b>765</b>	<b>1,428,435</b>
<b>Fund balance</b>		
Nonspendable	1,054,017	594,811
Restricted	1,302,156	-
Unassigned (deficit)	-	(1,327,622)
<b>Total fund balance (deficit)</b>	<b>2,356,173</b>	<b>(732,811)</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,356,938</b>	<b>\$ 695,624</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Food Service Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Revenues:</b>		
Local sources:		
Food service	\$ 104,077	\$ 51,171
Federal sources:		
Through the State of Alaska	9,798,120	3,784,419
<b>Total revenues</b>	<b>9,902,197</b>	<b>3,835,590</b>
<b>Expenditures:</b>		
Operations and maintenance of plant:		
Non-certificated salaries	14,821	3,007
Employee benefits	9,081	1,839
<b>Total operations and maintenance of plant</b>	<b>23,902</b>	<b>4,846</b>
Food service:		
Non-certificated salaries	1,953,872	1,976,517
Employee benefits	1,118,133	1,161,533
Professional and technical services	32,735	30,312
Staff travel	7,870	2,557
Utility services	12,671	10,200
Energy	192,568	182,686
Other purchased services	2,383	2,187
Supplies, materials and media	3,463,339	1,370,087
Other expenses	314	314
Capital outlay	5,426	-
<b>Total food service</b>	<b>6,789,311</b>	<b>4,736,393</b>
<b>Total expenditures</b>	<b>6,813,213</b>	<b>4,741,239</b>
Excess (deficiency) of revenues over expenditures	3,088,984	(905,649)
<b>Other financing sources (uses):</b>		
Transfers in	-	177,177
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>177,177</b>
Net change in fund balance	3,088,984	(728,472)
<b>Fund balance - beginning</b>	<b>(732,811)</b>	<b>(4,339)</b>
<b>Fund balance (deficit) - ending</b>	<b>\$ 2,356,173</b>	<b>\$ (732,811)</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Food Service Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Local sources	\$ 1,445,216	\$ 104,077	\$ 104,077	\$ (1,341,139)
Federal sources	3,704,637	9,798,120	9,798,120	6,093,483
<b>Total revenues</b>	<b>5,149,853</b>	<b>9,902,197</b>	<b>9,902,197</b>	<b>4,752,344</b>
<b>Expenditures:</b>				
Operations and maintenance of plant:				
Non-certificated salaries	4,705	14,821	14,821	(10,116)
Employee benefits	2,890	9,081	9,081	(6,191)
<b>Total operations and maintenance of plant</b>	<b>7,595</b>	<b>23,902</b>	<b>23,902</b>	<b>(16,307)</b>
Food service:				
Non-certificated salaries	2,323,743	1,953,872	1,953,872	369,871
Employee benefits	1,370,268	1,118,133	1,118,133	252,135
Professional and technical services	32,000	32,735	32,735	(735)
Staff travel	8,000	7,870	7,870	130
Utility services	12,500	12,671	12,671	(171)
Energy	190,500	192,568	192,568	(2,068)
Other purchased services	1,000	2,383	2,383	(1,383)
Supplies, materials and media	1,657,500	3,463,339	3,463,339	(1,805,839)
Other expenses	300	314	314	(14)
Capital outlay	10,000	5,426	5,426	4,574
<b>Total food service</b>	<b>5,605,811</b>	<b>6,789,311</b>	<b>6,789,311</b>	<b>(1,183,500)</b>
<b>Total expenditures</b>	<b>5,613,406</b>	<b>6,813,213</b>	<b>6,813,213</b>	<b>(1,199,807)</b>
Excess (deficiency) of revenues over expenditures	(463,553)	3,088,984	3,088,984	3,552,537
Net change in fund balance	<u>\$ (463,553)</u>	3,088,984	<u>\$ 3,088,984</u>	<u>\$ 3,552,537</u>
<b>Fund balance - beginning</b>		(732,811)		
<b>Fund balance (deficit) - ending</b>		<u>\$ 2,356,173</u>		

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**Local Programs Special Revenue Fund**  
**Balance Sheet**  
**June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 183,708	\$ 202,046
<b>Total assets</b>	<b>\$ 183,708</b>	<b>\$ 202,046</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 7,466	\$ -
Due to other funds	4,340	4,193
<b>Total liabilities</b>	<b>11,806</b>	<b>4,193</b>
<b>Fund balance</b>		
Restricted	171,902	139,130
Unassigned	-	58,723
<b>Total fund balance</b>	<b>171,902</b>	<b>197,853</b>
<b>Total liabilities and fund balance</b>	<b>\$ 183,708</b>	<b>\$ 202,046</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Local Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Revenues:</b>		
Local sources	\$ 143,580	\$ 133,723
<b>Expenditures:</b>		
Instruction:		
Certificated salaries	14,741	90
Non-certificated salaries	4,700	-
Employee benefits	2,469	92
Staff travel	1,117	-
Student travel	2,729	-
Supplies, materials and media	17,440	87,805
Total instruction	43,196	87,987
Support services - students:		
Certificated salaries	29,290	1,473
Non-certificated salaries	54,769	32,777
Employee benefits	31,949	16,891
Professional and technical services	-	1,500
Utility services	294	385
Other purchased services	-	3,000
Supplies, materials and media	5,533	37,876
Total support services - students	121,835	93,902
Support services - instruction:		
Certificated salaries	-	2,251
Employee benefits	-	669
Professional and technical services	68	-
Staff travel	4,432	-
Supplies, materials and media	-	4,517
Total support services - instruction	4,500	7,437
<b>Total expenditures</b>	169,531	189,326
Excess (deficiency) of revenues over expenditures	(25,951)	(55,603)
Net change in fund balance	(25,951)	(55,603)
<b>Fund balance - beginning</b>	197,853	253,456
<b>Fund balance - ending</b>	\$ 171,902	\$ 197,853

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Local Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Local sources	\$ 15,259	\$ 143,580	\$ 143,580	\$ 128,321
<b>Expenditures:</b>				
Instruction:				
Certificated salaries	42,614	14,741	14,741	27,873
Non-certificated salaries	10,876	4,700	4,700	6,176
Employee benefits	7,632	2,469	2,469	5,163
Staff travel	1,495	1,117	1,117	378
Student travel	3,000	2,729	2,729	271
Supplies, materials and media	80,039	17,440	17,440	62,599
Total instruction	145,656	43,196	43,196	102,460
Support services - students:				
Certificated salaries	-	29,290	29,290	(29,290)
Non-certificated salaries	-	54,769	54,769	(54,769)
Employee benefits	-	31,949	31,949	(31,949)
Utility services	-	294	294	(294)
Supplies, materials and media	-	5,533	5,533	(5,533)
Total support services - students	-	121,835	121,835	(121,835)
Support services - instruction:				
Professional and technical services	-	68	68	(68)
Staff travel	4,500	4,432	4,432	68
Supplies, materials and media	68,963	-	-	68,963
Total support services - instruction	73,463	4,500	4,500	68,963
<b>Total expenditures</b>	<b>219,119</b>	<b>169,531</b>	<b>169,531</b>	<b>49,588</b>
Excess (deficiency) of revenues over expenditures	(203,860)	(25,951)	(25,951)	177,909
Net change in fund balance	<u>\$ (203,860)</u>	<u>\$ (25,951)</u>	<u>\$ (25,951)</u>	<u>\$ 177,909</u>
<b>Fund balance - beginning</b>		197,853		
<b>Fund balance - ending</b>		<u>\$ 171,902</u>		

See accompanying notes to the basic financial statements



# Fairbanks North Star Borough School District

## State Programs Special Revenue Fund Balance Sheet June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 389,413	\$ 384,924
Accounts receivable	79,802	58,933
<b>Total assets</b>	<b>\$ 469,215</b>	<b>\$ 443,857</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 5,116	\$ -
Unearned revenue	352,781	347,809
Due to other funds	74,686	58,933
<b>Total liabilities</b>	<b>432,583</b>	<b>406,742</b>
<b>Fund balance</b>		
Restricted	36,632	37,115
<b>Total fund balance</b>	<b>36,632</b>	<b>37,115</b>
<b>Total liabilities and fund balance</b>	<b>\$ 469,215</b>	<b>\$ 443,857</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**State Programs Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
<b>Revenues:</b>		
State sources	\$ 210,044	\$ 210,594
<b>Expenditures:</b>		
Instruction:		
Non-certificated salaries	504	1,134
Employee benefits	43	97
Professional and technical services	949	2,052
Staff travel	1,521	-
Supplies, materials and media	240	-
Total instruction	3,257	3,283
Support services - students:		
Certificated salaries	3,350	4,475
Non-certificated salaries	82,931	74,255
Employee benefits	47,522	45,399
Professional and technical services	20,560	47,370
Staff travel	327	3,801
Other purchased services	-	2,149
Supplies, materials and media	41,423	37,616
Capital outlay	-	78,494
Total support services - students	196,113	293,559
Support services - instruction:		
Professional and technical services	-	245
Staff travel	3	-
Supplies, materials and media	480	4,957
Total support services - instruction	483	5,202

See accompanying notes to the basic financial statements

## Fairbanks North Star Borough School District

**State Programs Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
District administration support services:		
Indirect costs	10,674	10,389
Total district administration support services	10,674	10,389
Food service:		
Supplies, materials and media	-	360
Total food service	-	360
<b>Total expenditures</b>	<b>210,527</b>	<b>312,793</b>
Excess (deficiency) of revenues over expenditures	(483)	(102,199)
Net change in fund balance	(483)	(102,199)
<b>Fund balance - beginning</b>	<b>37,115</b>	<b>139,314</b>
<b>Fund balance - ending</b>	<b>\$ 36,632</b>	<b>\$ 37,115</b>

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## State Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - by Object For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
State sources	\$ 213,000	\$ 210,044	\$ 210,044	\$ (2,956)
<b>Total revenues</b>	<b>213,000</b>	<b>210,044</b>	<b>210,044</b>	<b>(2,956)</b>
<b>Expenditures:</b>				
Instruction:				
Non-certificated salaries	-	504	504	(504)
Employee benefits	-	43	43	(43)
Professional and technical services	-	949	949	(949)
Staff travel	1,001	1,521	1,521	(520)
Supplies, materials and media	240	240	240	-
<b>Total instruction</b>	<b>1,241</b>	<b>3,257</b>	<b>3,257</b>	<b>(2,016)</b>
Support services - students:				
Certificated salaries	3,370	3,350	3,350	20
Non-certificated salaries	83,284	82,931	82,931	353
Employee benefits	47,459	47,522	47,522	(63)
Professional and technical services	20,560	20,560	20,560	-
Staff travel	400	327	327	73
Other purchased services	2,737	-	-	2,737
Supplies, materials and media	80,111	41,423	42,096	38,015
<b>Total support services - students</b>	<b>237,921</b>	<b>196,113</b>	<b>196,786</b>	<b>41,135</b>
Support services - instruction:				
Staff travel	-	3	3	(3)
Supplies, materials and media	483	480	480	3
<b>Total support services - instruction</b>	<b>483</b>	<b>483</b>	<b>483</b>	<b>-</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## State Programs Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - by Object For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
District administration support services:				
Indirect costs	\$ 10,996	\$ 10,674	\$ 10,674	\$ 322
Total district administration support services	10,996	10,674	10,674	322
Food service:				
Supplies, materials and media	347,567	-	-	347,567
Total food service	347,567	-	-	347,567
<b>Total expenditures</b>	<b>598,208</b>	<b>210,527</b>	<b>211,200</b>	<b>387,008</b>
Excess (deficiency) of revenues over expenditures	(385,208)	(483)	(1,156)	384,052
Net change in fund balance	<u>\$ (385,208)</u>	<u>\$ (483)</u>	<u>\$ (1,156)</u>	<u>\$ 384,052</u>
<b>Fund balance - beginning</b>		37,115		
<b>Fund balance - ending</b>		<u>\$ 36,632</u>		

See accompanying notes to the basic financial statements

continued

# Fairbanks North Star Borough School District

## School Activities Special Revenue Fund Balance Sheet June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 1,532,242	\$ 1,519,457
Accounts receivable	1,500	-
<b>Total assets</b>	<b>\$ 1,533,742</b>	<b>\$ 1,519,457</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 58,012	\$ 66,363
<b>Total liabilities</b>	<b>58,012</b>	<b>66,363</b>
<b>Fund balance</b>		
Committed	1,475,730	1,453,094
<b>Total fund balance</b>	<b>1,475,730</b>	<b>1,453,094</b>
<b>Total liabilities and fund balance</b>	<b>\$ 1,533,742</b>	<b>\$ 1,519,457</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## School Activities Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance For the Year Ended June 30, 2022 (With comparative totals for 2021)

	2022	2021
<b>Revenues:</b>		
Local sources	\$ 2,148,247	\$ 813,270
<b>Expenditures:</b>		
Student activities:		
Certificated salaries	3,897	650
Non-certificated salaries	2,500	1,645
Employee benefits	1,370	952
Professional and technical services	57,342	11,887
Staff travel	2,358	-
Student travel	834,461	181,498
Other purchased services	83,091	18,691
Supplies, materials and media	1,118,538	568,539
Other expenses	22,054	19,083
Total student activities	2,125,611	802,945
<b>Total expenditures</b>	<b>2,125,611</b>	<b>802,945</b>
Excess (deficiency) of revenues over expenditures	22,636	10,325
Net change in fund balance	22,636	10,325
<b>Fund balance - beginning</b>	<b>1,453,094</b>	<b>1,442,769</b>
<b>Fund balance - ending</b>	<b>\$ 1,475,730</b>	<b>\$ 1,453,094</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## School Activities Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2022

	Final Budget	Actual	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Local sources	\$ 3,000,000	\$ 2,148,247	\$ 2,148,247	\$ (851,753)
<b>Expenditures:</b>				
Student activities:				
Certificated salaries	-	3,897	3,897	(3,897)
Non-certificated salaries	-	2,500	2,500	(2,500)
Employee benefits	-	1,370	1,370	(1,370)
Professional and technical services	-	57,342	57,342	(57,342)
Staff travel	-	2,358	2,358	(2,358)
Student travel	-	834,461	834,461	(834,461)
Other purchased services	-	83,091	86,456	(86,456)
Supplies, materials and media	3,000,000	1,118,538	1,112,656	1,887,344
Other expenses	-	22,054	22,524	(22,524)
Total student activities	3,000,000	2,125,611	2,123,564	876,436
<b>Total expenditures</b>	3,000,000	2,125,611	2,123,564	876,436
Excess (deficiency) of revenues over expenditures	-	22,636	24,683	24,683
Net change in fund balance	<u>\$ -</u>	<u>\$ 22,636</u>	<u>\$ 24,683</u>	<u>\$ 24,683</u>
<b>Fund balance - beginning</b>		1,453,094		
<b>Fund balance - ending</b>		<u>\$ 1,475,730</u>		

See accompanying notes to the basic financial statements



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# Financial Section

## Capital Projects Fund

To account for all resources used for property acquisition, major equipment expense, and infrastructure improvements.





# Fairbanks North Star Borough School District

**Capital Projects Fund**  
**Balance Sheet**  
**June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
<b>Assets</b>		
Equity in central treasury cash	\$ 2,353,149	\$ 3,333,588
Due from Fairbanks North Star Borough	81,818	-
<b>Total assets</b>	<b>\$ 2,434,967</b>	<b>\$ 3,333,588</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ 6,054	\$ 372,934
Due to other funds	81,818	-
Due to Fairbanks North Star Borough	-	7,262
<b>Total liabilities</b>	<b>87,872</b>	<b>380,196</b>
<b>Fund balance</b>		
Restricted	2,347,095	2,953,392
<b>Total fund balance</b>	<b>2,347,095</b>	<b>2,953,392</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,434,967</b>	<b>\$ 3,333,588</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

**Capital Projects Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2022**  
**(With comparative totals for 2021)**

	2022	2021
<b>Revenues:</b>		
Local sources	\$ 81,818	\$ -
<b>Expenditures:</b>		
Capital outlay:		
Professional and technical services	68,913	696
Other purchased services	447,946	2,626,944
Supplies, materials and media	171,256	29,579
Total capital outlay	688,115	2,657,219
<b>Total expenditures</b>	688,115	2,657,219
Excess (deficiency) of revenues over expenditures	(606,297)	(2,657,219)
Net change in fund balance	(606,297)	(2,657,219)
<b>Fund balance - beginning</b>	2,953,392	5,610,611
<b>Fund balance - ending</b>	\$ 2,347,095	\$ 2,953,392

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Capital Projects Fund

### Project Length Schedule of Revenues and Expenditures

Beginning of Projects to June 30, 2022

	Title VIII Construction	BEH Roof Replacement	WRV Roof Replacement	BNT Equip Renovation	Project To Date Totals
Project Authorizations:	\$ 2,559,260	\$ 4,356,672	\$ 3,051,701	\$ 590,323	\$ 10,557,956
<b>Revenues</b>					
Federal sources	\$ 2,200,761	\$ -	\$ -	\$ 81,818	\$ 2,282,579
Transfers from other funds	358,499	4,356,672	3,051,701	-	7,766,872
<b>Total revenues</b>	2,559,260	4,356,672	3,051,701	81,818	10,049,451
<b>Expenditures - capital outlay</b>					
Professional and technical services	87,582	-	17,010	-	104,592
Other purchased services	1,360,493	3,337,771	1,905,427	-	6,603,691
Supplies, materials and media	584,715	-	-	86,171	670,886
Other capital outlay	323,187	-	-	-	323,187
<b>Total expenditures</b>	2,355,977	3,337,771	1,922,437	86,171	7,702,356
<b>Excess (deficiency) of revenues over expenditures</b>	\$ 203,283	\$ 1,018,901	\$ 1,129,264	\$ (4,353)	\$ 2,347,095

See accompanying notes to the basic financial statements

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# Financial Section

## Internal Service Funds

**Risk Management:** accounts for transactions related to self-insurance and risk management services.

**Equipment Replacement:** accounts for the management and replacement of the General Fund's equipment and vehicles.







# Fairbanks North Star Borough School District

**Internal Service Funds**  
**Combining Schedule of Net Position**  
**June 30, 2022**  
**(With comparative totals for 2021)**

	Risk Management	Equipment Replacement	2022	2021
<b>Assets</b>				
Equity in central treasury cash	\$ 9,553,808	\$ 2,907,849	\$ 12,461,657	\$ 9,404,694
Accounts receivable	1,398,828	-	1,398,828	1,390,296
<b>Total assets</b>	<b>\$ 10,952,636</b>	<b>\$ 2,907,849</b>	<b>\$ 13,860,485</b>	<b>\$ 10,794,990</b>
<b>Liabilities and Net Position (Deficit)</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 283,978	\$ -	\$ 283,978	\$ 35,516
Claims payable	5,036,865	-	5,036,865	5,504,727
Total current liabilities	5,320,843	-	5,320,843	5,540,243
<b>Noncurrent Liabilities</b>				
Claims payable	41,858	-	41,858	46,711
Accrued self-insurance reserves	1,913,198	-	1,913,198	2,304,303
Total noncurrent liabilities	1,955,056	-	1,955,056	2,351,014
<b>Total liabilities</b>	<b>7,275,899</b>	<b>-</b>	<b>7,275,899</b>	<b>7,891,257</b>
<b>Net Position</b>				
Unrestricted (deficit)	3,676,737	2,907,849	6,584,586	2,903,733
<b>Total net position (deficit)</b>	<b>\$ 3,676,737</b>	<b>\$ 2,907,849</b>	<b>\$ 6,584,586</b>	<b>\$ 2,903,733</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Internal Service Funds

### Combining Schedule of Revenues, Expenditures and Changes in Net Position

For the Year Ended June 30, 2022

(With comparative totals for 2021)

	Risk Management	Equipment Replacement	2022	2021
<b>Operating revenues</b>				
Local sources				
Charges for services	\$ 37,573,908	\$ 990,573	\$ 38,564,481	\$ 39,573,803
Other local revenue	-	5,047	5,047	9,270
<b>Total local sources</b>	<b>37,573,908</b>	<b>995,620</b>	<b>38,569,528</b>	<b>39,583,073</b>
<b>Total revenues</b>	<b>37,573,908</b>	<b>995,620</b>	<b>38,569,528</b>	<b>39,583,073</b>
<b>Operating expenses</b>				
Auto and general liability insurance	733,020	-	733,020	1,043,624
Property and other insurance	698,347	-	698,347	639,599
Workers' compensation insurance	890,380	-	890,380	1,738,938
Health and life insurance	32,104,848	-	32,104,848	34,496,270
Supplies, materials and media	-	462,080	462,080	353,892
<b>Total operating expenses</b>	<b>34,426,595</b>	<b>462,080</b>	<b>34,888,675</b>	<b>38,272,323</b>
Operating income (loss)	3,147,313	533,540	3,680,853	1,310,750
Change in net position	3,147,313	533,540	3,680,853	1,310,750
<b>Net position (deficit) - beginning</b>	<b>529,424</b>	<b>2,374,309</b>	<b>2,903,733</b>	<b>1,592,983</b>
<b>Net position (deficit) - ending</b>	<b>\$ 3,676,737</b>	<b>\$ 2,907,849</b>	<b>\$ 6,584,586</b>	<b>\$ 2,903,733</b>

See accompanying notes to the basic financial statements

# Fairbanks North Star Borough School District

## Internal Service Funds Combining Schedule of Cash Flows For the Year Ended June 30, 2022 (With comparative totals for 2021)

	Risk Management	Equipment Replacement	2022	2021
<b>Cash flow from operating activities</b>				
Receipts from interfund charges	\$ 36,004,578	\$ 990,573	\$ 36,995,151	\$ 37,968,575
Receipts from employees	1,560,798	5,047	1,565,845	1,327,076
Payments to suppliers	(808,875)	(462,080)	(1,270,955)	(1,519,751)
Payments to employees	(930,973)	-	(930,973)	(1,019,123)
Payments to Fairbanks North Star Borough	(33,302,105)	-	(33,302,105)	(34,381,242)
<b>Net cash provided by (used in) operating activities</b>	<b>2,523,423</b>	<b>533,540</b>	<b>3,056,963</b>	<b>2,375,535</b>
<b>Net increase (decrease) in equity in central treasury cash</b>	<b>2,523,423</b>	<b>533,540</b>	<b>3,056,963</b>	<b>2,375,535</b>
<b>Equity in central treasury cash - beginning</b>	<b>7,030,385</b>	<b>2,374,309</b>	<b>9,404,694</b>	<b>7,029,159</b>
<b>Equity in central treasury cash - ending</b>	<b>\$ 9,553,808</b>	<b>\$ 2,907,849</b>	<b>\$ 12,461,657</b>	<b>\$ 9,404,694</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>				
Operating income (loss)	\$ 3,147,313	\$ 533,540	\$ 3,680,853	\$ 1,310,750
Adjustments to reconcile operating income to net cash provided by (used in) operating activities				
Decrease (increase) in accounts receivable	(8,532)	-	(8,532)	(287,422)
Increase (decrease) in accounts payable	248,462	-	248,462	35,516
Increase (decrease) in claims payable, current	(467,862)	-	(467,862)	430,626
Increase (decrease) in claims payable, noncurrent	(4,853)	-	(4,853)	(2,430)
Increase (decrease) in accrued self-insurance reserves	(391,105)	-	(391,105)	888,495
<b>Total adjustments</b>	<b>(623,890)</b>	<b>-</b>	<b>(623,890)</b>	<b>1,064,785</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 2,523,423</b>	<b>\$ 533,540</b>	<b>\$ 3,056,963</b>	<b>\$ 2,375,535</b>

See accompanying notes to the basic financial statements

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# Statistical Section





## Statistical Section

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# Fairbanks North Star Borough School District

## Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
	(a)				
Governmental activities:					
Net investment in capital assets	\$ 4,169,278	\$ 4,001,914	\$ 4,112,494	\$ 4,580,174	\$ 4,299,337
Restricted for:					
Grant-funded programs	-	-	1,416,526	1,670,850	700,964
Student allotments	-	-	35,108	88,780	102,147
Unrestricted	19,123,971	20,941,096	(65,801,513)	(85,483,184)	(111,644,615)
Total net position (deficit)	\$ 23,293,249	\$ 24,943,010	\$ (60,237,385)	\$ (79,143,380)	\$ (106,542,167)

	Fiscal Year				
	2018	2019	2020	Restated 2021	2022
	(b)		(c)		
Governmental activities:					
Net investment in capital assets	\$ 4,015,924	\$ 3,960,939	\$ 3,325,382	\$ 2,926,203	\$ 2,382,233
Restricted for:					
Grant-funded programs	273,018	7,641,421	5,871,815	3,190,998	4,926,162
Student allotments	133,205	133,205	321,841	257,635	356,230
Unrestricted	(116,430,485)	(118,559,318)	(100,714,408)	(99,827,939)	(71,124,294)
Total net position (deficit)	\$ (112,008,338)	\$ (106,823,753)	\$ (91,195,370)	\$ (93,453,103)	\$ (63,459,669)

(a) Beginning net position at July 1, 2014 has been adjusted for the implementation of GASB Statements No. 68 and 71.

(b) Beginning net position at July 1, 2017 has been adjusted for the implementation of GASB Statements No. 75.

(c) Beginning net position at July 1, 2021 has been adjusted for the implementation of GASB Statements No. 87.

# Fairbanks North Star Borough School District

## Change in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Expenses</b>					
Governmental activities:					
Instruction	\$ 111,205,333	\$ 109,531,681	\$ 122,257,659	\$ 107,399,957	\$ 111,640,903
Special education instruction	29,783,855	29,236,637	31,589,337	33,322,750	34,256,340
Special education support services - students	10,087,672	10,551,365	11,614,210	11,205,400	11,056,197
Support services - students	15,353,243	16,554,098	16,113,199	16,503,860	14,252,727
Support Services - instruction	12,899,352	12,079,620	12,093,473	14,110,870	15,580,406
Support Services - technology	-	-	-	-	-
School administration	8,384,189	8,712,544	9,734,249	8,555,778	8,933,366
School administration support services	5,645,704	5,724,618	5,627,274	7,154,047	6,805,796
District administration	2,415,563	2,125,738	2,368,596	2,170,832	2,372,557
District administration support services	10,394,306	10,503,523	10,876,471	14,310,514	13,431,721
Operations and maintenance of plant	25,334,946	25,259,547	27,052,784	28,728,249	27,579,992
Student activities	5,182,117	5,293,009	3,052,086	4,969,652	5,043,266
Student transportation - to and from school	11,382,622	11,785,326	11,974,378	11,891,808	12,149,994
Community services	-	5,000	-	-	-
Food services	5,400,980	5,418,264	5,910,012	6,591,827	6,399,804
Interest expense					
<b>Total expenses</b>	<b>253,469,882</b>	<b>252,780,970</b>	<b>270,263,728</b>	<b>266,915,544</b>	<b>269,503,069</b>
<b>Program Revenues</b>					
Governmental activities:					
Charges for Services:					
Instruction	69,392	62,715	44,280	47,332	9,686
Support services - students	19,703	188,850	222,709	189,497	185,255
Support services - instruction	145,416	38,540	34,860	29,006	9,050
Food services	1,598,281	1,492,538	1,353,596	1,352,523	1,369,239
Operating grants and contributions	66,613,379	68,202,040	81,118,672	52,262,056	45,805,824
Capital grants and contributions	69,419	126,935	911,562	220,410	1,135,763
<b>Total program revenues</b>	<b>68,515,590</b>	<b>70,111,618</b>	<b>83,685,679</b>	<b>54,100,824</b>	<b>48,514,817</b>
<b>Net expense - governmental activities</b>	<b>(184,954,292)</b>	<b>(182,669,352)</b>	<b>(186,578,049)</b>	<b>(212,814,720)</b>	<b>(220,988,252)</b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Borough direct appropriation	46,200,000	47,560,000	49,906,000	55,369,000	54,169,000
State grants and entitlements not restricted	139,279,599	135,710,475	141,615,821	137,209,936	136,553,068
Other	995,646	1,048,638	1,507,611	1,329,789	2,867,397
<b>Total general revenues</b>	<b>186,475,245</b>	<b>184,319,113</b>	<b>193,029,432</b>	<b>193,908,725</b>	<b>193,589,465</b>
<b>Change in net position</b>	<b>\$ 1,520,953</b>	<b>\$ 1,649,761</b>	<b>\$ 6,451,383</b>	<b>\$ (18,905,995)</b>	<b>\$ (27,398,787)</b>

# Fairbanks North Star Borough School District

## Change in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	Restated 2021	2022
<b>Expenses</b>					
Governmental activities:					
Instruction	\$ 90,117,357	\$ 91,724,774	\$ 69,235,106	\$ 81,563,675	\$ 60,325,693
Special education instruction	28,067,312	27,785,770	22,464,040	25,518,427	20,268,833
Special education support services - students	8,882,198	8,877,680	6,498,466	7,267,310	5,702,297
Support services - students	11,372,845	13,888,153	12,126,478	15,341,432	11,890,047
Support Services - instruction	8,532,961	9,255,330	7,607,325	8,756,160	7,277,183
Support Services - technology	-	-	993,661	654,059	786,000
School administration	7,524,309	7,523,852	5,791,852	6,696,911	5,533,927
School administration support services	4,862,734	4,996,921	4,435,319	5,494,589	5,323,309
District administration	2,482,325	2,837,695	2,298,093	2,453,107	2,003,323
District administration support services	9,841,603	10,062,800	9,262,137	10,639,947	10,064,138
Operations and maintenance of plant	21,434,921	22,806,148	24,481,646	25,471,699	20,409,550
Student activities	4,412,922	4,703,477	3,257,289	2,283,183	3,615,543
Student transportation - to and from school	13,949,612	13,874,064	11,804,857	10,642,529	9,306,327
Community services	-	-	-	-	-
Food services	5,149,815	5,516,605	4,860,185	4,877,851	6,989,491
Interest expense	9,713	9,775	-	857,424	1,106,041
<b>Total expenses</b>	<b>216,640,627</b>	<b>223,863,044</b>	<b>185,116,454</b>	<b>208,518,303</b>	<b>170,601,702</b>
<b>Program Revenues</b>					
Governmental activities:					
Charges for Services:					
Instruction	21,156	21,518	-	5,728	-
Support services - students	169,021	187,672	121,225	-	101,524
Support services - instruction	-	-	-	33,449	-
Food services	1,360,303	1,417,808	1,134,055	51,171	104,077
Operating grants and contributions	45,103,665	40,715,394	15,269,536	30,087,995	28,736,266
Capital grants and contributions	424,435	407,567	425,737	-	81,818
<b>Total program revenues</b>	<b>47,078,580</b>	<b>42,749,959</b>	<b>16,950,553</b>	<b>30,178,343</b>	<b>29,023,685</b>
<b>Net expense - governmental activities</b>	<b>(169,562,047)</b>	<b>(181,113,085)</b>	<b>(168,165,901)</b>	<b>(178,339,960)</b>	<b>(141,578,017)</b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Borough direct appropriation	51,145,400	50,045,400	50,045,400	49,045,400	50,736,152
State grants and entitlements not restricted	136,572,960	134,336,672	132,038,495	124,998,404	119,074,335
Other	1,930,739	1,915,598	1,710,389	2,038,423	1,706,964
<b>Total general revenues</b>	<b>189,649,099</b>	<b>186,297,670</b>	<b>183,794,284</b>	<b>176,082,227</b>	<b>171,517,451</b>
<b>Change in net position</b>	<b>\$ 20,087,052</b>	<b>\$ 5,184,585</b>	<b>\$ 15,628,383</b>	<b>\$ (2,257,733)</b>	<b>\$ 29,939,434</b>

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# Fairbanks North Star Borough School District

## Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
General fund:					
Nonspendable	\$ 573,283	\$ 518,791	\$ 624,652	\$ 444,007	\$ 457,102
Restricted	-	-	35,108	88,780	102,147
Assigned	18,552,099	15,719,300	19,972,736	18,653,930	20,340,970
Unassigned	1,372,848	3,616,590	4,342,757	15,425,238	12,760,554
Total general fund	\$ 20,498,230	\$ 19,854,681	\$ 24,975,253	\$ 34,611,955	\$ 33,660,773

All other governmental funds:					
Nonspendable	\$ 443,788	\$ 625,306	\$ 480,711	\$ 476,760	\$ 414,148
Restricted	662,773	1,864,874	1,416,526	1,670,850	700,964
Committed	1,794,550	1,726,030	1,634,796	1,576,893	1,563,189
Assigned	1,643,638	1,414,676	1,618,291	1,430,984	3,253,975
Unassigned	(77,502)	(500,032)	(1,170,105)	(1,459,913)	-
Total all other governmental funds	\$ 4,467,247	\$ 5,130,854	\$ 3,980,219	\$ 3,695,574	\$ 5,932,276

	Fiscal Year				
	2018	2019	2020	2021	2022
General fund:					
Nonspendable	\$ 402,381	\$ 327,400	\$ 423,706	\$ 1,016,165	\$ 917,042
Restricted	133,205	135,240	321,841	257,635	356,230
Assigned	25,003,495	23,203,257	20,289,714	9,510,130	7,743,496
Unassigned	7,930,467	-	-	-	-
Total general fund	\$ 33,469,548	\$ 23,665,897	\$ 21,035,261	\$ 10,783,930	\$ 9,016,768

All other governmental funds:					
Nonspendable	\$ 404,622	\$ 455,577	\$ 755,540	\$ 594,811	\$ 1,054,017
Restricted	273,018	7,639,386	5,871,815	3,109,667	4,926,161
Committed	1,583,939	1,577,591	1,576,380	1,534,425	1,475,730
Assigned	4,326,613	3,454,695	4,513,529	3,718,284	3,718,285
Unassigned	-	(116,449)	(759,879)	(1,327,622)	-
Total all other governmental funds	\$ 6,588,192	\$ 13,010,800	\$ 11,957,385	\$ 7,629,565	\$ 11,174,193

# Fairbanks North Star Borough School District

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

### Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Revenues:</b>					
Local sources	\$ 51,339,032	\$ 52,815,470	\$ 55,606,475	\$ 60,634,525	\$ 60,841,784
State sources	172,478,357	173,180,153	348,429,223	147,346,486	142,561,135
Federal sources	31,170,046	28,432,155	33,536,223	32,322,556	35,310,251
<b>Total revenues</b>	<b>254,987,435</b>	<b>254,427,778</b>	<b>437,571,921</b>	<b>240,303,567</b>	<b>238,713,170</b>
<b>Expenditures:</b>					
Instruction	111,908,220	110,458,367	223,441,209	94,867,175	97,473,533
Special education instruction	29,874,926	29,374,914	50,484,786	27,997,201	29,915,351
Special education support services - students	10,116,540	10,616,448	19,726,865	9,756,127	9,814,352
Support services - students	15,436,738	16,745,156	26,237,222	13,677,384	12,144,630
Support services - instruction	12,741,319	12,024,263	17,963,049	12,050,673	13,922,427
Support services - technology	-	-	-	-	-
School administration	8,452,142	8,798,346	18,710,099	7,523,471	7,786,833
School administration support services	5,666,342	5,767,625	6,880,327	5,552,526	5,766,492
District administration	2,396,461	2,223,703	3,680,703	1,821,104	2,060,746
District administration support services	10,381,157	10,586,356	13,057,446	11,729,962	11,709,938
Operations and maintenance of plant	25,455,301	24,931,722	27,781,546	23,622,168	24,231,980
Student activities	5,185,421	5,312,989	7,130,687	4,682,307	4,789,190
Student transportation - to and from school	11,377,599	11,793,857	11,968,995	11,785,369	12,141,538
Adult and continuing education instruction	-	-	-	-	-
Community services	-	5,000	-	-	-
Food services	5,433,831	5,416,030	5,836,841	5,478,326	5,652,711
Debt service:					
Interest	-	-	-	-	-
Principal	-	-	-	-	340,272
Capital outlay	39,881	355,897	707,947	407,717	1,019,257
<b>Total expenditures</b>	<b>254,465,878</b>	<b>254,410,673</b>	<b>433,607,722</b>	<b>230,951,510</b>	<b>238,769,250</b>
Excess (deficiency) of revenues over expenditures	521,557	17,105	3,964,199	9,352,057	(56,080)
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	3,430	2,953	5,738	-	-
Lease liabilities issued	-	-	-	-	-
Issuance of capital leases	-	-	-	-	1,341,600
Transfers in	394,136	237,100	196,808	353,556	3,659,851
Transfers out	(394,136)	(237,100)	(196,808)	(353,556)	(3,659,851)
<b>Total other financing sources (uses)</b>	<b>3,430</b>	<b>2,953</b>	<b>5,738</b>	<b>-</b>	<b>1,341,600</b>
<b>Net change in fund balances</b>	<b>\$ 524,987</b>	<b>\$ 20,058</b>	<b>\$ 3,969,937</b>	<b>\$ 9,352,057</b>	<b>\$ 1,285,520</b>
Capital expenditures	607,782	638,774	869,935	1,252,326	523,376
Noncapital expenditures	253,858,096	253,771,899	432,737,787	229,699,184	238,245,874
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.14%

# Fairbanks North Star Borough School District

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

### Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	Restated 2021	2022
<b>Revenues:</b>					
Local sources	\$ 56,808,533	\$ 55,627,598	\$ 54,405,740	\$ 51,033,787	\$ 54,193,459
State sources	144,484,872	140,732,918	144,606,806	134,928,022	134,541,289
Federal sources	33,805,836	37,570,657	33,490,145	36,349,407	48,278,683
<b>Total revenues</b>	<b>235,099,241</b>	<b>233,931,173</b>	<b>232,502,691</b>	<b>222,311,216</b>	<b>237,013,431</b>
<b>Expenditures:</b>					
Instruction	94,901,086	96,919,183	96,608,560	99,940,153	94,823,305
Special education instruction	30,590,900	29,675,569	29,283,827	28,719,344	28,869,225
Special education support services - students	9,472,016	9,443,329	8,610,596	8,696,662	8,618,726
Support services - students	12,766,034	14,855,299	15,754,342	16,973,641	17,183,923
Support services - instruction	9,260,440	9,731,031	9,340,071	9,404,706	9,786,495
Support services - technology	-	-	1,030,872	647,551	779,492
School administration	7,896,957	7,937,095	8,407,008	8,398,439	8,834,694
School administration support services	5,752,459	5,477,135	5,547,176	5,671,476	5,926,187
District administration	2,751,071	3,016,670	2,878,191	2,646,614	2,821,164
District administration support services	13,427,341	10,723,296	10,735,799	10,616,359	12,254,775
Operations and maintenance of plant	23,395,641	24,095,829	24,663,272	46,094,192	22,168,435
Student activities	2,092,336	4,846,718	3,690,736	2,535,486	4,061,028
Student transportation - to and from school	13,989,161	13,881,158	11,860,591	10,638,435	9,331,883
Adult and continuing education instruction	-	-	-	-	-
Community services	-	-	-	-	-
Food services	5,609,743	5,721,400	5,394,270	4,788,395	6,880,265
Debt service:					
Interest	9,713	9,775	-	857,424	1,106,041
Principal	330,559	670,769	-	1,370,313	1,102,238
Capital outlay	695,306	323,698	2,390,458	2,657,219	688,115
<b>Total expenditures</b>	<b>232,940,763</b>	<b>237,327,954</b>	<b>236,195,769</b>	<b>260,656,409</b>	<b>235,235,991</b>
Excess (deficiency) of revenues over expenditures	2,158,478	(3,396,781)	(3,693,078)	(38,345,193)	1,777,440
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	6,213	15,738	9,027	45	26
Lease liabilities issued	-	-	-	23,765,997	-
Issuance of capital leases	-	-	-	-	-
Transfers in	3,392,465	9,001,871	1,577,177	694,409	-
Transfers out	(5,092,465)	(9,001,871)	(1,577,177)	(694,409)	-
<b>Total other financing sources (uses)</b>	<b>(1,693,787)</b>	<b>15,738</b>	<b>9,027</b>	<b>23,766,042</b>	<b>26</b>
<b>Net change in fund balances</b>	<b>\$ 464,691</b>	<b>\$ (3,381,043)</b>	<b>\$ (3,684,051)</b>	<b>\$ (14,579,151)</b>	<b>\$ 1,777,466</b>
Capital expenditures	598,465	910,578	210,354	448,991	448,991
Noncapital expenditures	232,342,298	236,417,376	235,985,415	260,207,418	234,787,000
Debt service as a percentage of noncapital expenditures	0.15%	0.29%	0.00%	0.86%	0.94%



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# Fairbanks North Star Borough School District

## Assessed and Estimated Actual Value of Taxable Property Last Ten Calendar Years

Calendar Year	Residential Property	Commercial Property	Industrial Property	Oil and Gas and Personal and Real Property	Vacant Land
				(a)	
2011	\$ 5,078,685,030	\$ 1,197,999,592	\$ 1,220,419,599	\$ 705,617,790	\$ 386,980,494
2012	5,194,658,933	1,242,818,768	1,262,734,977	669,165,790	376,964,306
2013	5,146,045,001	1,283,113,063	1,297,245,790	947,537,770	374,152,474
2014	5,335,712,117	1,323,430,188	1,459,477,396	869,679,750	372,149,174
2015	5,425,397,218	1,384,295,170	1,471,191,632	832,745,270	363,029,926
2016	5,568,114,807	1,422,904,080	1,534,373,986	729,317,160	352,640,633
2017	5,716,528,486	1,455,133,724	1,570,596,019	735,113,850	356,770,342
2018	5,865,691,401	1,493,752,601	1,469,043,494	742,746,640	341,162,160
2019	5,949,743,011	1,508,536,520	1,556,106,604	716,428,870	335,011,084
2020	5,980,998,172	1,495,840,833	1,758,825,499	720,267,520	341,123,584

Calendar Year	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
			(b)		(c)
2011	\$ 821,208,772	\$ 7,768,493,733	11.294	\$ 8,245,062,002	94.22%
2012	851,451,562	7,894,891,212	11.216	8,325,157,973	94.83%
2013	874,032,953	8,174,061,145	11.216	8,592,602,138	95.13%
2014	916,033,858	8,444,414,767	11.356	8,886,714,578	95.02%
2015	961,645,839	8,515,013,377	11.599	8,904,046,908	95.63%
2016	1,008,265,387	8,599,085,279	11.418	8,966,461,936	95.90%
2017	1,060,150,288	8,773,992,133	11.913	9,212,260,621	95.24%
2018	1,558,479,884	8,353,916,412	12.850	8,879,554,179	94.08%
2019	1,622,886,187	8,442,939,902	13.892	8,768,232,780	96.29%
2020	1,686,133,497	8,610,922,111	13.891	8,959,439,067	96.11%

**Source:** Fairbanks North Star Borough Annual Comprehensive Financial Report for the year ended June 30, 2021  
Historically, information for the most recent calendar year is not available until after the publication date of the District Annual Comprehensive Financial Report.

**Note:** Property taxes are assessed on a calendar year basis. Estimated actual values are derived using the State-confirmed sales ratio plus State-assessed oil and gas property values. Assessed values are from certified assessment rolls of the Fairbanks North Star Borough. All values are for real property only unless otherwise noted.

Prior year amounts have been updated to more accurately display assessed values by each category shown.

(a) Oil and gas property assessments, for all calendar years, are based on State Assessment Review Board (SARB) values. Valuations do not reflect subsequent adjustments.

(b) This column is the areawide mill rate.

(c) This column includes tax-exempt property.

(d) This data is not currently available.

# Fairbanks North Star Borough School District

## Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

	Tax Rates - Millage									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Direct:										
Borough areawide	11.294	11.216	11.216	11.356	11.599	11.418	11.913	12.850	13.892	13.891
Overlapping special Borough taxing jurisdictions except service areas										
Non-Areawide	0.511	0.525	0.523	0.493	0.507	0.520	0.520	0.570	0.595	0.619
Solid Waste Collection District	1.194	1.229	1.232	1.300	1.350	1.389	1.401	1.534	1.599	1.666
Borough direct and overlapping except service areas total (a)	12.999	12.970	12.971	13.149	13.456	13.327	13.834	14.954	16.086	16.176
Overlapping service area jurisdictions										
Air Park S.A.	0.000	0.000	0.000	0.000	0.000	0.000	0.125	0.000	0.000	1.475
Airway S.A.	1.287	1.324	1.387	1.436	1.489	1.569	1.603	1.551	1.532	2.316
Arctic Fox S.A.	1.708	1.850	1.945	1.967	2.168	2.363	2.308	2.410	2.458	1.735
Aztec S.A.	1.342	1.406	1.469	1.533	1.592	1.589	1.614	1.751	1.803	19.036
Ballaine Lake S.A.	14.920	16.054	17.222	17.670	18.209	18.204	16.541	17.124	16.379	0.000
Bear's Den Road S.A.	0.000	0.000	0.329	0.356	0.357	0.000	0.000	0.000	0.000	1.810
Becker Ridge S.A.	1.496	1.440	1.509	1.612	1.666	1.661	1.690	1.711	1.795	2.343
Birch Hill S.A.	2.023	2.101	2.195	2.292	2.356	2.379	2.354	2.332	2.322	3.271
Bluebird Road S.A.	2.792	2.883	3.138	3.378	3.362	3.392	3.691	3.528	3.367	1.431
Borda Road S.A.	1.157	1.204	1.253	1.349	1.383	1.362	1.371	1.361	1.413	0.559
Brookside S.A.	0.503	0.526	0.546	0.559	0.571	0.550	0.535	0.533	0.553	2.526
Chena Goldstream Fire S.A.	1.644	2.142	2.241	2.340	2.377	2.357	2.369	2.380	2.474	1.198
Chena Hills Road S.A.	1.076	1.115	1.152	1.197	1.219	1.187	1.178	1.173	1.197	0.000
Chena Hot Springs II S.A.	0.746	0.412	0.312	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Chena Marina S.A.	0.857	0.880	0.966	1.001	0.976	0.988	0.991	0.997	1.043	1.050
Chena Point Road S.A.	3.128	3.247	3.352	3.488	3.550	3.494	3.475	3.491	3.586	3.571
Chena Spur S.A.	2.679	2.837	2.957	3.052	3.232	3.187	3.265	3.290	3.450	3.467
College S.A.	1.427	1.457	1.216	1.269	1.303	1.305	1.308	1.292	1.346	1.374
College Hills S.A.	0.912	0.950	1.016	1.011	1.053	1.035	1.012	1.007	1.030	1.028
Cooper Estates S.A.	2.915	3.048	3.087	3.313	3.397	3.376	3.290	3.330	3.371	3.436
Cordes Drive S.A.	1.232	1.283	1.374	1.431	1.423	1.448	1.455	1.446	1.512	1.574
Cripple Creek S.A.	1.668	1.717	1.814	1.904	1.946	1.944	1.935	1.945	2.007	2.035
Deep Forest S.A.	0.758	0.795	0.977	1.026	1.050	1.037	1.038	1.035	1.063	1.056
Denali View S.A. ( b )	2.847	2.979	2.969	2.995	3.032	3.078	2.998	2.896	3.045	2.949
Diane Subdivision S.A.	0.345	0.357	0.374	0.391	0.405	0.396	0.388	0.382	0.412	0.407
Drake Estates S.A.	0.753	0.777	0.792	0.831	0.844	0.872	0.877	0.897	0.888	0.877
Edanella Heights Road S.A.	1.457	1.485	2.130	2.284	2.316	2.218	2.225	2.261	2.341	2.372
Ester Lump Road S.A.	3.160	3.333	3.550	3.765	4.109	4.145	4.167	4.241	4.429	4.601
Ester Volunteer Fire S.A.	2.619	2.726	2.887	3.033	3.140	3.159	3.150	3.158	3.280	3.332
Fairfields S.A.	0.750	0.789	0.834	0.867	0.898	0.887	0.869	0.831	0.885	0.861
Fairhill S.A.	2.294	2.315	1.156	1.213	1.245	1.285	1.302	1.249	1.350	1.372
Fairwest S.A.	1.903	1.989	2.082	2.119	2.155	2.204	2.199	2.160	2.210	2.299
Garden S.A.	1.099	1.135	1.188	1.244	1.275	1.280	1.259	1.306	1.347	1.334
Golden Valley Road S.A.	4.704	4.945	5.085	5.410	5.404	4.948	4.904	4.891	5.036	5.176
Goldstream Alaska S.A.	2.422	2.435	2.591	2.835	2.839	2.817	2.802	2.906	3.070	3.296
Goldstream Moose Creek S.A. (c)	1.694	1.720	1.758	1.831	1.887	1.871	1.914	1.921	1.983	2.107
Gordon S.A.	1.135	1.158	1.238	1.280	1.309	1.306	1.288	1.291	1.332	1.337
Granola Estates S.A.	1.321	1.441	1.534	1.587	1.647	1.603	1.614	1.661	1.714	1.887
Grieme Road S.A.	3.852	3.899	4.067	4.153	4.234	4.359	4.261	4.373	4.575	4.675
Haystack S.A.	3.615	3.767	3.815	3.974	4.128	4.324	4.512	4.793	5.000	5.051
Herning Hills S.A.	1.441	1.501	1.506	1.571	1.618	1.636	1.644	1.625	1.711	1.701
Horseshoe Downs S.A.	3.315	3.462	3.745	4.351	4.687	4.693	4.401	4.417	4.508	4.462
Jennifer Drive S.A.	1.816	2.019	2.202	2.328	2.404	2.389	2.485	2.616	2.723	2.856
Jones Road S.A.	1.689	1.737	1.815	1.905	1.889	1.939	1.973	1.997	2.097	2.213
Joy Road S.A.	1.271	1.314	1.313	1.329	1.345	1.375	1.356	1.421	1.517	1.492
Keeney Road S.A.	0.657	0.671	0.714	0.743	0.746	0.753	0.690	0.740	0.766	0.785

# Fairbanks North Star Borough School District

## Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

	Tax Levies (in 000's)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Direct:										
Borough areawide	\$93,726	\$94,876	\$98,349	\$ 103,053	\$ 106,434	\$ 106,398	\$ 113,619	\$ 117,845	\$ 129,274	\$ 132,314
Overlapping special Borough taxing jurisdictions except service areas										
Non-Areawide	2,773	2,910	3,053	2,987	3,135	3,259	3,332	3,483	3,701	3,958
Solid Waste Collection District	6,870	7,214	7,562	8,272	8,682	9,052	9,353	9,772	10,385	11,115
Borough direct and overlapping except service areas total (a)										
Overlapping service area jurisdictions										
Air Park S.A.	-	-	-	-	-	-	1	-	-	-
Airway S.A.	15	15	16	17	18	19	20	20	19	19
Arctic Fox S.A.	5	6	6	7	7	8	8	8	8	8
Aztec S.A.	26	28	30	31	38	40	43	60	64	64
Ballaine Lake S.A.	34	37	38	41	42	42	39	41	40	45
Bear's Den Road S.A.	-	-	1	1	1	-	-	-	-	-
Becker Ridge S.A.	122	128	135	145	152	156	159	165	173	178
Birch Hill S.A.	122	129	143	151	160	165	168	173	193	203
Bluebird Road S.A.	9	9	10	12	12	13	14	14	13	14
Borda Road S.A.	30	32	33	36	38	39	41	42	44	46
Brookside S.A.	10	10	11	11	12	11	12	12	13	13
Chena Goldstream Fire S.A.	1,111	1,498	1,579	1,678	1,756	1,802	1,856	1,910	2,018	2,099
Chena Hills Road S.A.	103	109	114	121	129	134	137	141	147	153
Chena Hot Springs II S.A.	1	1	-	-	-	-	-	-	-	-
Chena Marina S.A.	25	26	30	32	34	35	36	37	40	41
Chena Point Road S.A.	112	124	137	149	155	162	167	173	182	187
Chena Spur S.A.	47	51	52	56	60	61	64	66	71	72
College S.A.	561	586	481	514	533	544	556	561	587	604
College Hills S.A.	29	31	32	34	35	36	36	37	38	39
Cooper Estates S.A.	29	32	33	35	36	37	38	38	39	41
Cordes Drive S.A.	28	30	31	33	33	35	36	36	39	40
Cripple Creek S.A.	70	74	81	86	89	91	94	97	101	107
Deep Forest S.A.	21	22	29	30	31	31	31	32	33	33
Denali View S.A. ( b )	8	9	9	9	9	9	9	9	10	10
Diane Subdivision S.A.	4	4	4	4	5	5	5	5	5	5
Drake Estates S.A.	8	9	9	9	9	10	10	11	11	11
Edanella Heights Road S.A.	36	37	53	57	59	60	61	63	66	67
Ester Lump Road S.A.	38	40	42	46	49	50	53	55	57	60
Ester Volunteer Fire S.A.	427	457	487	522	550	568	589	606	633	659
Fairfields S.A.	17	18	19	20	21	21	21	21	23	23
Fairhill S.A.	25	27	13	14	15	15	16	16	17	18
Fairwest S.A.	26	27	28	29	30	31	32	32	32	34
Garden S.A.	43	45	48	51	55	58	59	61	71	73
Golden Valley Road S.A.	16	17	18	19	19	19	19	19	21	21
Goldstream Alaska S.A.	29	30	32	35	36	36	36	39	41	44
Goldstream Moose Creek S.A. (c)	54	58	61	65	71	72	77	79	85	92
Gordon S.A.	60	62	66	68	70	72	73	80	83	88
Granola Estates S.A.	6	8	8	9	9	9	10	11	12	13
Grieme Road S.A.	22	24	25	25	27	28	28	28	30	31
Haystack S.A.	41	43	46	47	50	53	56	61	65	67
Herning Hills S.A.	30	32	33	35	37	38	39	40	42	43
Horseshoe Downs S.A.	20	26	29	32	34	35	33	34	35	36
Jennifer Drive S.A.	6	7	7	8	8	8	9	9	9	10
Jones Road S.A.	67	71	75	80	83	85	89	92	97	102
Joy Road S.A.	9	9	9	10	10	11	11	11	12	13
Keeney Road S.A.	3	3	3	3	3	3	3	3	3	3

# Fairbanks North Star Borough School District

## Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

	Tax Rates - Millage									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Kendall S.A.	1.021	1.045	1.073	1.165	1.197	1.189	1.174	1.169	1.224	1.238
Keystone S.A.	3.328	3.440	3.861	4.065	4.039	4.050	4.067	4.162	4.291	4.489
Kris Kringle S.A.	2.139	2.211	2.315	2.393	2.540	2.526	2.485	2.437	2.568	2.620
Lakloey Hill S.A.	1.059	1.110	1.177	1.214	1.263	1.256	1.240	1.218	1.266	1.286
Lee Lane S.A.	1.641	1.738	1.806	1.888	1.959	1.807	3.060	3.008	2.958	3.116
Loose Moose S.A.	0.982	1.034	1.042	1.086	1.128	1.147	1.097	1.030	1.082	1.101
Martin S.A.	8.833	9.417	9.943	10.323	10.359	10.500	11.713	12.279	12.736	13.347
McCloud S.A.	10.458	10.481	11.409	12.208	12.486	12.443	12.769	13.314	14.010	14.952
McGrath Estates S.A.	1.381	1.431	1.528	1.556	1.609	1.611	1.590	1.556	1.600	1.597
Mellow Woods Road S.A.	1.271	1.273	1.346	1.403	1.420	1.385	1.356	1.340	1.372	1.386
Miller Hill Extension S.A.	4.945	4.995	5.357	5.725	5.740	5.691	5.810	5.857	6.066	6.288
Moose Creek S.A.	0.380	0.387	0.344	0.383	0.390	0.421	1.099	1.103	1.404	1.418
Moose Meadows S.A.	0.877	0.910	0.923	0.968	0.993	0.997	0.986	0.978	0.936	0.936
Mt. View S.A.	1.358	1.399	1.504	1.520	1.475	1.475	1.456	1.386	1.358	1.352
Murphy S.A. (d)	1.642	1.692	1.784	1.844	1.829	1.812	1.795	2.857	3.087	3.362
Musk Ox S.A.	1.354	1.390	1.462	1.450	1.490	1.476	1.479	2.852	2.951	2.953
Newby Park S.A.	0.767	0.823	0.853	0.884	0.900	0.881	0.861	0.841	0.885	0.898
North Ridge S.A.	4.507	4.830	4.889	5.120	5.289	5.145	5.461	5.706	5.842	6.185
North Star Fire S.A.	1.258	1.306	1.329	1.399	1.432	1.439	1.436	1.436	1.486	1.489
O'Connor Creek S.A.	8.875	8.893	6.641	7.822	7.969	8.902	8.955	8.975	9.338	9.439
Old Wood Road S.A.	1.790	2.039	2.194	2.328	2.417	2.621	2.663	2.645	2.871	3.042
Olympic S.A. (e)	0.940	0.970	1.014	1.080	1.114	1.115	1.145	1.158	1.189	1.204
Our S.A.	1.087	1.209	1.329	1.337	1.359	1.363	1.421	1.463	1.672	1.885
Parkside S.A.	1.602	1.674	1.736	1.784	1.803	1.754	1.788	1.806	1.911	1.876
Peede Country Estates S.A.	1.326	1.357	1.446	1.485	1.500	1.471	1.470	1.478	1.568	1.560
Pine Stream S.A.	1.001	1.034	1.070	1.105	1.152	1.149	1.193	1.179	1.212	1.181
Pleasureland S.A.	0.970	0.998	1.023	1.078	1.170	1.167	1.175	1.141	1.190	1.183
Polar Heights S.A.	1.016	1.027	0.964	1.045	1.055	1.116	1.114	1.158	1.203	1.192
Potlatch S.A. (f)	2.665	2.755	2.885	3.354	3.547	3.554	3.591	3.606	3.923	4.025
Prospect Park S.A.	1.258	1.281	1.371	1.374	1.481	1.459	1.424	1.348	1.401	1.376
Reed Acres Road S.A.	1.355	1.382	1.476	1.521	1.573	1.584	2.234	2.261	2.309	2.408
Ridgecrest S.A.	1.099	1.129	1.172	1.199	1.219	1.169	1.078	1.071	1.105	1.157
Salchaket Heights S.A.	3.972	4.357	4.472	4.690	4.750	4.743	4.776	4.799	5.680	5.755
Scenic Heights S.A.	1.600	1.707	1.759	1.764	1.856	1.743	1.683	1.698	1.762	1.780
Seavy S.A.	0.311	0.320	0.316	0.341	0.351	0.356	0.355	0.353	0.358	0.361
Secluded Acres S.A.	1.452	1.495	1.567	2.190	1.783	1.814	1.781	1.737	2.024	2.040
Serendipity Hill S.A.	2.901	2.976	3.162	3.315	3.321	3.446	3.373	3.449	3.843	3.836
Six-Mile Village Road S.A..	1.232	1.262	1.412	1.495	1.528	1.509	1.658	1.701	1.743	1.720
Smallwood Trail Road S.A.	0.751	0.756	0.794	0.831	0.864	1.711	1.686	1.663	1.746	1.802
Smith Ranch S.A.	1.343	0.249	0.267	0.274	0.278	0.285	0.265	0.282	0.294	0.325
Spring Glade S.A.	0.898	0.926	0.981	1.570	1.600	1.615	1.618	1.591	1.652	1.677
Spruce Acres S.A.	1.610	1.562	1.573	1.629	1.714	1.666	1.605	1.649	1.643	1.608
Steamboat Landing S.A.	1.339	1.385	1.490	1.589	1.643	1.665	2.692	2.721	2.771	2.815
Steese Volunteer Fire S.A	1.789	1.849	1.893	1.973	2.015	2.031	2.017	2.004	2.090	2.107
Straight Creek S.A.	4.096	3.701	4.050	4.217	4.285	4.323	4.395	4.496	4.708	4.887
Summerwood S.A.	2.560	2.662	2.819	2.922	3.051	3.007	3.014	3.027	3.121	3.151
Summit Drive S.A.	1.542	1.603	1.690	1.710	1.756	1.750	1.740	1.741	1.799	1.815
Sunny Hills Terrace S.A.	2.772	2.946	3.120	3.224	3.278	3.180	3.177	3.187	3.259	2.722
Sunrise S.A.	2.171	2.198	2.381	2.419	2.494	2.463	2.553	2.638	2.737	2.874
Tan Terra S.A.	1.592	1.754	1.885	1.883	1.935	1.977	1.977	1.981	2.014	1.982
Thomas S.A.	2.791	2.861	3.008	3.449	3.660	3.572	3.982	4.133	4.330	4.142
Timberlane Road S.A.	1.464	1.448	1.594	1.642	1.616	1.639	1.593	1.595	1.735	1.868
Tungsten S.A.	2.921	2.992	3.165	3.320	3.384	3.464	3.413	3.418	3.601	3.656
Twenty Three Mile Slough S.A.	3.424	3.557	3.652	3.889	2.983	2.880	2.971	3.015	3.203	3.277
Ullrhaven S.A.	1.706	1.858	2.076	2.153	2.192	2.358	2.471	2.411	2.469	2.468
University Fire S.A.	2.464	2.510	2.643	2.689	2.756	2.736	2.732	2.733	2.853	2.908
University Heights S.A.	1.742	1.755	1.848	1.865	1.887	1.900	1.866	1.839	1.905	1.889

# Fairbanks North Star Borough School District

## Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

	Tax Levies (in 000's)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Kendall S.A.	\$ 14	\$ 14	\$ 15	\$ 16	\$ 17	\$ 17	\$ 18	\$ 18	\$ 19	\$ 19
Keystone S.A.	16	17	18	19	20	20	22	22	23	26
Kris Kringle S.A.	15	15	16	17	18	20	20	20	22	22
Lakloey Hill S.A.	41	44	46	48	62	64	64	69	72	75
Lee Lane S.A.	7	7	8	9	9	8	4	4	4	5
Loose Moose S.A.	8	9	8	9	9	10	9	9	10	10
Martin S.A.	34	39	42	43	46	48	56	60	65	68
McCloud S.A.	21	23	26	29	31	31	34	36	37	41
McGrath Estates S.A.	74	77	81	86	90	93	94	95	98	101
Mellow Woods Road S.A.	19	19	20	21	21	21	22	22	23	25
Miller Hill Extension S.A.	64	67	69	73	75	77	79	81	86	88
Moose Creek S.A.	17	17	17	18	19	19	50	51	65	68
Moose Meadows S.A.	81	86	88	93	96	99	102	104	112	118
Mt. View S.A.	34	35	36	37	37	37	38	37	39	39
Murphy S.A. (d)	15	16	16	17	17	17	18	29	33	36
Musk Ox S.A.	43	45	47	48	49	50	51	101	105	107
Newby Park S.A.	19	21	21	22	23	23	23	23	24	25
North Ridge S.A.	13	15	16	16	17	17	19	19	20	23
North Star Fire S.A.	1,831	1,940	2,030	2,146	2,241	2,303	2,358	2,426	2,558	2,658
O'Connor Creek S.A.	130	125	128	133	135	136	137	139	148	151
Old Wood Road S.A.	14	16	17	18	19	22	23	24	26	28
Olympic S.A. (e)	25	27	28	30	31	32	34	35	37	39
Our S.A.	4	5	5	6	6	6	7	7	9	10
Parksville S.A.	13	13	14	15	16	16	17	18	19	19
Peede Country Estates S.A.	6	8	9	10	11	11	11	12	13	14
Pine Stream S.A.	25	26	35	37	40	40	69	70	74	75
Pleasureland S.A.	8	8	9	9	10	10	11	11	11	11
Polar Heights S.A.	21	21	22	24	24	25	25	26	27	28
Potlatch S.A. (f)	12	13	14	16	17	17	17	18	20	20
Prospect Park S.A.	9	9	10	10	11	11	11	11	11	11
Reed Acres Road S.A.	10	10	11	11	12	12	27	28	28	29
Ridgecrest S.A.	3	3	3	3	4	4	3	3	4	4
Salchaket Heights S.A.	5	5	5	5	5	5	6	6	8	8
Scenic Heights S.A.	21	23	24	25	26	25	25	26	27	28
Seavy S.A.	10	11	11	12	12	13	13	13	13	14
Secluded Acres S.A.	8	13	14	19	16	16	16	17	18	19
Serendipity Hill S.A.	8	8	8	9	9	9	9	9	10	10
Six-Mile Village Road S.A..	10	10	11	11	12	12	13	13	14	14
Smallwood Trail Road S.A.	7	8	8	8	9	18	18	18	21	23
Smith Ranch S.A.	47	9	9	10	10	10	10	11	11	12
Spring Glade S.A.	32	34	35	58	60	62	63	64	67	69
Spruce Acres S.A.	7	7	8	8	9	9	9	9	9	9
Steamboat Landing S.A.	20	21	23	24	26	27	45	46	48	51
Steese Volunteer Fire S.A	1,452	1,536	1,619	1,709	1,779	1,832	1,870	1,915	2,015	2,081
Straight Creek S.A.	19	19	20	21	21	22	23	24	24	27
Summerwood S.A.	42	44	46	50	52	53	55	57	59	60
Summit Drive S.A.	129	137	145	155	162	165	171	176	184	191
Sunny Hills Terrace S.A.	36	40	41	43	44	43	45	46	47	40
Sunrise S.A.	13	14	15	16	16	16	17	18	18	19
Tan Terra S.A.	31	35	39	40	42	45	46	48	49	49
Thomas S.A.	13	14	14	15	16	16	17	18	19	19
Timberlane Road S.A.	9	9	10	10	10	10	10	10	11	12
Tungsten S.A.	46	49	53	57	59	61	62	65	68	70
Twenty Three Mile Slough S.A.	43	50	52	59	50	52	57	60	66	71
Ullrhaven S.A.	4	5	5	6	6	6	7	7	7	7
University Fire S.A.	2,590	2,724	2,871	3,005	3,160	3,248	3,325	3,384	3,535	3,649
University Heights S.A.	63	65	67	69	71	73	74	74	78	79

# Fairbanks North Star Borough School District

## Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

	Tax Rates - Millage									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
University West Street Lights S.A.	0.472	0.485	0.512	0.527	0.535	0.535	0.548	0.541	0.560	0.570
Vienna Woods S.A.	0.836	0.860	0.809	0.858	0.873	0.892	0.885	0.880	0.912	0.908
Viewpointe S.A.	1.104	1.129	1.201	1.192	1.193	1.167	1.159	1.167	1.221	1.224
Violet Drive S.A.	2.990	3.075	3.265	3.399	3.480	3.574	3.674	3.761	3.947	3.981
Vista Gold Road S.A.	2.549	2.622	2.758	2.888	2.924	2.918	2.945	2.945	3.013	3.102
Vue Crest, S.A	1.497	1.517	1.587	1.657	1.686	1.669	1.654	1.667	1.701	1.666
Whitman S.A.	1.385	1.562	1.625	1.787	1.811	1.727	1.923	1.894	1.991	1.996
Wildview S.A.	2.975	3.052	3.215	3.359	3.471	3.454	3.395	3.357	3.459	3.494
Woodland S.A.	1.068	1.097	1.152	1.189	1.293	1.377	1.363	1.454	1.627	1.633
Yak Road S.A.	1.009	1.035	1.077	1.117	1.132	1.095	1.090	1.096	1.132	1.138
Overlapping separate city governments										
City of Fairbanks	5.843	5.734	5.716	5.549	5.678	5.651	5.874	6.979	5.871	5.684
Borough areawide	11.294	11.216	11.216	11.356	11.599	11.418	11.913	12.850	13.892	13.891
City of Fairbanks total (a)	17.137	16.950	16.932	16.905	17.277	17.069	17.787	19.829	19.763	19.575
City of North Pole	3.000	3.000	3.500	3.500	3.500	3.500	1.499	2.499	2.499	3.499
Borough areawide	11.294	11.216	11.216	11.356	11.599	11.418	11.913	12.850	13.892	13.891
Borough Solid Waste										
Collection District	1.141	1.194	1.229	1.232	1.300	1.350	1.389	1.401	1.599	1.666
City of North Pole total (a)	15.488	15.445	15.948	16.156	16.449	16.307	14.813	16.883	17.990	19.056

**Source:** Fairbanks North Star Borough Annual Comprehensive Financial Report for the year ended June 30, 2021. Historically, information for the most recent calendar year is not available until after the publication date of the District Annual Comprehensive Financial Report.

**Note:** Alaska Statute 29.45.090 limits the amount of taxes levied to 3% of the assessed value of the property within the municipality. Furthermore, no municipality, or combination of municipalities occupying the same geographic area, may levy taxes which result in tax revenues from all sources exceeding \$1,500 a year for each person residing in the Borough or which exceed the product of 225% of the average per capita full and true value in the state multiplied by the number of residents of the taxing municipality. However, there is no taxing limitation for debt service per Alaska Statute 29.45.100. With some exceptions, the total amount of tax that can be levied during a year cannot exceed the total amount approved for the preceding year by more than a percentage determined by adding the percentage increase in the Consumer Price index for Fairbanks from the preceding year per FNSBC 8.04.290.

Air Park S.A. dissolved effective 3/3/2020

Bear's Den S.A and Chena Hot Springs II S.A. dissolved effective 11/05/2019

(a) The Borough direct and overlapping except service areas total rate applies to all areas of the Borough outside the cities of Fairbanks and North Pole. Some neighborhoods of the Borough are also in one or more service area(s) and pay service area rates in addition. Other areas of the Borough, including the cities of Fairbanks and North Pole, are not in any service area.

(b) Denali View S.A was formerly known as McKinley S.A

(c) Goldstream Moose Creek S.A. authorized a road project under a differential tax zone beginning in 2017.

(d) Murphy S.A. authorized a road project under a differential tax zone starting in 2012. An additional road project was authorized in 2015.

(e) Olympic S.A was formerly known as Hopeless S.A

(f) Potlatch S.A. authorized a road project under a differential tax zone beginning in 2008.

# Fairbanks North Star Borough School District

## Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

	Tax Levies (in 000's)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
University West Street Lights S.A.	70	72	75	78	81	82	86	87	90	93
Vienna Woods S.A.	25	26	27	28	29	30	30	30	32	33
Viewpointe S.A.	20	21	23	23	24	24	24	25	26	27
Violet Drive S.A.	69	74	79	86	92	96	101	106	112	117
Vista Gold Road S.A.	42	44	47	49	51	52	54	56	58	60
Vue Crest, S.A	34	36	38	40	44	47	48	51	54	54
Whitman S.A.	4	5	5	6	6	6	7	7	8	8
Wildview S.A.	202	212	224	236	247	251	252	253	265	275
Woodland S.A.	2	3	3	3	3	3	3	3	4	4
Yak Road S.A.	84	87	90	95	96	97	99	101	106	109
Overlapping separate city governments										
City of Fairbanks	14,960	14,945	15,155	15,161	14,787	15,011	15,930	19,057	16,067	15,743
Borough areawide										
City of Fairbanks total (a)										
City of North Pole	982	980	1,054	1,066	818	817	377	604	639	895
Borough areawide										
Borough Solid Waste										
Collection District										
City of North Pole total (a)										



# Fairbanks North Star Borough School District

## Principal Taxable Properties Current Year and Nine Years Ago

Taxpayer	Type of Business	2020		
		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
				(a)
Fairbanks Gold Mining, Inc. (Fort Knox)	gold mining	\$ 804,633,142	1	7.81%
State-assessed oil and gas properties	oil transportation	720,267,520	2	6.99%
Doyon Utilities, LLC	utilities	285,293,906	3	2.77%
Petro Star, Inc	oil refining	58,252,887	4	0.57%
Alaska Communications Systems	communications	58,024,834	5	0.56%
Greater Fairbanks Community Hospital Foundation	health care	54,537,778	6	0.53%
GCI Cable Fairbanks, Inc.	communications	43,258,844	7	0.42%
Westmark Hotel	health care	37,999,603	8	0.37%
Wal-Mart	hotel	34,751,898	9	0.34%
Fred Meyer Stores, Inc. (east)	shopping center	31,787,618	10	0.31%
Fred Meyer Stores, Inc. (west)	shopping center	-		0.00%
Flint Hills Resources, LLC	oil refining	-		0.00%
Alaska Hotel Properties (c)	hotel / tourism	-		0.00%
		<u>\$ 2,128,808,030</u>		<u>20.67%</u>
				(b)
Taxpayer	Type of Business	2011		
		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
				(b)
Fairbanks Gold Mining, Inc. (Fort Knox)	gold mining	\$ 390,932,856	2	4.55%
State-assessed oil and gas properties	oil transportation	705,617,790	1	8.21%
Doyon Utilities, LLC	utilities	220,152,076	3	2.56%
Petro Star, Inc	oil refining	-		0.00%
Alaska Communications Systems	communications	48,782,852	5	0.57%
Greater Fairbanks Community Hospital Foundation	health care	-		0.00%
GCI Cable Fairbanks, Inc.	communications	41,886,744	6	0.49%
Westmark Hotel	health care	33,251,338	8	0.39%
Wal-Mart	hotel	33,578,595	7	0.39%
Fred Meyer Stores, Inc. (east)	shopping center	-		0.00%
Fred Meyer Stores, Inc. (west)	shopping center	26,648,312	10	0.31%
Flint Hills Resources, LLC	oil refining	147,119,124	4	1.71%
Alaska Hotel Properties (c)	hotel / tourism	27,753,848	9	0.32%
		<u>\$ 1,675,723,535</u>		<u>19.50%</u>

**Source:** Fairbanks North Star Borough Annual Comprehensive Financial Report for the year ended June 30, 2021. Historically, information for the most recent calendar year is not available until after the publication date of the District Annual Comprehensive Financial Report.

**Notes:** The table presented reports principal taxable properties rather than taxpayers. Cumulative totals for individual taxpayers are not stored or readily available.

(a) \$10,065,826,089

(b) \$8,344,488,629

(c) Princesse Riverside Lodge

# Fairbanks North Star Borough School District

## Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Net Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Net Levy
	(a) (c)	(b)					
2012	\$ 93,725,808	\$ 87,756,597	\$ 86,666,871	98.76%	\$ 634,161	\$ 87,301,032	99.48%
2013	94,876,332	88,546,542	87,427,560	98.74%	1,084,112	88,511,672	99.96%
2014	98,348,591	91,722,353	90,579,521	98.75%	1,067,146	91,646,667	99.92%
2015	103,052,677	95,894,341	93,159,285	97.15%	2,663,545	95,822,830	99.93%
2016	106,433,578	98,559,732	95,768,091	97.17%	2,712,759	98,480,850	99.92%
2017	106,398,099	98,211,057	95,469,849	97.21%	2,653,577	98,123,426	99.91%
2018	113,619,424	104,523,843	101,602,810	97.21%	2,866,264	104,469,074	99.95%
2019	117,845,398	107,345,648	104,173,406	97.04%	3,118,358	107,291,764	99.95%
2020	129,274,271	117,289,129	114,619,501	97.72%	1,098,558	115,718,059	98.66%
2021	132,313,911	119,616,375	118,225,761	98.84%			

**Source:** Fairbanks North Star Borough Annual Comprehensive Financial Report for the year ended June 30, 2021. Historically, information for the most recent calendar year is not available until after the publication date of the District Annual Comprehensive Financial Report.

**Notes:** Only the areawide taxes levied by the Borough are included in this table. Collections for non-areawide functions, service areas, and other governmental units are not included.

Penalties, interest and legal fees are not included in the tax amounts above.

Farm use lands that have been sold, leased, or otherwise disposed of have been excluded from the tax amounts shown above.

(a) Taxes levied for the fiscal year are the taxes levied after local exemptions, but before state mandated exemptions are applied.

(b) Net tax levy is the taxes levied for the fiscal year after the application of state exemptions. Fiscal year 2011 includes a special retroactive State adjustment for pipeline properties.

(c) For the oil and gas properties, taxes levied for a fiscal year are based on State Assessment Review Board (SARB) assessed values. Valuations do not reflect subsequent adjustments.

## Fairbanks North Star Borough School District

### Significant Own-Sourced Revenue Last Ten Fiscal Years

Fiscal Year	Food Services Local Revenue	Cost of Full-Priced Meal		Percentage of Students Eligible for Free or Reduced-Price Meals
		Breakfast	Lunch	
		(a)	(a)	
2013	\$ 1,598,281	\$ 2.00	\$ 3.50	35%
2014	1,492,538	2.00	3.50	36%
2015	1,353,596	2.00	3.50	35%
2016	1,352,523	2.00	3.50	37%
2017	1,369,239	2.00	3.50	37%
2018	1,360,303	2.00	3.50	37%
2019	1,417,808	2.00	3.50	37%
2020	1,134,055	2.00	3.50	36%
2021	51,171	2.00	3.50	30%
2022	104,077	2.00	3.50	27%

**Source:** Nutrition Services Department

Fairbanks North Star Borough School District

Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Capital Leases	Percentage of Personal Income	Per Capita
		(a)	(a)
2013	\$ -	0.00%	\$ -
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	1,001,328	0.02%	10.08
2018	670,769	0.01%	6.73
2019	-	0.00%	-
2020	-	0.00%	-
2021	-	0.00%	-
2022	-	0.00%	-

(a) See Demographic and Economic Statistics, for personal income and population data. These ratios are calculated using personal income and population from the most recent calendar year available.

# Fairbanks North Star Borough School District

## Demographic and Economic Statistics Last Ten Calendar Years

Year	Population	Personal Income in 000's	Per Capita Personal Income	Unemployment Rate
	(a)	(a)	(a)	(b)
2010	98,264	\$ 4,542,248	\$ 46,225	6.90%
2011	98,120	4,999,795	50,956	6.60%
2012	100,311	5,111,638	50,958	6.20%
2013	100,933	4,960,891	49,150	5.90%
2014	99,254	5,178,518	52,174	5.70%
2015	99,636	5,355,702	53,753	5.30%
2016	100,633	5,338,649	53,051	5.60%
2017	99,675	5,443,462	54,612	5.70%
2018	98,565	5,689,172	57,720	5.20%
2019	96,849	5,806,852	59,958	4.70%

**Source:** Fairbanks North Star Borough Annual Comprehensive Financial Report for the year ended June 30, 2021. Historically, information for the most recent calendar year is not available until after the publication date of the District Annual Comprehensive Financial Report.

(a) U.S. Department of Commerce: Bureau of Economic Analysis

(b) State of Alaska Department of Labor and Workforce Development: Research and Analysis Section.

**Notes:** Population data is available from multiple sources for the State of Alaska, and the numbers can vary widely. The source for this table has been selected because it also provides the personal income and per capita data.

This table has been restated to incorporate new estimates and revisions released by the U.S. Department of Commerce's Bureau of Economic Analysis. Personal income, population, and per capita personal income for all years are restated annually.

Data for calendar year 2020 is not available until April 2022

## Fairbanks North Star Borough School District

### Employment by Industry Current Year and Nine Years Ago

Type of Employer	Rank	2020		Rank	2011	
		Annual Average Monthly Employment	Percentage of Total Borough Employment		Annual Average Monthly Employment	Percentage of Total Borough Employment
		(a)			(a)	
Government (b)	1	10,200	28.70%	1	12,000	30.90%
Trade, transportation, utilities	2	7,200	20.20%	2	7,800	20.10%
Educational and health services	3	5,300	14.90%	3	4,900	12.60%
Leisure and hospitality	4	3,700	10.40%	4	4,100	10.50%
Construction	5	2,600	7.30%	5	2,600	6.70%
Professional and business services	6	2,500	7.10%	6	2,500	6.40%
Information, other services	7	1,300	3.70%	7	1,700	4.40%
Financial activities	8	1,200	3.40%	8	1,400	3.60%
Mining and logging	9	1,100	3.10%	9	1,300	3.30%
Manufacturing	10	500	1.40%	10	600	1.50%
		<u>35,600</u>	<u>100.20%</u>		<u>38,700</u>	<u>100.00%</u>

**Source:** Fairbanks North Star Borough Annual Comprehensive Financial Report for the year ended June 30, 2021  
Historically, information for the most recent calendar year is not available until after the publication date of the District Annual Comprehensive Financial Report.

Information obtained from Alaska Department of Labor and Workforce Development (DOWLD), Research and Analysis Section, Fairbanks North Star Borough Statistical Area.

- (a) for the 12 months ended December 31; rounded to nearest hundred  
 (b) federal government 3,300 for 2020 and 3,400 for 2011  
     state government 4,300 for 2020 and 5,500 for 2011  
     local government 2,600 for 2020 and 3,100 for 2011

# Fairbanks North Star Borough School District

## Full-time Equivalent Operating Fund Employees by Department and Type Last Ten Fiscal Years

	Fiscal Year				
	2013	2014	2015	2016	2017
Personnel by Department					
Board / Superintendent	8.50	5.00	5.00	5.00	5.00
Administrative Services	35.50	32.50	32.50	33.00	31.00
Human Resources	10.00	12.50	13.50	17.50	18.50
Facilities Management	172.60	168.60	172.80	171.80	173.80
Instruction and Supervision	36.85	35.85	36.05	27.05	27.05
Alternative Learning (a)	18.80	19.80	19.80	20.85	24.35
Student Support Services	-	-	-	-	-
Teaching and Learning (b)	14.00	15.00	15.00	42.50	33.00
Special Education	366.50	381.90	381.40	380.20	377.20
Information and Technology (c)	35.50	32.00	33.00	30.00	36.00
Non-Departmental (d)	6.00	3.00	1.00	1.00	1.00
Federal Programs (e)	-	-	-	-	-
Alternative Programs (g)	-	-	-	-	-
Elementary Schools	526.14	519.64	518.64	471.19	478.19
Middle Schools	149.20	144.00	139.20	136.20	136.00
Junior/Senior High School	45.50	39.50	39.50	37.70	40.00
Senior High Schools	267.10	245.00	241.50	235.60	233.00
Charter Schools (f)	59.02	60.77	61.37	63.79	63.79
<b>Total Personnel</b>	<b>1,751.21</b>	<b>1,715.06</b>	<b>1,710.26</b>	<b>1,673.38</b>	<b>1,677.88</b>

Personnel by Employee Type					
Districtwide Administration	5.00	4.00	4.00	4.00	4.00
Professional Staff	66.85	64.05	68.05	69.65	70.15
Principals / Assistant Principals	43.00	44.00	43.00	41.00	41.00
Certified Staff	950.93	915.40	905.00	890.95	895.95
Support Staff	685.43	687.61	690.21	667.78	666.78
<b>Total Personnel</b>	<b>1,751.21</b>	<b>1,715.06</b>	<b>1,710.26</b>	<b>1,673.38</b>	<b>1,677.88</b>

**Notes:** School-term employees of the district work between 190 and 200 days at seven to seven and a half hours per day. All other district employees are based on 260 days at seven and a half to eight hours per day.

(a) Prior to fiscal year 2019 Alternative Learning was known as Personalized Learning.

(b) Prior to fiscal year 2017 Teaching and Learning was known as Curriculum.

(c) Prior to fiscal year 2017 Information and Technology was known as Research & Accountability, Instructional Technology Services, and Technology and Information Systems.

(d) Non-Departmental consists of 0.5 FTE for the FEA President and 0.5 FTE for the ESSA President. Any additional FTEs are for reserve teaching positions. Prior to fiscal year 2011 these positions were budgeted in the Human Resources Department, and then in 2019 they were added back in.

(e) Prior to fiscal year 2019 Federal Programs was dispersed among other programs and in 2021 Federal Program is included in Student Support Services.

(f) During fiscal year 2018 Boreal Sun Charter School opened.

(g) Alternative Programs is a new department that includes all alternative schooling options.

**Source:** Information prepared by the Accounting Services department

# Fairbanks North Star Borough School District

## Full-time Equivalent Operating Fund Employees by Department and Type Last Ten Fiscal Years

	Fiscal Year				
	2018	2019	2020	2021	2022
Personnel by Department					
Board / Superintendent	10.00	11.00	9.00	8.00	10.00
Administrative Services	24.00	23.10	23.30	22.80	21.80
Human Resources	17.50	22.75	21.00	16.00	20.00
Facilities Management	161.80	142.40	137.40	116.40	125.50
Instruction and Supervision	40.05	35.50	40.50	31.00	40.50
Alternative Learning (a)	18.95	-	-	-	-
Student Support Services	-	11.23	13.03	29.54	28.50
Teaching and Learning (b)	14.00	20.00	20.00	17.00	10.60
Special Education	376.20	367.73	351.90	336.70	295.70
Information and Technology (c)	35.00	35.00	36.00	32.00	31.00
Non-Departmental (d)	1.00	-	-	-	-
Federal Programs (e)	-	32.69	32.24	-	-
Alternative Programs	-	-	-	32.53	35.79
Elementary Schools	499.19	510.43	491.14	444.70	392.84
Middle Schools	125.50	113.40	124.00	115.90	102.00
Junior/Senior High School	34.00	28.20	26.10	27.20	25.20
Senior High Schools	215.70	212.20	214.20	240.55	178.72
Charter Schools (f)	76.79	76.74	93.51	77.72	75.50
<b>Total Personnel</b>	<b>1,649.68</b>	<b>1,642.37</b>	<b>1,633.32</b>	<b>1,548.04</b>	<b>1,393.65</b>

Personnel by Employee Type					
Districtwide Administration	6.00	6.00	6.00	5.00	6.00
Professional Staff	73.15	83.55	76.30	64.30	79.18
Principals / Assistant Principals	42.00	41.00	44.00	45.00	43.00
Certified Staff	874.15	721.92	838.80	813.90	700.02
Support Staff	654.38	789.90	668.22	619.84	565.45
<b>Total Personnel</b>	<b>1,649.68</b>	<b>1,642.37</b>	<b>1,633.32</b>	<b>1,548.04</b>	<b>1,393.65</b>



# Fairbanks North Star Borough School District

## Operating Statistics Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Employer's Contribution to PERS / TRS
(a)					
2013	14,256	\$ 254,465,878	17,850	5.11%	\$ 17,303,835
2014	14,041	254,410,673	18,119	1.51%	17,370,572
2015	13,762	433,607,722	31,508	73.89%	17,303,899
2016	13,851	230,951,510	16,674	-47.08%	17,295,092
2017	13,753	238,769,250	17,361	4.12%	17,262,133
2018	13,703	232,940,763	16,999	-2.09%	17,248,018
2019	13,280	237,327,954	17,871	5.13%	15,003,782
2020	13,236	236,195,769	17,845	-0.15%	15,612,273
2021*	11,271	260,656,409	23,126	29.59%	15,781,871
2022	12,347	235,235,991	19,052	-17.62%	16,199,983

Fiscal Year	Contribution to PERS/TRS on Behalf of the District	Total Cost of Contribution to PERS/TRS Per Pupil	Percentage Change	Pupil - Teacher Ratio	Percentage of Students Eligible for Free or Reduced-Price Meals
2013	\$ 35,271,226	\$ 3,749	21.25%	14.99	35%
2014	36,184,956	3,887	3.68%	15.34	36%
2015	211,527,002	16,520	325.01%	15.21	35%
2016	14,606,907	2,317	-85.97%	15.55	37%
2017	12,924,602	2,202	-4.96%	15.35	37%
2018	12,323,162	2,058	-6.54%	15.68	37%
2019	14,682,320	2,289	11.22%	15.40	37%
2020	16,334,672	2,849	24.46%	15.78	36%
2021*	16,064,057	2,825	-0.84%	13.85	30%
2022	15,689,698	2,583	-8.57%	17.64	27%

(a) Operating expenditures are total expenditures in governmental funds.

\* 2021 was restated, see footnote 16 for more information

**Source:** Enrollment: 2021-22 20 Day ADM Official Enrollment as reported to the State of Alaska. Percentage of Students Eligible for Free or Reduced-Price Meals: Nutrition Services Department

# Fairbanks North Star Borough School District

## Teacher Salary Information Last Ten Fiscal Years

Fiscal Year	Entry Level Salary		Maximum Teacher Salary		Average Teacher Salary		Percent of Teachers at Maximum on Column(s)
	(a)		(b)		(c)		(d)
2013	\$	46,244	\$	89,864	\$	71,977	44%
2014		46,891		91,122		73,258	46%
2015		47,478		92,261		74,143	49%
2016		48,308		93,876		75,637	49%
2017		48,308		96,116		77,478	52%
2018		48,791		97,077		78,838	47%
2019		49,279		98,048		79,810	43%
2020		49,772		99,028		78,740	44%
2021		50,269		100,019		78,370	46%
2022		51,275		102,019		79,840	42%

(a) Entry level salary represents a teacher with a bachelor's degree and no experience.

(b) Maximum teacher salary represents teachers filling a position which requires a master's degree and a certification for a therapist or psychologist position, or teachers who hold a master's degree with National Board Certification.

(c) Average teacher salary is based on a scattergram of contracted certificated salaries for that school year.

(d) The teacher salary schedule has six columns:

1. Bachelor's
2. Bachelor's plus 18 credits
3. Master's or Bachelor's plus 36 credits
4. Master's plus 18 credits
5. Master's plus 36 credits
6. Master's plus specified certification

The percent of teachers at maximum represents teachers topped out at each of those columns.

**Source:** School District records.

## Fairbanks North Star Borough School District

### Comparative Results from College Entrance and Advance Placement (AP) Exams Last Ten Fiscal Years

School Year	<u>American College Test (ACT)</u>			<u>Scholastic Assessment Test (SAT)</u>			<u>AP Exam results</u>		
	Fairbanks	Alaska	Nation	Fairbanks	Alaska	Nation	Fairbanks	Alaska	Global
2012	22.3	21.2	21.1	1,556	1,504	1,498	3.14	3.02	2.91
2013	21.9	21.1	20.9	1,494	1,495	1,498	3.18	2.96	2.89
2014	22.2	21.0	21.0	1,505	1,485	1,497	3.17	2.95	2.89
2015	22.5	21.1	21.0	1,521	1,494	1,490	2.91	2.87	2.82
2016	21.0	20.0	20.8	1,444	1,424	1,484	2.94	2.9	2.85
2017 *	19.8	19.8	21.0	1,151	1,080	1,060	3.08	2.88	2.84
2018	22.4	20.8	20.8	1,123	1,106	1,068	3.16	2.88	2.87
2019	22.5	20.0	20.1	1,126	1,097	1,059	3.1	2.9	2.89
2020	22.6	20.1	20.6	1,122	1,098	1,051	2.78	2.86	3.01
2021	22.1	20.6	20.3	1,184	1,119	1,060	2.79	(a)	2.8

\* In 2017 the scoring scale for the SAT has changed from a prior maximum of 2,400 points to a new maximum of 1,600 points.

(a) Information for the Alaska AP score were not available as of September 7, 2022.

**Source:** Results of the American College Test (ACT), the Scholastic Assessment Test (SAT), and Advanced Placement (AP) Exams, prepared by the Information and Technology Department.

# Fairbanks North Star Borough School District

## Enrollment by School

For the Fiscal Year ended June 30, 2022

### Elementary Schools

Anderson	253
Anne Wien	310
Arctic Light	423
Barnette	414
Crawford	254
Denali	270
Hunter	311
Joy	319
Ladd	380
Midnight Sun	331
Nordale	275
North Pole	319
Pearl Creek	396
Salcha	64
Ticasuk Brown	388
Two Rivers	66
University Park	348
Weller	374
Woodriver	421

### Secondary Schools

Ben Eielson Junior/Senior High	343
Hutchison High	387
Lathrop Senior High	874
North Pole Middle	515
North Pole High	600
Randy Smith Middle	274
Ryan Middle	395
Tanana Middle	296
West Valley High	912

### Charter Schools

Boreal Sun Charter School	203
Chinook Charter School	150
Discovery Peak	186
Effie Kokrine Charter School	145
Watershed Charter School	199

### Other Schools

Alternative Learning System	190
B.E.S.T. (Correspondence)	745
Golden Heart Academy	17

Total	<u>12,347</u>
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**Sources:** 2021-22 20 Day ADM Official Enrollment as reported to the State of Alaska.

# Fairbanks North Star Borough School District

## Enrollment History by Grade Level Last Fifteen Fiscal Years

Fiscal Year	PK	KG	1	2	3	4	5	6	Total Elem	7	8	Total JR	9	10	11	12	Total SR	Grand Total	Change	Percentage Change
2008	124	1,077	1,080	1,146	1,060	1,008	1,025	1,032	7,552	1,062	1,040	2,102	1,075	1,131	1,104	1,139	4,449	14,103		
2009	115	1,131	1,143	1,101	1,133	1,050	1,031	1,023	7,727	1,023	1,054	2,077	1,057	1,066	1,235	970	4,328	14,132	29	0.21%
2010	142	1,121	1,242	1,144	1,147	1,160	1,086	1,046	8,088	1,044	1,045	2,089	1,073	1,018	1,199	930	4,220	14,397	265	1.88%
2011	125	1,140	1,144	1,227	1,088	1,078	1,150	1,067	8,019	1,037	1,036	2,073	1,040	1,059	1,167	860	4,126	14,218	(179)	-1.24%
2012	132	1,153	1,191	1,128	1,210	1,059	1,082	1,128	8,083	1,081	1,014	2,095	1,028	1,057	1,189	808	4,082	14,260	42	0.30%
2013	132	1,162	1,182	1,151	1,142	1,194	1,053	1,062	8,078	1,110	1,083	2,193	1,010	945	1,184	846	3,985	14,256	(4)	-0.03%
2014	116	1,219	1,205	1,134	1,105	1,097	1,130	1,020	8,026	1,015	1,075	2,090	1,040	980	1,045	860	3,925	14,041	(215)	-1.51%
2015	113	1,122	1,227	1,160	1,077	1,053	1,055	1,081	7,888	995	983	1,978	1,040	987	1,066	803	3,896	13,762	(279)	-1.99%
2016	110	1,057	1,200	1,222	1,176	1,080	1,028	1,026	7,899	1,089	974	2,063	996	1,013	1,025	855	3,889	13,851	89	0.65%
2017	136	1,088	1,129	1,174	1,195	1,157	1,064	983	7,926	1,023	1,028	2,051	949	951	1,075	801	3,776	13,753	(98)	-0.71%
2018	141	1,086	1,117	1,129	1,134	1,193	1,133	1,032	7,965	978	984	1,962	999	916	1,051	810	3,776	13,703	(50)	-0.36%
2019	162	1,077	1,027	1,067	1,067	1,068	1,145	1,105	7,718	1,002	925	1,927	955	935	938	807	3,635	13,280	(423)	-3.09%
2020	121	1,096	1,089	1,000	1,066	1,039	1,078	1,096	7,585	1,060	968	2,028	914	955	982	772	3,623	13,236	(44)	-0.33%
2021	121	792	906	869	809	870	816	887	6,070	922	908	1,830	847	799	918	807	3,371	11,271	(1,965)	-14.85%
2022	148	1,001	971	1,002	995	931	963	918	6,929	985	966	1,951	980	862	905	720	3,467	12,347	1,076	9.55%
<b>2022-2023 Projected Enrollment</b>																				
2023	97	984	1,008	937	950	979	953	974	6,882	954	952	1,906	906	928	872	697	3,403	12,191	(156)	-1.26%

Source: Actual Enrollments: Historic 20 Day ADM Official Enrollment as reported to the State of Alaska. Projected Enrollment: 2022-23 Approved Budget

# Fairbanks North Star Borough School District

## Capital Assets by Type and Function Last Ten Fiscal Years

	Fiscal Year				
	2013	2014	2015	2016	2017
Capital Assets by Type					
Machinery and equipment	\$ 9,455,391	\$ 9,563,787	\$ 10,080,596	\$ 11,022,535	\$ 11,421,951
Right to use	-	-	-	-	-
Intangible assets (software)	1,322,438	1,400,107	1,477,993	1,567,337	1,642,842
Total by type	\$ 10,777,829	\$ 10,963,894	\$ 11,558,589	\$ 12,589,872	\$ 13,064,793

Capital Assets by Function					
Instruction	\$ 1,822,714	\$ 1,833,217	\$ 1,928,436	\$ 2,093,184	\$ 2,090,161
Special education instruction	612,072	612,072	606,877	647,556	647,556
Special education support services-students	11,316	17,742	17,742	17,742	17,742
Support services-students	12,722	97,143	171,852	220,854	220,854
Support services-instruction	1,811,941	1,965,755	2,101,124	2,252,772	2,322,371
Support services-technology	-	-	-	-	-
School administration support services	12,709	12,709	21,385	21,385	21,385
District administration	22,000	-	-	-	-
District administration support services	2,229,457	2,116,549	2,448,399	2,783,673	2,922,787
Operations and maintenance of plant	3,516,293	3,556,733	3,650,730	3,932,294	4,143,140
Student activities	69,419	82,917	82,917	82,917	82,917
Student transportation - to and from school	-	-	-	-	58,385
Food services	657,186	669,057	529,127	537,495	537,495
Total by function	\$ 10,777,829	\$ 10,963,894	\$ 11,558,589	\$ 12,589,872	\$ 13,064,793

	Fiscal Year				
	2018	2019	2020	Restated 2021	2022
Capital Assets by Type					
Machinery and equipment	\$ 11,745,130	\$ 12,105,908	\$ 12,047,973	\$ 12,443,557	\$ 12,369,217
Right to use	-	-	-	23,765,997	22,189,602
Intangible assets (software)	1,642,842	1,642,841	1,658,334	1,658,334	1,658,334
Total by type	\$ 13,387,972	\$ 13,748,750	\$ 13,706,307	\$ 37,867,887	\$ 36,217,153

Capital Assets by Function					
Instruction	\$ 2,062,720	\$ 2,078,322	\$ 2,105,083	\$ 2,185,253	\$ 2,254,606
Special education instruction	608,195	616,690	608,599	1,812,749	614,595
Special education support services-students	11,347	11,347	11,347	11,347	11,347
Support services-students	228,700	228,700	228,700	307,194	307,194
Support services-instruction	2,347,900	2,244,706	2,104,441	2,104,441	1,874,877
Support services-technology	-	-	40,284	40,284	40,284
School administration support services	21,385	21,385	21,385	21,385	21,385
District administration	32,986	42,030	42,030	42,030	42,030
District administration support services	2,837,785	2,776,001	2,843,620	3,190,397	2,762,150
Operations and maintenance of plant	4,563,253	5,034,715	5,029,634	27,469,623	27,548,123
Student activities	77,822	90,272	66,602	66,602	66,602
Student transportation - to and from school	58,385	58,385	58,385	58,385	58,385
Food services	537,495	546,196	546,196	558,196	615,573
Total by function	\$ 13,387,972	\$ 13,748,750	\$ 13,706,307	\$ 37,867,887	\$ 36,217,151

**Source:** Capital Assets by Function is derived from the District's capital assets software subsystem.

# Fairbanks North Star Borough School District

## School Building Information Last Ten Fiscal Years

Type of School	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	(d)									
<b>Elementary</b>										
Anderson Elementary										
Square Feet	43,996	43,996	43,996	43,996	43,996	43,996	43,996	43,996	43,996	43,996
Capacity	372	372	372	372	372	372	372	372	372	372
Enrollment	269	252	235	240	244	214	196	225	215	253
Anne Wien Elementary										
Square Feet	63,532	63,532	63,532	63,532	63,532	63,532	63,532	63,532	63,532	63,532
Capacity	553	553	553	553	553	553	553	553	553	553
Enrollment	401	412	411	385	385	375	392	392	270	310
Arctic Light Elementary										
Square Feet	68,272	68,272	68,272	68,272	68,272	68,272	68,272	68,272	68,272	68,272
Capacity	596	596	596	596	596	596	596	596	596	596
Enrollment	569	530	525	536	535	532	446	413	361	423
Midnight Sun Elementary										
Square Feet	61,686	61,686	61,686	61,686	61,686	61,686	61,686	61,686	61,686	61,686
Capacity	537	537	537	537	537	537	537	537	537	537
Enrollment	505	496	474	501	476	476	457	409	272	331
Barnette Elementary (a)										
Square Feet	54,895	54,895	54,895	54,895	54,895	54,895	54,895	54,895	54,895	54,895
Capacity	417	417	417	417	417	417	417	427	427	427
Enrollment	412	413	409	412	420	432	433	406	346	414
Crawford Elementary										
Square Feet	63,532	63,532	63,532	63,532	63,532	63,532	63,532	63,532	63,532	63,532
Capacity	553	553	553	553	553	553	553	553	553	553
Enrollment	301	297	266	291	298	296	289	282	216	254
Denali Elementary										
Square Feet	49,210	49,210	49,210	49,210	49,210	49,210	49,210	49,210	49,210	49,210
Capacity	422	422	422	422	422	422	422	422	422	422
Enrollment	397	402	393	383	370	341	324	333	242	270
Hunter Elementary										
Square Feet	57,047	57,047	57,047	57,047	57,047	57,047	57,047	59,812	59,812	59,812
Capacity	494	494	494	494	494	494	494	520	520	520
Enrollment	353	352	324	327	358	372	369	370	296	311
Joy Elementary										
Square Feet	60,642	60,642	60,642	60,642	60,642	60,642	60,642	60,642	60,642	60,642
Capacity	527	527	527	527	527	527	527	503	503	503
Enrollment	443	464	443	386	389	418	404	398	299	319
Ladd Elementary										
Square Feet	63,455	63,455	63,455	63,455	63,455	63,455	63,455	63,455	63,455	63,455
Capacity	553	553	553	553	553	553	553	540	540	540
Enrollment	497	539	508	508	496	492	476	408	285	380
Nordale Elementary										
Square Feet	49,210	49,210	49,210	49,210	49,210	49,210	49,210	49,210	49,210	49,210
Capacity	422	422	422	422	422	422	422	422	422	422
Enrollment	359	316	312	337	353	356	315	310	254	275
North Pole Elementary										
Square Feet	57,154	57,154	57,154	57,154	57,154	57,154	57,154	57,154	57,154	57,154
Capacity	495	495	495	495	495	495	495	495	495	495
Enrollment	453	459	515	502	489	479	431	378	269	319
Pearl Creek Elementary										
Square Feet	62,982	62,982	62,982	62,982	62,982	62,982	62,982	62,982	62,982	62,982
Capacity	548	548	548	548	548	548	548	548	548	548
Enrollment	470	479	482	493	506	491	478	487	325	396

# Fairbanks North Star Borough School District

## School Building Information Last Ten Fiscal Years

Type of School	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	(d)									
Salcha Elementary										
Square Feet	13,608	13,608	13,608	13,608	13,608	13,608	13,608	14,406	14,406	14,406
Capacity	76	76	76	76	76	76	76	82	82	82
Enrollment	84	76	68	78	73	69	82	78	43	64
Ticasuk Brown Elementary										
Square Feet	63,761	63,761	63,761	63,761	63,761	63,761	63,761	63,761	63,761	63,761
Capacity	556	556	556	556	556	556	556	556	556	556
Enrollment	545	514	504	491	496	496	461	433	285	388
Two Rivers Elementary (a)										
Square Feet	22,200	22,200	22,200	22,200	22,200	22,200	22,200	22,200	22,200	22,200
Capacity	98	98	98	98	98	98	98	99	99	99
Enrollment	88	97	87	99	95	86	72	75	41	66
University Park Elementary										
Square Feet	64,699	64,699	64,699	64,699	64,699	64,699	64,699	64,699	64,699	64,699
Capacity	564	564	564	564	564	564	564	564	564	564
Enrollment	528	502	503	494	503	472	476	464	327	348
Weller Elementary										
Square Feet	65,259	65,259	65,259	65,259	65,259	65,259	65,259	65,259	65,259	65,259
Capacity	569	569	569	569	569	569	569	569	569	569
Enrollment	485	477	464	466	452	465	459	490	282	374
Woodriver Elementary										
Square Feet	64,408	64,408	64,408	64,408	64,408	64,408	64,408	64,408	64,408	64,408
Capacity	561	561	561	561	561	561	561	561	561	561
Enrollment	444	438	450	473	465	435	467	477	333	421
<b>Secondary</b>										
Ben Eielson Jr. Sr. High										
Square Feet	103,200	103,200	103,200	103,200	103,200	103,200	103,200	103,200	103,200	103,200
Capacity	616	616	616	616	616	616	616	616	616	616
Enrollment	403	399	353	344	335	350	328	354	302	343
Howard Luke (b)										
Square Feet	30,856	30,856	30,856	30,856	30,856	30,856	30,856	30,856	30,856	30,856
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Hutchison High (c)										
Square Feet	87,190	87,190	87,190	87,190	87,190	87,190	87,190	87,190	87,190	87,190
Capacity	510	510	510	510	510	510	510	510	510	510
Enrollment	372	362	386	400	410	408	405	400	370	387
Lathrop High										
Square Feet	234,412	234,412	234,412	234,412	234,412	234,412	234,412	234,412	234,412	234,412
Capacity	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421
Enrollment	1,101	1,074	1,037	1,032	945	1,011	944	931	837	874
North Pole Middle										
Square Feet	113,306	113,306	113,306	113,306	113,306	113,306	113,306	113,306	113,306	113,306
Capacity	680	680	680	680	680	680	680	685	685	685
Enrollment	679	655	664	655	656	593	583	575	451	515
North Pole High										
Square Feet	156,362	156,362	156,362	156,362	156,362	156,362	156,362	156,362	156,362	156,362
Capacity	946	946	946	946	946	946	946	946	946	946
Enrollment	729	752	758	721	736	704	642	634	501	600
Randy Smith Middle										
Square Feet	74,589	74,589	74,589	74,589	74,589	74,589	74,589	74,589	74,589	74,589
Capacity	422	422	422	422	422	422	422	422	422	422
Enrollment	326	338	326	328	336	294	291	307	242	274



# Fairbanks North Star Borough School District

## School Building Information Last Ten Fiscal Years

Type of School	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Ryan Middle								(d)		
Square Feet	99,880	99,880	99,880	99,880	99,880	99,880	99,880	104,270	104,270	104,270
Capacity	594	594	594	594	594	594	594	626	626	626
Enrollment	394	386	350	366	390	370	370	398	382	395
Tanana Middle										
Square Feet	101,069	101,069	101,069	101,069	101,069	101,069	101,069	101,069	101,069	101,069
Capacity	602	602	602	602	602	602	602	602	602	602
Enrollment	513	472	462	471	432	388	402	346	281	296
West Valley High										
Square Feet	216,884	216,884	216,884	216,884	216,884	216,884	216,884	216,884	216,884	216,884
Capacity	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314
Enrollment	1,019	967	989	1,023	971	968	981	973	892	912

(a) Barnette and Two Rivers are K-8 schools. Capacities will vary from year to year depending on the mix of elementary and secondary (grades 7 & 8) students.

(b) During fiscal year 2005-06, Howard Luke became home to Effie Kokrine Charter School. The School District leases the Howard Luke building to the Charter School; therefore, square footage information is included after this date, but capacity and enrollment data are not.

(c) Hutchison is a joint-use facility with University of Alaska Fairbanks, Community and Technical College. Total building size is 137,524 square feet. Hutchison High comprises 63.4% of the building, or 87,190 square feet.

(d) Capacity and square footage increased due to renovations.

**Source:** School District Facilities & Maintenance Department.

# Single Audit Section

## Federal Single Audit

Reports on Federal Single Audit Requirements

Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

## State Single Audit

Reports on State Single Audit Requirements

Schedule of State Financial Assistance

Notes to Schedule of State Financial Assistance

Schedule of Findings and Questioned Costs





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

**Independent Auditor's Report**

Members of the School Board  
Fairbanks North Star Borough School District  
Fairbanks, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fairbanks North Star Borough School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Fairbanks North Star Borough School District's basic financial statements, and have issued our report thereon dated November 15, 2022.

**Report on Internal Control over Financial Reporting**

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

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

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

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

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

## **Purpose of This Report**

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

A handwritten signature in black ink that reads "Altman, Rogers & Co." in a cursive script.

Anchorage, Alaska  
November 15, 2022

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

**Independent Auditor's Report**

Members of the School Board  
Fairbanks North Star Borough School District  
Fairbanks, Alaska

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

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

We have audited Fairbanks North Star Borough School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Fairbanks North Star Borough School District's major federal programs for the year ended June 30, 2022. Fairbanks North Star Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

In our opinion, Fairbanks North Star Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Fairbanks North Star Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and 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 Fairbanks North Star Borough School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

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

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

## Report on Internal Control over Compliance

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

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

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

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



Anchorage, Alaska  
November 15, 2022



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# Fairbanks North Star Borough School District

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	ALN Number	Pass- Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Passed through the State of Alaska Department of Agriculture:				
Micro-Grants for Food Security Program	10.179	AM200100 XXXXG131	\$ -	\$ 2,072.00
Passed through the State of Alaska Department of Education and Early Development:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	N/A	-	2,135,902.00
Supply Chain Assistance	10.555	FD22FNSD02	-	257,605.00
Emergency Operating Costs	10.555	1601	-	44,501.00
National School Lunch Program	10.555	N/A	-	7,059,855.00
National School Lunch Program - Donated Produce	10.555	N/A	-	273,804.00
Subtotal ALN 10.555			-	7,635,765.00
Summer Food Service Program for Children	10.559	MA19FNSD01	-	4,910.00
Fresh Fruit & Vegetable Program	10.582	FF22FNSD01	-	8,888.00
Fresh Fruit & Vegetable Program	10.582	FF22FNSD02	-	53,276.00
Subtotal ALN 10.582			-	62,164.00
Total Child Nutrition Cluster			-	9,838,741.00
Equipment Assistance Grant	10.579	NS22FNSD01	-	19,044.00
State Administrative Expenses for Child Nutrition	10.560	FD21FNSD01	-	18,480.00
Pandemic EBT Administrative Costs	10.649	016-01	-	3,063.00
<b>Total U.S. Department of Agriculture</b>			\$ -	\$ 9,881,400.00
<b>U.S. Department of Defense</b>				
Competitive Grants: Promoting K-12 Student Achievement At Military-Connected Schools				
Support for Student Achievement at Military Connected Schools	12.556		\$ -	\$ 343,426.00
Support for Student Achievement at Military Connected Schools	12.556		-	329,786.00
Support for Student Achievement at Military Connected Schools	12.556		-	82,827.00
Subtotal for ALN 12.556			-	756,039.00
Language Grant Program	12.900		-	4,126.00
<b>Total U.S. Department of Defense</b>			\$ -	\$ 760,165.00
<b>U.S. Department of Justice</b>				
COPS Office School Violence Prevention Program	16.71		\$ -	\$ 34,669.00
<b>Total U.S. Department of Justice</b>			\$ -	\$ 34,669.00
<b>U.S. Department of Treasury</b>				
Coronavirus Relief Fund*	21.019		\$ -	\$ 1,199,000.00
<b>Total U.S. Department of Treasury</b>			\$ -	\$ 1,199,000.00

# Fairbanks North Star Borough School District

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	ALN Number	Pass- Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Education</b>				
Passed through the State of Alaska Department of Education and Early Development:				
Title I Grants To Local Educational Agencies*				
Title I-A Consolidated Administration	84.010	IP 22 FNSD 01	\$ -	\$ 377,604.00
Title I-A Basic Grant	84.010	IP 22 FNSD 01	-	2,442,303.00
Title I-A Neglected & Delinquent	84.010	ND 22 FNSD 01	-	88,518.00
Title I-A Parent Involvement	84.010	IP 22 FNSD 01	-	23,775.00
School Improvement: Implementation	84.010	SI 22 FNSD 01	-	114,039.00
Subtotal for ALN 84.010			-	3,046,239.00
Migrant Education State Grant Program				
Title I-C Consolidated Administration	84.011	IP 22 FNSD 01	-	167,849.00
Title I-C Migrant Education	84.011	IP 22 FNSD 01	-	756,375.00
Title I-C Migrant Summer	84.011	IP 22 FNSD 01	-	7,564.00
Migrant Ed Book Program	84.011	MB 22 FNSD 01	-	22,205.00
Subtotal for ALN 84.011			-	953,993.00
Title 1 State Agency Program for Neglected and Delinquent Children and Youth				
	84.013	IP 22 FNSD 01	-	44,631.00
Special Education Cluster (IDEA)*				
Special Education Grants To States				
Title VI-B	84.027	SE 22 FNSD 01	-	3,703,350.00
Title VI-B ARP Funds	84.173X	SE 22 FNSD 01	-	198,565.00
Special Education Preschool Grants				
Preschool Disabled Section 619	84.173	SE 22 FNSD 01	-	182,104.00
Preschool Disabled Section 619 ARP Funds	84.173X	SE 22 FNSD 01	-	35,745.00
Total Special Education Cluster (IDEA)			-	4,119,764.00
Impact Aid				
Direct - Title VIII Impact Aid	84.041		-	107,473.00
Title VIII Impact Aid	84.041		-	13,926,623.00
Title VIII Impact Aid for Construction	84.041		-	29,579.00
Subtotal for ALN 84.041			-	14,063,675.00
Career And Technical Education -- Basic Grants To States				
Carl Perkins Secondary	84.048	EK 22 FNSD 01	-	349,523.00
Non-Traditional CTE	84.048	NT 22 FNSD 01	-	34,710.00
Professional Development - CTSO	84.048	EB 22 FNSD 02	-	31,832.00
Professional Development	84.048	EB 22 FNSD 04	-	28,641.00
Subtotal for ALN 84.048			-	444,706.00
Direct - Indian Education Grants				
Indian Education	84.060	S060A200496 S060A210496	-	802,421.00
Education For Homeless Children And Youth				
	84.196	FR 22 FNSD 01	-	43,068.00
Twenty-First Century Community Learning Centers				
	84.287	AC 22 FNSD 01	-	1,341,197.00

# Fairbanks North Star Borough School District

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	ALN Number	Pass- Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Education, continued</b>				
Passed through the State of Alaska Department of Education and Early Development:				
English Language Acquisition State Grants				
Title III-A Consolidated Administration	84.365	IP 22 FNSD 01	\$ -	\$ 498.00
Title III-A English Language Acquisition	84.365	IP 22 FNSD 01	-	43,496.00
Subtotal for ALN 84.365			-	43,994.00
Improving Teacher Quality State Grants	84.367	IP 22 FNSD 01	-	773,743.00
Comprehensive State Literacy Grant Development	84.371	AL 22 FNSD 01	-	183,769.00
Student Support And Academic Enrichment Program				
AK Trauma Recovery in Schools	84.424	TM 21 FNSD 01	-	38,773.00
		TM 22 FNSD 01		
Title IV-A Consolidated Administration	84.424	IP 22 FNSD 01	-	6,911.00
Title IV-A Student Support and Academic Enrichment Program	84.424	IP 22 FNSD 01	-	336,004.00
Subtotal for ALN 84.424			-	381,688.00
Education Stabilization Fund *				
ARP Homeless One	84.425W	HM 22 FNSD 01	-	12,733.00
ARP Homeless II	84.425W	AH 22 FNSD 01	-	-
CARES Act - ESSER I	84.425D	ER 22 FNSD 01	-	168,911.00
CARES Act - GEER I	84.425C	ER 22 FNSD 01	-	75,339.00
CRRSA Act - ESSER II	84.425D	ER 22 FNSD 01	-	7,018,861.00
ARP Act - ESSER III	84.425U	ER 22 FNSD 01	-	5,303,958.00
Subtotal for ALN 84.425			-	12,579,802.00
<b>Total U.S. Department of Education</b>			\$ -	\$ 38,822,690.00
<b>U.S. Department of Health and Human Services</b>				
Passed through Fairbanks Wellness Coalition:				
Substance Abuse and Mental Health Services	93.243	FWC-20-4	\$ -	\$ 567.00
Passed through the State of Alaska Department of Education and Early Development:				
Alaska Project Aware	93.243	AW 21 FNSD 01	-	626,562.00
		AW 22 FNSD 01		
Subtotal for ALN 93.243			-	627,129.00
Passed through the State of Alaska Department of Health and Social Services:				
Epidemiology & Laboratory Capacity for Infectious Diseases	93.323	601-308-21017	-	829,298.00
<b>Total U.S. Department of Health and Human Services</b>			\$ -	\$ 1,456,427.00
<b>Total Expenditures of Federal Awards</b>			\$ -	\$ 52,154,351.00

\* denotes a major program

# Fairbanks North Star Borough School District

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2022

## Note 1: Basis of Presentation

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The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Fairbanks North Star Borough School District (District) under programs of the federal government for the year ended June 30, 2022. 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 financial position, changes in net position or cash flows 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. Pass-through grantor identifying numbers are presented where available.

## Note 3: Indirect Cost

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The Alaska Department of Education & Early Development (DEED) has been delegated the authority, by the U.S. Department Education, to approve *Restricted Federal Indirect Cost Rate Proposals* pursuant to delegation agreement number 2021-012, effective until June 30, 2023. The District received a restricted Federal indirect cost rate from DEED for fiscal year 2022. As a result, the District elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

## Note 4: U.S. Department of Agriculture (USDA) Food Entitlement

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The USDA provides States with a USDA Foods entitlement, at a nominal cost, and a fresh fruit and vegetable entitlement, at no cost, for use in preparing school lunches. The USDA utilizes the U.S. Department of Defense as a procurement agent for the fresh fruit and vegetable entitlement program. Because governmental funds are uniquely concerned with flows of *financial* resources, USDA food entitlements are recorded at cost rather than fair market value in governmental funds. Food entitlements are considered expended when consumed in the school lunch program. However, the noncash value of food entitlements received in fiscal year 2022 is listed as an expenditure on the schedule of expenditures of federal awards.

# Fairbanks North Star Borough School District

## Schedule of Findings and Questioned Costs For the Year Ended June 30, 2022

### Section I - Summary of Auditor's Results

#### Financial Statements

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

Unmodified

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

☐ Yes ☒ No

Internal control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(ies) identified?

☐ Yes ☒ None reported

Noncompliance material to financial statements?

☐ Yes ☒ No

#### Federal Awards

Internal control over major programs:

Material weakness(es) identified (2 CFR 200.516 (a) (1))?

☐ Yes ☒ No

Significant deficiency(ies) identified (2 CFR 200.516 (a) (1))?

☐ Yes ☒ None reported

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

☐ Yes ☒ No

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

Unmodified

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

☐ Yes ☒ No

CFDA Number(s): Name of Federal Program or Cluster

21.019: Coronavirus Relief Fund

84.010: Title I, Part A

84.027 & 84.173: Special Education Cluster

84.425: Education Stabilization Fund

Dollar threshold used to distinguish a federal major program:

\$ 1,564,631

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

### Section II - Financial Statement Findings

The Fairbanks North Star Borough School District did not have any findings that related to the financial statements.

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

The Fairbanks North Star Borough District did not have any findings related to federal awards.

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

**Independent Auditor's Report**

Members of the School Board  
Fairbanks North Star Borough School District  
Fairbanks, Alaska

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

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

We have audited Fairbanks North Star Borough School District's compliance with the types of compliance requirements identified as subject to audit in State of Alaska Audit Guide and Compliance Supplements that could have a direct and material effect on each of Fairbanks North Star Borough School District's major state programs for the year ended June 30, 2022. Fairbanks North Star Borough School District's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, Fairbanks North Star Borough 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, 2022.

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

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

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



### ***Responsibilities of Management for Compliance***

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

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

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

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

## Report on Internal Control Over Compliance

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

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

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

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



Anchorage, Alaska  
November 15, 2022

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# Fairbanks North Star Borough School District

## Schedule of State Financial Assistance Year Ended June 30, 2022

State Agency/Program Title	Award Number	Total Award Amount	Passed Through to Subrecipients	State Expenditures
<b>Department of Education and Early Development</b>				
Public School Foundation Funding Program *	N/A	\$ 106,221,531	\$ -	\$ 106,221,195
On-Base Schools *	N/A	1,450,000	-	1,450,000
Quality Schools	N/A	393,550	-	393,551
Pupil Transportation *	N/A	10,042,868	-	10,397,426
Youth in Detention	EY22FNSD01	185,000	-	137,601
Youth Risk Behavior Survey	YR22FNSD01	15,000	-	10,705
Student Safety & Security	NA	-	-	-
Suicide Awareness, Prevention and Postvention	SP22FNSD01	30,000	-	30,000
Alaska Pre-Elementary Development	PE22FNSD01	150,000	-	150,000
Safe Children's Act	SC18FNSD01	1,000	-	1,241
Bree's Law	BR19FNSD01	-	-	482
Substance Misuse and Addiction Prevention	AP22FNSD01	9,500	-	9,500
<b>Total Department of Education and Early Development</b>		\$ 118,498,449	\$ -	\$ 118,801,701
<b>Total State Financial Assistance</b>		<b>\$ 118,498,449</b>	<b>\$ -</b>	<b>\$ 118,801,701</b>

\* denotes a major program

# Fairbanks North Star Borough School District

Notes to the Schedule of State Financial Assistance  
For the Year Ended June 30, 2022

## Note 1: Major Program Notation

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\* denotes a major program

## Note 2: Basis of Presentation

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The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of the Fairbanks North Star Borough School District under programs of the State of Alaska for the year ended June 30, 2022. 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 Fairbanks North Star Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Fairbanks North Star Borough School District.

## Note 3: Summary of Significant Accounting Policies

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Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Grantor's identifying numbers are presented where available.

## Note 4: Award to Subrecipients

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Fairbanks North Star Borough School District did not have any subrecipients for the year ended June 30, 2022.

# Fairbanks North Star Borough School District

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Significant deficiency(ies) identified?

☐

Yes

☒

None reported

Material weakness(es) identified?

☐

Yes

☒

No

Noncompliance material to financial statements?

☐

Yes

☒

No

#### State Financial Assistance

Internal control over major programs:

Significant deficiency(ies) identified?

☐

Yes

☒

None reported

Material weakness(es) identified?

☐

Yes

☒

No

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

Unmodified

Dollar threshold used to distinguish between

Type A and Type B programs:

\$ 3,564,051

Auditee qualified as low-risk auditee?

☒

Yes

☐

No

### Section II - Financial Statement Findings

The Fairbanks North Star Borough School District did not have any findings that related to the financial statements.

### Section III - State Award Findings and Questioned Costs

The Fairbanks North Star Borough School District did not have any findings related to State Awards.

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# Supplemental Reports Section

**Statements of Compliance – Alaska  
Statue 14.17.505**

**Tuition Rate Report**







Fairbanks North Star Borough School District  
Statement of Compliance - AS 14.17.505

Year Ended June 30, 2022

Total fund balance - General (Operating) Fund \$ 9,016,768

Items deducted in 4 AAC 09.160:

Encumbrances	614,275
Inventory	618,560
Prepaid Expenses	298,482
Impact Aid	7,129,221
Student Allotments	356,230
	<hr/>

General (Operating) Fund subject to 10% limitation \$ -  

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General (operating) fund balance as a percentage of current year expenditures:

General (operating) fund balance subject to 10%	\$ -	=	0.00%
Current year general (operating) fund expenditures	\$ 188,804,351		

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**Report on the Total Costs for Tuition Purposes**

**Independent Auditor's Report**

Members of the School Board  
Fairbanks North Star Borough School District  
Fairbanks, Alaska

***Qualified Opinion***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Fairbanks North Star Borough School District (District), a component unit of the Fairbanks North Star Borough, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Fairbanks North Star Borough School District's basic financial as listed in the table of contents. We have also audited the accompanying State Tuition Rate Report (Form 05-96-024) of Fairbanks North Star Borough School District for the year ended June 30, 2022.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we observed the taking of the student census (counts), the aforementioned report presents fairly, in all material respects, the total local cost for tuition purposes of Fairbanks North Star Borough School District for the year ended June 30, 2022, in conformity with the requirements of the State of Alaska, Department of Education and Early Development.

***Basis for Qualified and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Fairbanks North Star Borough School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

***Matters Giving Rise to the Qualified Opinion***

We did not observe the taking of the student census (counts) which were used in determining the average daily membership.

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

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the tuition rate report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 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 that judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the tuition rate report, 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 tuition rate report.
- 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 Fairbanks North Star Borough School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the tuition rate report.
- Conclusion whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fairbanks North Star Borough School District's ability to continue as a going concern for a reasonable period of time.

Members of the School District  
Fairbanks North Star Borough School District

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.

***Purpose of this Report***

This report is intended solely for the information and use of the school board and management, others within the entity of Fairbanks North Star Borough School District and the State of Alaska Department of Education and Early Development and is not intended to be, and should not be, used by anyone other than these specified parties.

*Altman, Rogers & Co.*

Anchorage, Alaska  
November 15, 2022

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# Fairbanks North Star Borough School District

## Department of Education and Early Development (DEED)

### Tuition Rate Report

Year Ended June 30, 2022

Local Revenues for Support of Schools:

Borough contribution to school district general fund	\$ 50,736,152
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Direct Expenditures by Borough for School Purposes:

From: <i>Summary Report of Reimbursable Expenditures</i> Bond redemption	11,684,662
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Less: State aid for school construction	(2,756,638)
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Total expenditures from local sources	59,664,176
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Plus:

Title VIII Impact Aid	9,850,630
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On-base tuition	1,450,000
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	11,300,630
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<b>Total local cost for tuition purposes</b>	<b>\$ 70,964,806</b>
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Average daily membership as approved by the DEED for foundation support in FY222	12,347
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<b>Tuition Rate</b>	<b>\$ 5,747.53</b>
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