

MATANUSKA-SUSITNA

BOROUGH SCHOOL DISTRICT

A COMPONENT UNIT OF THE MATANUSKA-SUSITNA BOROUGH
PALMER, ALASKA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED ON JUNE 30, 2020

We prepare all students for success

Comprehensive Annual Financial Report

For Fiscal Year Ended
June 30, 2020

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

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BOROUGH SCHOOL DISTRICT

A Component Unit of the Matanuska-Susitna Borough
Palmer, Alaska



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SUSITNA**
BOROUGH SCHOOL
DISTRICT

We prepare all students for success

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Comprehensive Annual Financial Report

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November 15, 2020

Members of the Board of Education and
Residents of the Matanuska-Susitna Borough School District
Palmer, Alaska

The Comprehensive Annual Financial Report (CAFR) of the Matanuska-Susitna Borough School District (District), for the fiscal year ended June 30, 2020 is submitted herewith. This report was prepared by the District's Business Services department following generally accepted accounting principles (GAAP) as defined by the Governmental Accounting Standards Board, and the guidelines recommended by the Association of School Business Officials International. The statutes of the State of Alaska require that the Board of Education provide for an audit by an independent certified public accountant of all school accounts within ninety days following the close of a fiscal year.

Responsibility for the completeness and fairness of the presentation as well as the accuracy of the presented data and disclosures rests with the District. The data, as presented, is based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. We believe the material is accurate in all aspects and 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. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The District's financial statements have been audited by BDO USA, LLP, a firm of independent 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, 2020 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and 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, 2020, are presented fairly in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

As a recipient of Federal grant awards, the District is required to undergo an audit in accordance with the provisions of the U.S. Office of Management and Budget's (OMB) Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and associated Compliance Supplement. A Schedule of Expenditures of Federal Awards, the Independent Auditor's Reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included and available in a separately issued audit in accordance with the Uniform Guidance as required.

As a recipient of State grant awards, the District is also required to undergo an audit in accordance with the provisions of Alaska State Regulation 2 AAC 45.010 and Audit Guide and

Compliance Supplement for State Single Audits. A schedule of State Financial Assistance, the Independent Auditor's Reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included and available in a separately issued audit in accordance with the State of Alaska Audit Guide and Compliance Supplement for State Single Audits.

GAAP requires 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 the 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.

Comprehensive Annual Financial Report (CAFR)

The District's CAFR consists of four parts:

1. The introductory section includes this transmittal letter, a list of the elected officials of the School Board (Board) and their offices held, a list of selected administration officials, and the District's administrative organizational chart.
2. The financial section consists of the Independent Auditor's Report, Management Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, and combining and individual fund statements and schedules. Combining statements are presented when the District has at least one non-major fund of a given fund category. Various combining statements are also presented to demonstrate compliance with the Alaska Department of Education and Early Development's *Uniform Chart of Accounts and Account Code Descriptions for Public School Districts*.
3. The statistical section provides trend data and non-financial information useful in assessing a government's financial condition. It also includes demographic and other miscellaneous information of the District. Some tables present District data that has been combined with data provided by the Matanuska-Susitna Borough (primary government) to give a consolidated overview of the District's financial status.
4. The Single Audit Section includes the Independent Auditor's Reports, as well as a Schedule of Findings and Questioned Costs. Also included in this section are the Schedule of State Financial Assistance and Schedule of Expenditures of Federal Awards.

The Reporting Entity

The report includes all funds of the District. The District is a component unit of the Matanuska-Susitna Borough (Borough). Therefore, the financial data are required to be reported in the Comprehensive Annual Financial Report (CAFR) of the Matanuska-Susitna Borough. Audited financial statements for the Borough are available upon request from its administrative offices. The Borough has delegated to the District the responsibility for establishing, maintaining, and operating a system of public schools, pursuant to AS 29.35.160. Governing authority has been delegated to the District's School Board which is comprised of an elected board of seven members with one student non-voting member.

Relationship with Matanuska-Susitna Borough

Pursuant to Alaska Statute 14.12.020(c), the Borough Assembly provides the funding that must be raised from local sources to maintain and operate the District. Alaska Statute 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. Since the Borough is responsible for new construction and the related debt service, expenditures for debt service

and the taxing authority necessary to repay debt are reported in the Borough financial reports. Outstanding debt obligations for Twindly Bridge Charter School and Fronteras Spanish Immersion Charter School, which were more recently acquired, are recorded on the District's financial statements based on agreements with the Borough outlining debt repayment terms for each facility.

In many respects the two governments operate independently. However, the Borough has historically monitored the District's unspent year-end funds and required a percentage of any unspent funds be returned to the Borough. As of FY 2013 the District, under Borough Code 3.04.110(a)(c), was required to return 25% of the annual increase in unassigned fund balance to the Borough in the form of a lapse payment. The lapse funds were then placed in the Borough's reserve for school site acquisitions. At the end of FY14, FY15, FY16, and FY17 the Borough Assembly waived the lapse policy and approved for the School District to keep 100% of the increase in unassigned fund balance.

On March 21, 2018 the School Board approved Resolution 18-005 which included a request that the Borough remove all lapse requirements under Borough Code 3.04.110 (a)(c). On June 19, 2018 the Borough Assembly voted to adopt MSB Ordinance 18-065, an ordinance allowing the District to carry over 100% of its unassigned fund balance and any increase to unassigned fund balance at the end of the year. This ordinance effectively repealed any lapse payment and encumbrance requirements previously in place. By removing these requirements, the Borough allowed the District to maintain its encumbrances until the purpose for which it was made has been accomplished or abandoned without limitation and also allows the District to maintain its fund balance consistent with Alaska Statute 14.17.505(a). Under Alaska Statute 14.17.505(a), a school district is allowed to accumulate unassigned fund balance up to 10% of its general fund expenditures in a given fiscal year. For the MSBSD, ten percent of general fund expenditures equal approximately \$24 million.

Chart 1 represents the District's historical fund balance lapse to the Borough.

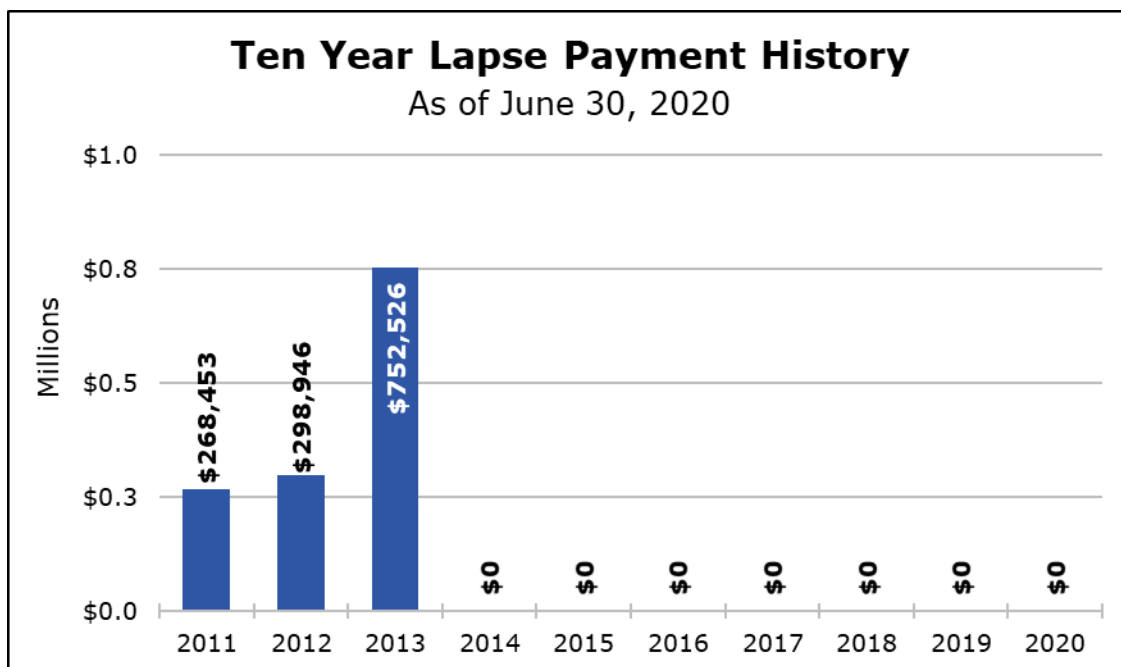


Chart 1

Included in the Financial Report are numerous statistical tables presenting a financial and statistical history of the District for the last ten years. Some tables present District data that has been combined with data provided by the Matanuska-Susitna Borough to give a consolidated overview of the District's financial status.

Board of Education – Governance of the School District

Alaska Statute sections 14.12.030-180 provide for the creation of school districts in the State of Alaska and establishes a school board as the governing body for each district. The seven voting members of the Board determine policy for operation and management of the District. Each member serves for three years, elected annually for overlapping terms. In addition to the seven voting members, a non-voting student representative serves in an advisory capacity to the Board. The daily operations of the District are under the general supervision of the Superintendent.

Profile of the District

The Matanuska-Susitna Borough (Borough) is situated within Southcentral Alaska and encompasses an area more than 25,000 square miles in size. The vast topography of the area includes mountain ranges, valleys, glaciers, rivers, lakes, wetlands, tundra, boreal forest, farms, and majestic stretches of pristine wilderness. The Borough includes portions of the Alaska Range to the north, the Chugach Mountain Range to the south, and most of the Talkeetna and Clearwater Ranges towards the interior of the Borough. The three incorporated cities located within the Borough include Wasilla, Palmer, and Houston. The Borough's core area, where a majority of the population lives, is commonly referred to as the "Mat-Su Valley." Aptly named, the Mat-Su Valley is bordered to the east by the Matanuska River and on the west by the Susitna River.

More than 100,000 people currently reside within the Borough. The Borough is located just 35 miles north of Anchorage, enabling approximately 34% of the population to commute there each day. Estimates based on information obtained from the 2010 US Census indicate that approximately 83% of the Borough population identify as white, 9% identify as two or more races, and 5% identify as American Indian or Alaska Native. The remaining 3% identify as Asian, Black or African American, Native Hawaiian or Pacific Islander, and other or unidentified. A little more than half (52%) of the Borough population is male. A majority of the Borough's households (57%) consist of married couples, with an average family size of four.

Almost 10% of the Borough's population is made up of veterans, with approximately 95% of those veterans having served in either the Vietnam or Gulf Wars. The education level achieved among the adult (25 years and older) population of the Borough consists of approximately 8% having attained less than a GED or high school diploma, and 32% having attained a GED or high school diploma. About 30% have completed some college coursework but have not completed a degree, and an additional 30% have completed a college degree.

In FY 2020 the Matanuska-Susitna Borough School District (District) served 19,080 students through 47 school locations, with education being delivered using in-person, correspondence, and blended models. The District provides education programs to students in pre-kindergarten through 12th grade, and puts students and families first by providing public school choice among 17 elementary schools, five middle schools, six high schools, seven small attendance area schools, and one comprehensive correspondence/home school program. Additionally, the District hosts six charter schools and five alternative education schools, which offer a wide range of specialized programs including a second correspondence/home school option.

Because the Borough is the fastest growing area within the State of Alaska, new schools have been added in recent years with the construction funded through voter-approved bonds. In FY 2017, the District opened new facilities for Dena'ina Elementary, Iditarod Elementary School and Fronteras Spanish Immersion Charter School. Portable buildings are also constructed or relocated as necessary to support enrollment growth and program needs.

District Vision, Mission, Beliefs, Goals, and Guiding Principles

The School Board is an elected body consisting of seven community members and one non-voting student body representative. As the governing body responsible for the stewardship of public funds for education within the Borough, the School Board determines policy for operation and management of the District and sets priorities. The School Board establishes a vision, mission, beliefs, goals, guiding principles, and objectives that provide a framework under which the Superintendent operates.

Vision

Mat-Su Borough School District will be a model of excellence in teaching, learning, and engaging all students.

Mission

Mat-Su Borough School District prepares all students for success.

Beliefs

- We believe that the needs and best interests of students drive all decisions.
- All students can and want to learn.
- Educational choices and community participation are essential to student success.

Goals

1. Improve student success, achievement, and performance.
2. Develop excellent educators and leaders.
3. Use innovative practices to improve the education system.
4. Include families and community members in the education of our students.
5. Promote safe and healthy environments for all.

Guiding Principles

These Guiding Principles will drive our decisions in our responsibility to our students, families, and community:

- Stewardship
- Accountability
- Empathy
- Quality
- Integrity
- Respect
- Collaboration
- Commitment

Long-Term Strategic Plan

As an established best practice in government finance, the District utilizes a long-term strategic plan that includes five key strategic priorities and spans four fiscal years. These strategic priorities align with School Board Goals above.

- Student Achievement
- Educational Equity
- School Safety, Security, and Climate

- Innovation
- Facilities Management & Capital Planning

Nested within each strategic priority are annual objectives intended to support advancement towards the overarching goals of the School Board. While each priority area is distinct in its nature, they work cohesively to meet the District’s overarching mission to “*prepare all students for success*”.

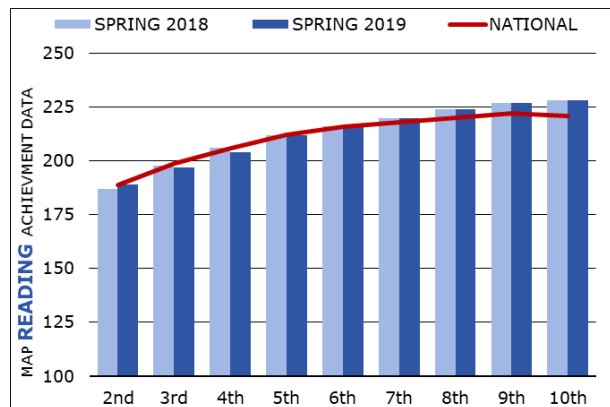
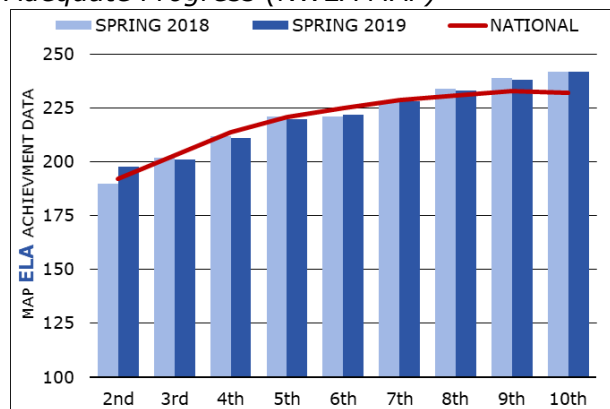
Accountability

The District is accountable to its stakeholders in many ways. The following assessments and measures highlight student achievement results and the successes of the District’s educational programs.

Northwest Education Association’s Measures of Adequate Progress (NWEA MAP) **Chart 2**

Over the past decade, the District’s students have participated in a nationally normed assessment called the MAP assessment. This assessment informs students, parents, and school staff how an individual student’s academic achievement compares to their peers across Alaska and the United States. MAP covers the subjects of English Language Arts (ELA), Reading, and Math (Chart 2).

Out of the 54 school districts in Alaska, 51 participate in this assessment. Figure 18 illustrates the District’s average grade level RIT rankings for Fall 2018 and Spring 2019 testing. Trends indicate that the District students’ overall achievement is average. The District’s median achievement is at 54%; and median growth is at 50%. This means that half of all District students’ MAP Growth scores (across all subjects measured) were above the 54th percentile. Looking at growth from fall to spring, the median growth percentile for District students was 50%, which is exactly equal to the average national norm for growth. This means that the District students’ scores grew at about the same rate as students across the nation.

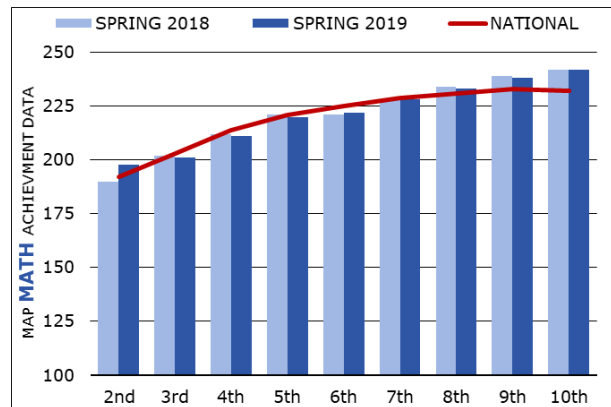


In general, student in early grades have an average MAP score below the national average and by high school the District's students' average MAP scores exceed the national average. This is attributed to a comprehensive multi-tiered system of support at each school where learning interventions and targeted instruction result in student growth of more than a year.

State Standards & Assessments

In FY 2015, Alaska adopted new, and much more rigorous, literacy and math standards, called the PEAKS assessment. PEAKS measure a student's understanding of the skills and concepts outlined in the Alaska English Language Arts (ELA), and Mathematics Standards, which have specific and rigorous expectations for growth in student's skills across all grades. The PEAKS assessments are administered to students in grades 3-9.

A recent study by NWEA indicates students must be in the 44th to 76th percentile to earn a "proficient" rating on the PEAKS assessment, as compared to the 37th percentile on the previous SBA assessments. In comparison, students need to be above the national average on MAP to be proficient on PEAKS (Chart 2).



While the State mandates PEAKS, Alaska law respects that parents have the right to exclude student from participation in specific instructional activities and statewide assessments. The District has an 81.6% participation rate in this assessment (Chart 3), which is considerably lower than the state average of 90.8%. A review of school participation rates within the District reveals

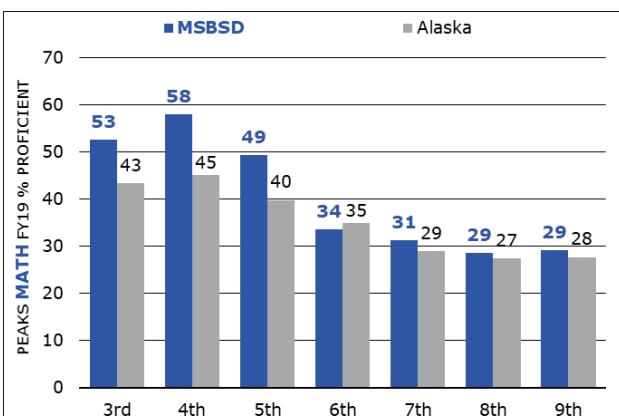
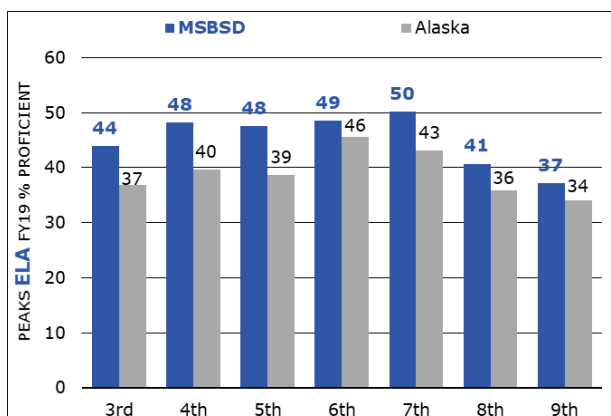
Chart 3

MAP Score Required for PEAKS Proficiency		
Grade	ELA	Math
3	61	45
4	55	48
5	55	53
6	53	56
7	57	68
8	66	75

Chart 4

	ELA	Math	District Participation
Alaska	39.3%	35.7%	90.8%
Fairbanks	42.0%	39.4%	95.8%
Anchorage	42.3%	39.4%	97.0%
Mat-Su	45.6%	40.9%	81.6%
Juneau	46.3%	40.9%	98.5%
Kenai	47.7%	41.3%	92.7%

that some of the highest performing schools also have the highest opt out rates by parents. Chart 4 denotes the District's standing in PEAKS testing in relation to the State and its peers, the "Big-5" school districts. While the District is third in comparison to the "Big 5", it

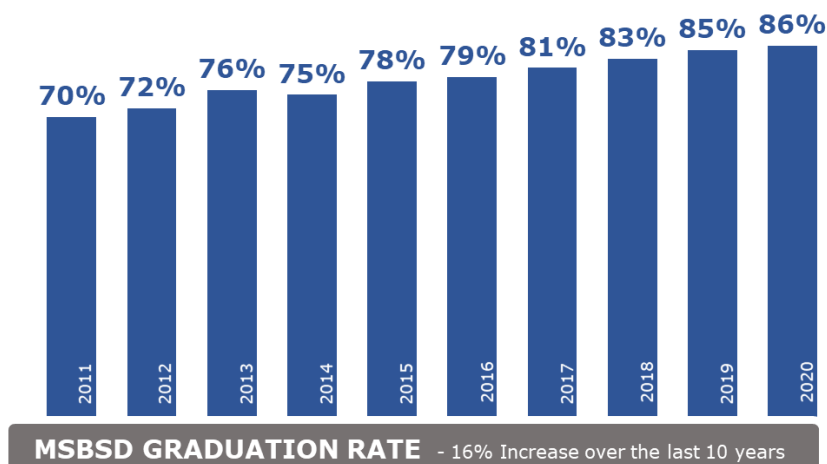


consistently performs better than the State average (Chart 4) in both Math and ELA.

Graduation Rate

The ultimate measure of student success is the graduation rate. Over the past nine years, the District's graduation rate has increased by 16%, from 70% to 86%. In its analysis, the District has found students who complete at least two career and technical education courses in a sequence have a 95% graduation rate.

Chart 5



Budget Process

Board Policy 3100 directs that the District budget be prepared annually to form the best possible estimates of enrollment, revenues, and expenditures. The budget development process begins in October with the 20-day student count, as administered by the State of Alaska Department of Education and Early Development (DEED). Immediately after the count period takes place, DEED requires that each district submit their projected enrollment for the upcoming fiscal year by November 5th. The projected enrollment for the Mat-Su Borough School District is based on a modified cohort-survival analysis.

The next step in the budget development process is a comprehensive examination of current revenues and expenditures to determine an estimated beginning fund balance for the upcoming fiscal year. Using the projected enrollment and the most current data available from the State Legislature, revenues for the budget year are projected.

To create an early estimate for expenditures, the District must make various assumptions for the upcoming year. For instance, from one year to the next the District may need to assume negotiated salary schedule increases; predict the rate at which health insurance premiums will increase; and/or come up with an estimate for escalating utility costs. Without having all the necessary information to accurately predict expenses in January, the District presents a preliminary budget with all budgetary assumptions clearly communicated within the document.

In accordance with the DEED Uniform Chart of Accounts, information is presented in the budget by fund, function, and object code to help stakeholders understand where expenditures are expected to occur. Adherence to the account code structure also assists the District in allocating at least 70 percent of its school operating expenses for instructional purposes. While this is no longer a requirement by the State, the District uses this as a measure to ensure adequate funding is designated for instructional purposes.

Public input for the budget is sought through open house forums, school board meetings, and an online survey. The District also hosts a virtual budget presentation, which includes a question and answer period and allows the District to reach a greater percentage of the community.

General Fund revenue is finalized towards the end of the budget process. From January through March, the School Board deliberates over the preliminary budget and makes any adjustments that are necessary in order to present a balanced budget to the Assembly, which is required by Borough Code 3.04.040. Upon adoption by the Board, the preliminary budget is submitted to the Borough Manager no later than the last Tuesday of March, as required by Borough Code 3.04.020(b). The official budget is due in resolution form no later than April 1st of each year to the Borough Assembly. A message including the specific level of local effort requested by the District must be included with the budget. Since April 1st is several weeks prior to the end of the State's legislative session, the District rarely knows the full funding picture by this date.

In April and May of each year, the Borough Assembly prepares its own budget and holds public budget deliberations and hearings. Within 30 days of the District submitting its preliminary budget to the Assembly, the Borough is required to approve a minimum amount to be apportioned for school operations, as required by AS 14.14.060. The Assembly adopts a budget that includes an appropriation for the School District by May 31st. After both State and local funding have been determined, the School Board takes action to adopt its final budget in May or June. The final budget is due to DEED by July 15th.

As required by Title 4 of Alaska Administrative Code, Chapter 9, Article 120, Budget Review, DEED will either approve the budget or may reject the District budget if it:

- Is not in the form required by the State;
- Is not balanced; or
- Does not meet the local effort provisions of AS 14.17.

If rejected by the State, a revised budget must be submitted within thirty days of the notice of rejection. If the budget contains prior year fund balance as revenue, the budget must be revised and resubmitted if the annual audit shows the fund balance to be less than projected.

By July 1st of each year, the budget is in place for the fiscal year that runs through June 30. While the budget is approved prior to July 1, staffing needs are adjusted almost immediately following the registration process that precedes the count period. Also prior to the twenty-day October student count period; there is one major budget revision that is used mainly to provide charter schools their estimated prior year carryover. The fall revision is brought before the Board in August or September for approval. After the count period, revenue is recalculated based on enrollment, and budgeted expenses are adjusted to account for the completed staffing adjustments, to arrive at winter budget revision. This budget revision is then presented to the Board for approval in December or January.

The School Board recognizes that operational budget revisions may be necessary in order to ensure that the District maintains a balanced budget. Line item revisions may be requested by unit administrators based upon educational or non-instructional support needs. Per Board Policy 3110, the following provisions apply to budget revision authority within the District:

- Budget revisions within a site location can be made by the budget manager without approval.
- The Deputy Superintendent of Business and Operations, Director of Finance, or designee shall be authorized to approve budget revisions between budget locations that do not exceed \$100,000.
- The Superintendent or designee shall be authorized to approve budget revisions between site locations that do not exceed \$150,000.
- Revenue adjustments, which increase or decrease the School District's total adopted budget, shall be submitted to the School Board for ratification.

Additional internal controls, approved by administration, have been established with regard to approval limits for budget transfer requests. While site administrators have responsibility for monitoring and approving how their budgets are expended, additional monitoring occurs at the District level. Once budget transfer requests reach \$25,000, the budget transfer must be approved by the Budget Supervisor. If approved, an internal control exists within the Enterprise Resource Planning's (ERP) system that sends a notification to the Deputy Superintendent of Business and Operations, indicating that a budget transfer in an amount greater than \$25,000 has been approved. For budget transfer approvals greater than \$75,000, a similar notification is sent to the Superintendent. These notifications keep administration informed of significant transactions to ensure proper oversight.

Budget revisions are entered using the District's ERP system and online workflow process. Administrative personnel enter budget transfer requests into the ERP system to be routed for the site administrator's approval and additional approvals as needed. Entry into the District's ERP system allows each budget transfer to immediately effect available funds. The District uses budget roll up codes within the ERP system to ensure that schools and departments have flexibility in spending funds, while still maintaining internal controls that help ensure administrators stay within acceptable budget expenditure parameters. All budget revisions are reported to the Board in a reading file.

These internal controls are part of the District's larger comprehensive risk management plan, which also includes IT backups and disaster recovery processes. The disaster recovery plan was developed utilizing the District's financial management system functionality to switch the data load, processes, and workflow to alternate servers outside the State of Alaska. If the unexpected should occur, key staff have been identified to assist with carrying out critical functions as a part of the District's disaster recovery and business continuity plan.

School and department budgets, budget process, and workflow are integrated into the ERP system. The system is designed with integrated modules, each designed to assist the end user in specific critical business functions. The system provides for streamlined functions in payroll, procurement, receiving, employee expense, accounts payable, and accounting that work hand-in-hand with the District's budget functions.

As funds are expended later into the fiscal year, the District begins monitoring fund balance. Board Policy 3470 establishes goals and provides guidance concerning the desired level of year-end fund balance to be maintained by the District as required by GASB Statement 54. The District's Comprehensive Annual Financial Reports (CAFR) designate fund balance as non-spendable, restricted, committed, assigned, and unassigned based on the relative strength of the restrictions that control the purposes for which amounts can be spent. When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

The entire budget process, internal controls, and Board Policy are designed and implemented to ensure financial stability for program continuity; instill public confidence; maintain budget and financial compliance with government authorities, and assist the District in building adequate fund balance to offset unexpected increases in costs.

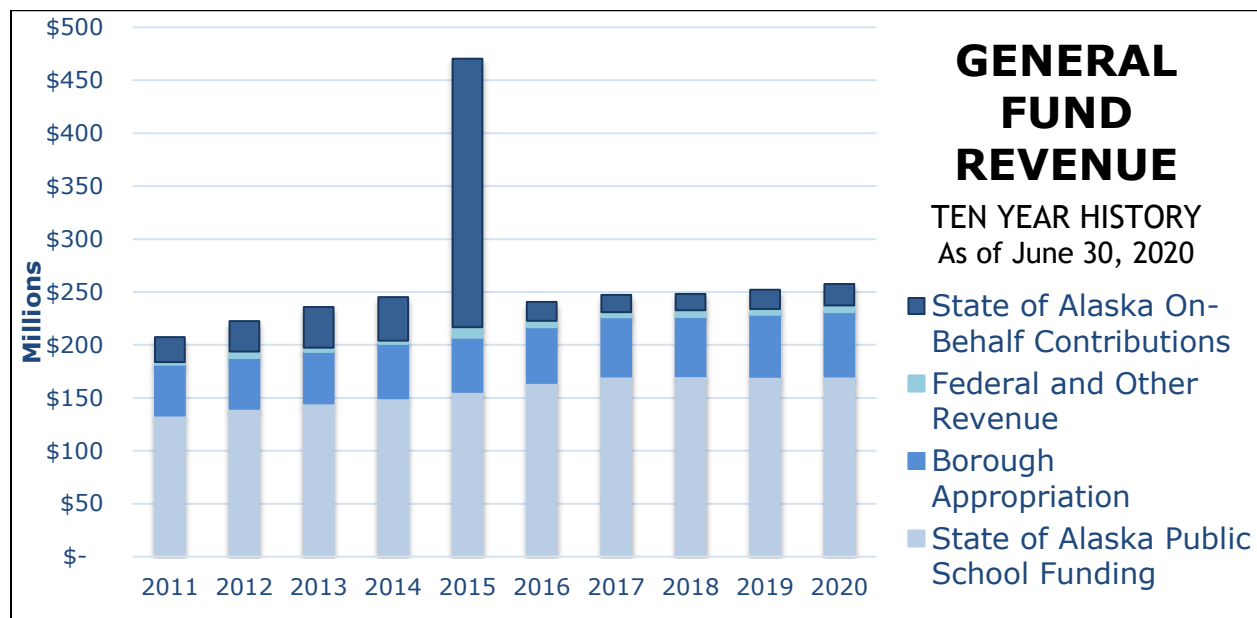
Factors Affecting Financial Condition

The District is largely dependent upon revenue from the State of Alaska as approximately 75% of the District's funding comes directly from the State through the State Foundation Formula. The State's public-school funding program sets the amount of general school funding the District receives from the State and it sets the limit of the amount to be raised from local sources under an equalization section of the formula.

Effective July 1, 2014, HB 278 adjusted the Base Student Allocation (BSA) to increase from \$5,680 to \$5,830 in FY 2015, \$5,880 in FY 2016, and \$5,930 in FY 2017. Funding outside the BSA was also established (to also be distributed through the formula) at \$43M in FY 2015, \$32.5M in FY 2016, and \$20M in FY 2017. Due to State fiscal constraints, the funding outside the BSA was not distributed for FY 2016 and FY 2017. The passage of HB278 also led to a change in funding for correspondence study programs. The correspondence factor within the Foundation Program was adjusted from 80% to 90%, and unspent student allotments carry over from year-to-year if students remain enrolled in the District's correspondence program.

Chart 6 represents the District's historical revenue sources.

Chart 6



As shown in Chart 6, FY 2015's State of Alaska On-Behalf Contributions are dramatically higher than any other fiscal year during the ten-year history. During the 2014 Legislative Session, Senate Bill 119 passed providing a one-time appropriation from the State's budget reserve fund of \$1 billion to PERS and \$2 billion to TRS which resulted in significantly increased contributions in FY 2015.

The District's total General Fund revenue increased by 2.08% between FY 2019 and FY 2020. State funding from the Foundation Program was \$184,855 higher due to changes in enrollment. The State also provided \$63,956 in revenues from the Permanent Fund Dividend Raffle and \$3,930,124 in one-time funding. The Borough appropriation was increased by \$2,291,014 to align with the District's share in a growing tax base.

The full impact of the COVID-19 pandemic is unknown and continues evolve. As of June 30, 2020, the District had been awarded \$3,997,351 under the Elementary and Secondary School

Emergency Relief Fund. The School District spent \$195,578 from these resources in fiscal year 2020, with the remainder to be expended in fiscal year 2021. An additional \$942,742 was awarded through the CARES Act and expended from the Summer Food Service Program for children and \$10,195 was expended from the Epidemiology and Laboratory Capacity for Infectious Disease Contact Tracing award.

In FY 2016 and FY 2017 the District's expenditures exceeded revenues resulting in a use of fund balance of \$2.5M in FY 2016 and \$2.9M in FY 2017. For FY 2018, the District experienced an increase of \$5.2M in unassigned fund balance as revenues exceeded expenditures and as the Borough removed the unassigned fund balance lapse policy. In FY 2019, the District grew General Fund unassigned fund balance by \$8,991,230 as a result of unanticipated retirement contribution credits issued by the State of Alaska Department of Administration for forfeited defined contribution plan participants and a spending and hiring freeze implemented by the District in February 2019. Unassigned fund balance increased by \$3,009,929 in FY 2020.

Chart 7 depicts the District's last five years of general fund balance as classified by GASB 54.

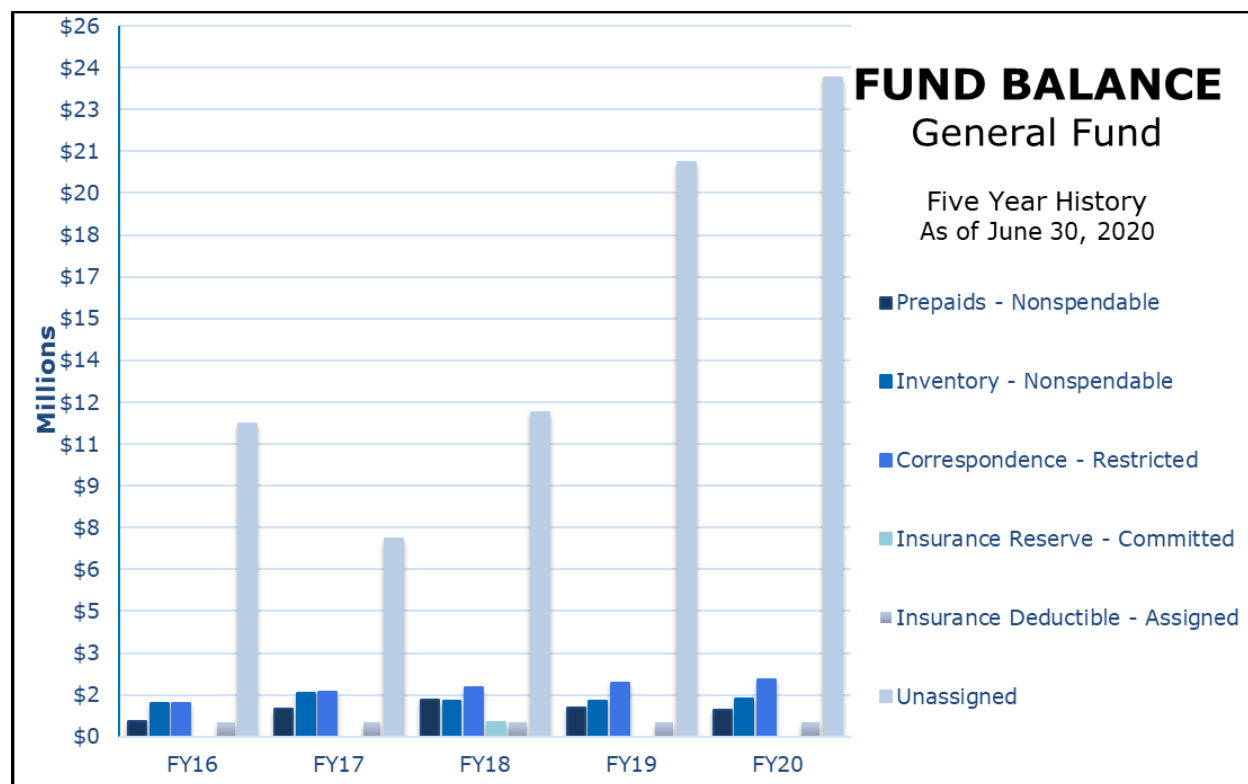


Chart 7

Instructional Spending

The District is committed to preparing all students for success and focuses its spending on the instructional area. Prior to 2016, Alaska Statute 14.17.520 stated, "A district shall budget for and spend a minimum of 70 percent of its school operating expenditures in each fiscal year on the instructional component of the district budget." Although this law was repealed in July 2016 and is no longer a State mandate, it is still a measure that may be used to compare educational spending throughout the State. The District's FY 2020 audited expenditures exceed the State of Alaska's mandate, with 78% of its operating fund spending within the instructional component and 22% spent in instructional support or non-instruction, as shown

in Chart 8 below. In FY 2020, the proportion of resources expended from the general fund towards the instructional component closely aligned with the historical expenditure proportions, with the exception of FY 2015. The increase in FY 2015 was due to the additional State-On-Behalf contributions received that year.

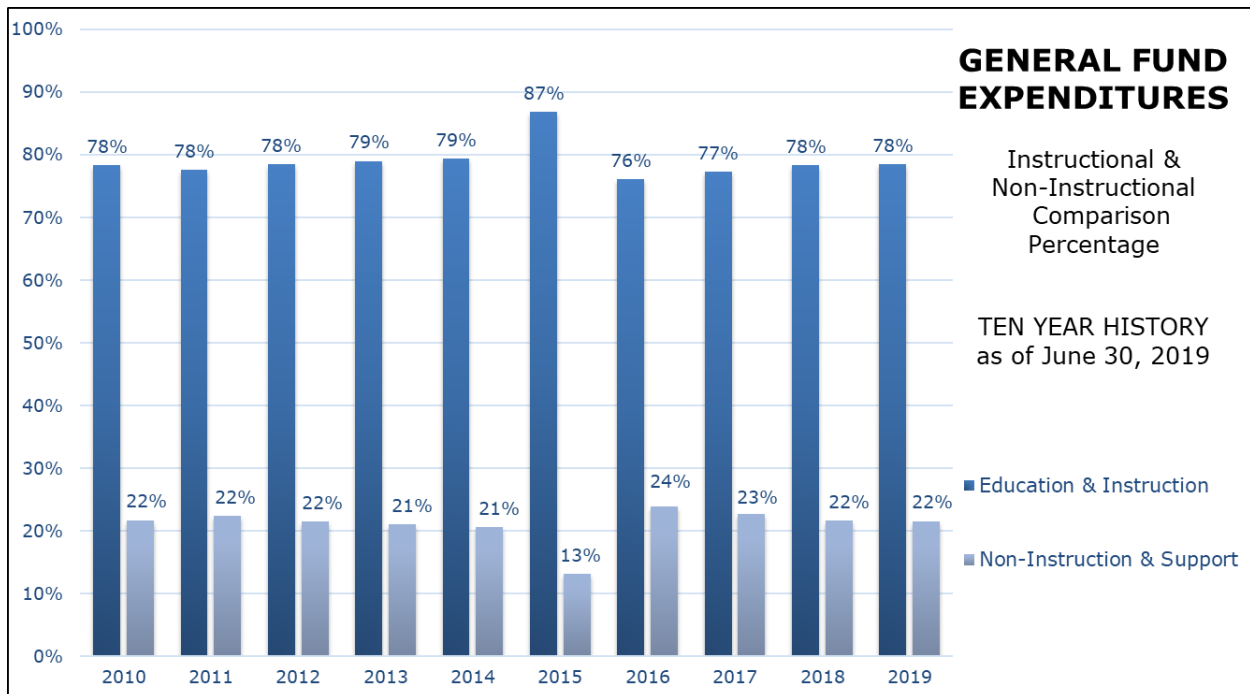


Chart 8

Financial Forecast

As the District attempts to forecast financial conditions beyond FY 2020, anticipated expenses outpace projected revenue, creating a structural deficit in subsequent years. Based on the following assumptions, the District prepared a long-term forecast that extends through FY 2023.

Revenue Assumptions

Local Funding

- Borough revenue maintained at 6.30 Mills of prior year assessed value
 - Assessed value increases at 2.5% annually per Borough forecast
- Other revenue maintained with no increase or decrease

State Funding

- BSA maintained at \$5,930
- Intensive count is maintained at 510
- No One-Time Grants from the State after FY 2021
- Excludes on-behalf revenue

Federal Funding

- Federal revenue maintained with no change

Use of Fund Balance

- No use of Fund Balance after FY 2020

Expenditure Assumptions

Regular Salary Schedule Movement

- CEA schedules are increased by 1.5% in FY 2021 and FY 2022 and are maintained static thereafter
- Certificated salaries are maintained with an average annual step increase of 1.36%
- Non-Certificated salaries are maintained with an average annual step increase of 3.31%
- Vacancy, Attrition, and Leave of Absence factors have been applied

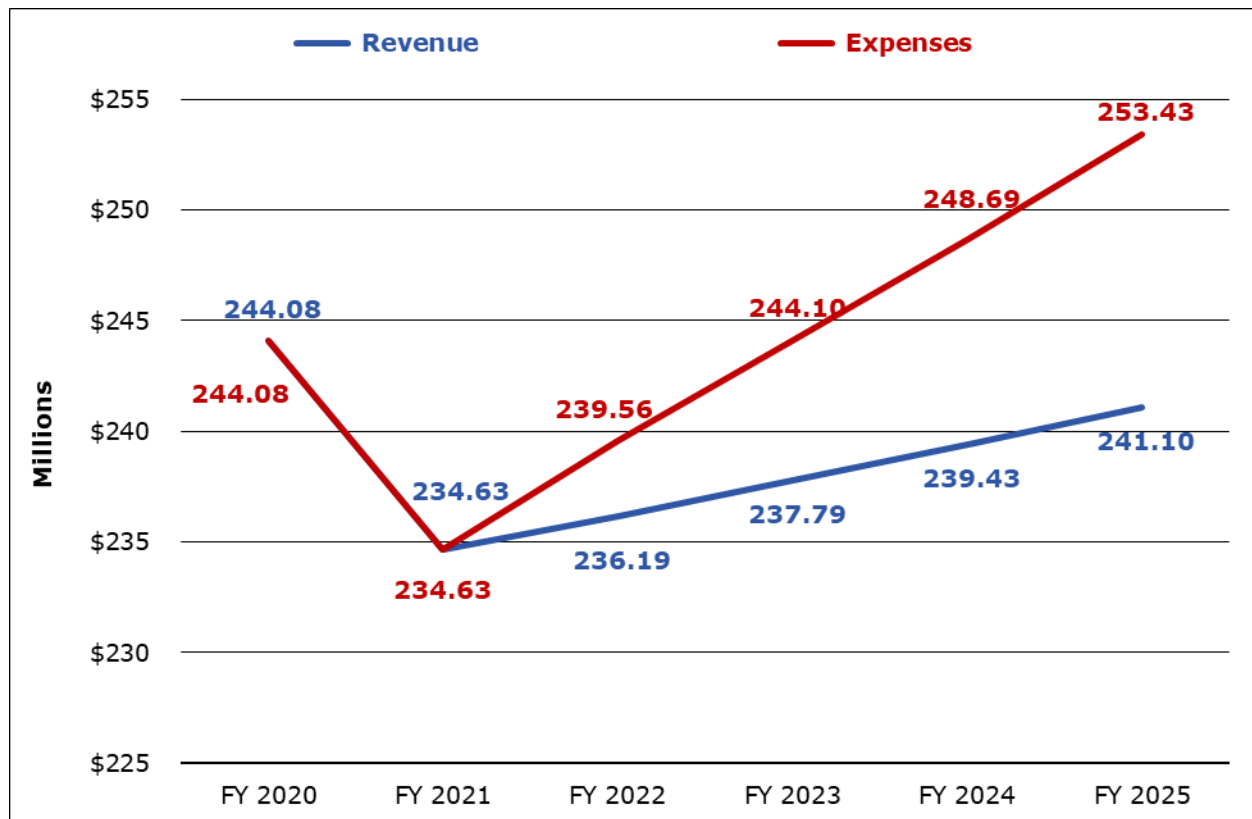
Benefits

- Health insurance increase at an annual rate of 8%
 - This increase is split 50/50 between employees and the District for CEA & MSPA unions
 - Current district costs are maintained with the employee covering the total cost of the increase for EXEC, MLMA, and MSEA unions
- All other deduction factors are maintained with any increase due to an increase in salary factors
- Includes a reserve of 1% of total salaries and benefits for payroll contingencies
- Excludes on-behalf payments

Non-Personnel

- Utilities increase at an annual rate of 2.5%
- Insurance bonds and premiums increase at an annual rate of 5%
- Transfers to other funds includes subsidies to Student Transportation
- All other non-personnel accounts are maintained with no increase or decrease

Chart 9



	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue	244,077,123	234,634,368	236,192,122	237,788,820	239,425,435	241,102,965
Expenses	244,077,123	234,634,368	239,556,601	244,099,536	248,689,725	253,432,176
Excess (Deficit)	-	-	(3,364,479)	(6,310,716)	(9,264,290)	(12,329,211)

The deficits in FY 2022, FY 2023, FY 2024, and FY 2025 are \$3.36M, \$6.31M, \$9.26M, and \$12.33M, respectively. This trend of expenditures outpacing revenues is referred to as a structural deficit because operations cannot be sustained and may require a change to the organizational structure, educational programs, and/or service offerings.

Awards and Acknowledgements

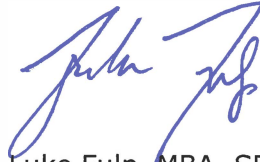
The Association of School Business Officials International (ASBO) has awarded the Certificate of Excellence (COE) in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the period ended June 30, 2019. This was the eleventh consecutive year the District has received this prestigious award. We believe that the CAFR for the current fiscal year continues to meet the requirements of the Certificate of Excellence program and intend to submit it for consideration.

The preparation of this report was accomplished through the commitment, dedication, and tireless efforts of Matanuska-Susitna Borough School District employees. We would like to express our appreciation to all the people who contributed to the preparation of this report, including our primary government the Matanuska-Susitna Borough. Their expertise and partnership in data collection has been tremendously helpful. We would also like to thank the members of the School Board for their support in maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Dr. Randy Trani
Superintendent of Schools



Luke Fulp, MBA, SFO
Deputy Superintendent of
Business and Operations



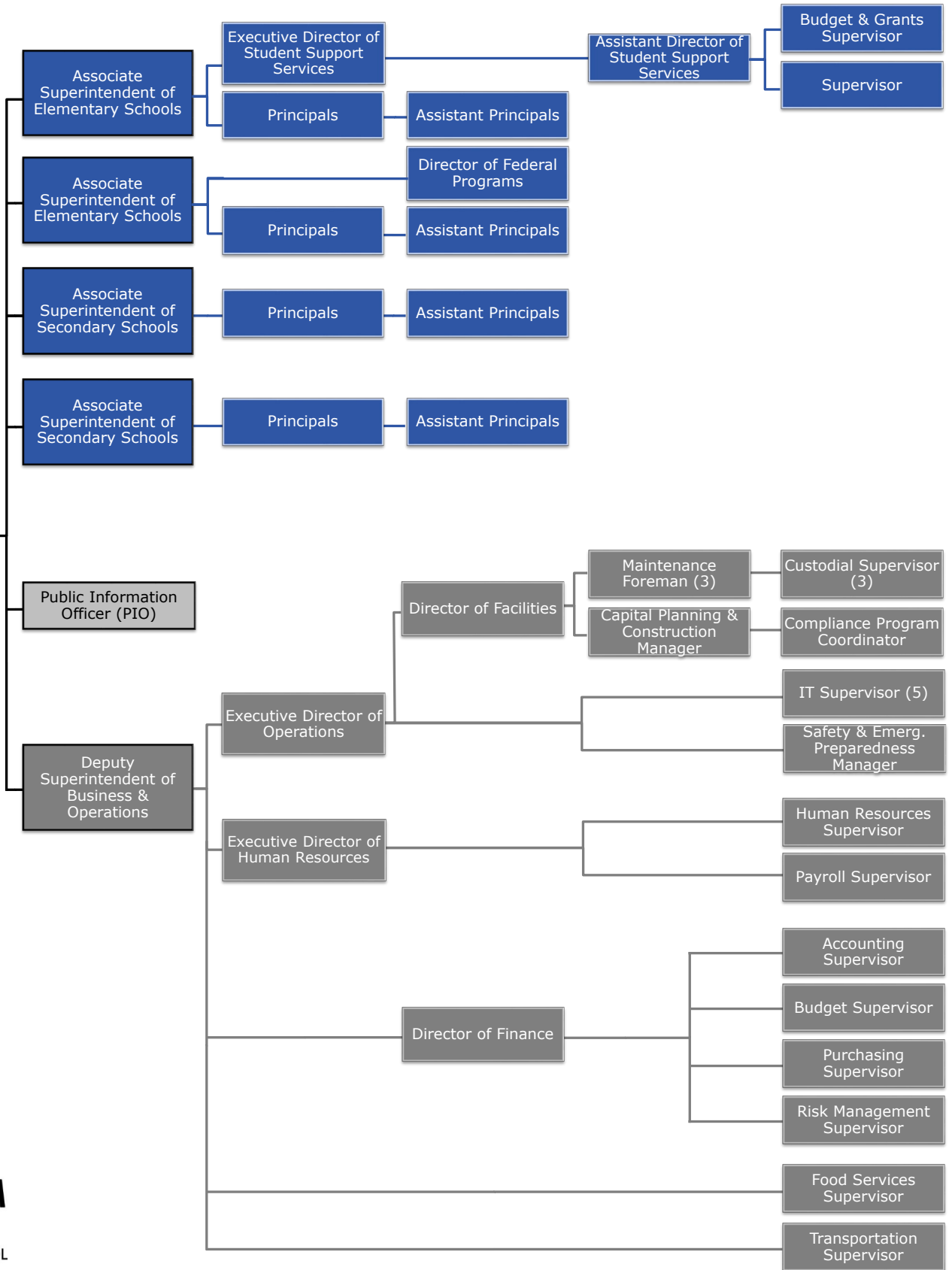
Zachary Albert, CTP
Director of Finance



Alicia Campbell
Accounting Supervisor

School Board

Superintendent



MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

PRINCIPAL OFFICIALS

SCHOOL BOARD

Board President Thomas Bergey
Board Vice-President Jim Hart
Board Clerk Dr. Sarah Welton
Board Member Ole Larson
Board Member Ryan Ponder
Board Member Kelsey Trimmer
Board Member Jeff Taylor

DISTRICTWIDE ADMINISTRATION

Superintendent..... Dr. Randy Trani
Public Information Officer..... Jillian Morrissey

Associate Superintendent of Instruction Dr. Justin Ainsworth
Associate Superintendent of Instruction Reese Everett
Associate Superintendent of Instruction DeeDee Hanes
Associate Superintendent of Instruction Traci Pedersen
Executive Director of Student Support Services..... Dan Molina
Assistant Director of Student Support Services..... Dale Sweetser
Director of Federal Programs Dr. Katherine Ellsworth

Deputy Superintendent of Business and Operations Luke Fulp
Executive Director of Operations..... Mike Brown
Executive Director of Human Resources..... Katherine Gardner
Director of Finance Zachary Albert
Director of Facilities Jim Estes
Capital Planning and Construction Manager Tony Weese





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Matanuska-Susitna Borough School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

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

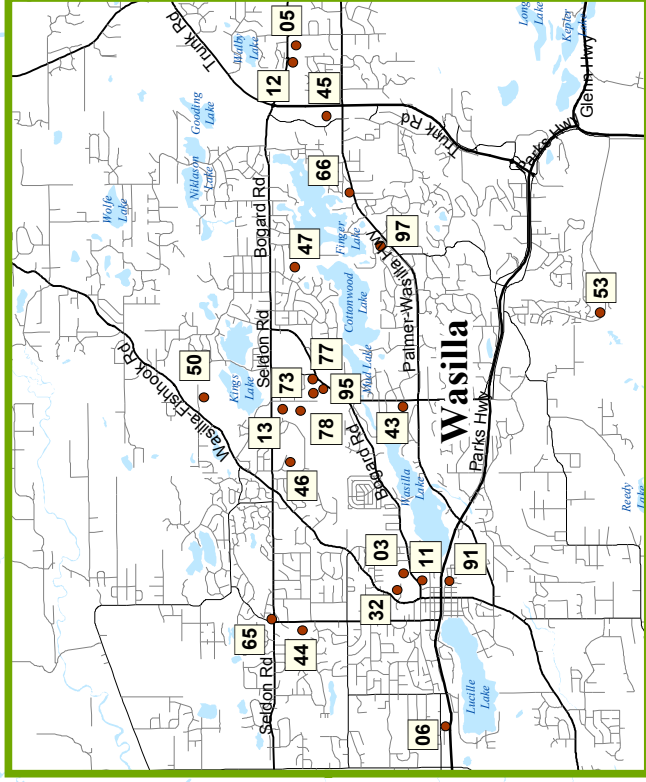
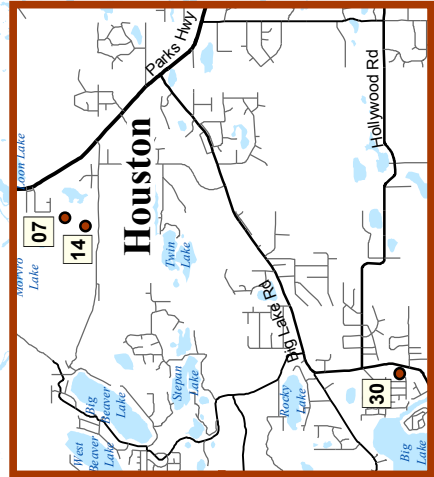
David J. Lewis
Executive Director

MSB School District Facilities Locations

02. Su-Valley Jr./Sr. High School
31. Glacier View School
35. Talkeetna Elementary School
36. Trapper Creek Elementary School
37. Willow Elementary School
39. Snowshoe Elementary School
41. Butte Elementary School
42. Sutton Elementary School
48. Goose Bay Elementary School
49. Beryozova School
51. Meadow Lakes Elementary School
52. Knik Elementary School
54. Denaina Elementary School
61. Midnight Sun Family Learning Center
67. American Charter Academy
80. Joe Redington Jr/Sr High School

Houston Inset

07. Houston High School
14. Houston Middle School
30. Big Lake Elementary School

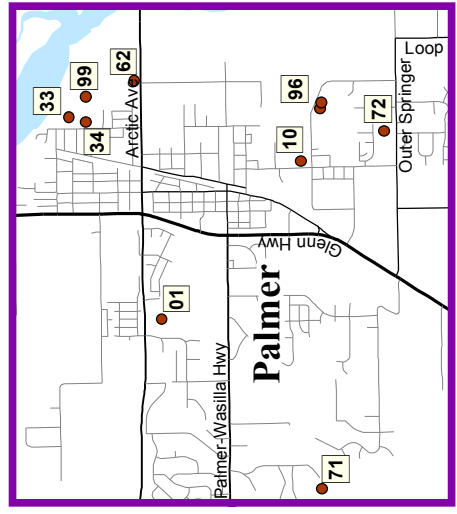


Wasilla Area Inset

03. Wasilla High School
05. Colony High School
06. Burchell High School
11. Wasilla Middle School
12. Colony Middle School
13. Teeland Middle School
32. Iditarod Elementary School
43. Cottonwood Elementary School
44. Tanaina Elementary School
45. Pioneer Peak Elementary School
46. Larson Elementary School
47. Finger Lake Elementary School
50. Shaw Elementary School
53. Machetanz Elementary School
65. Twindly Bridge Charter School
66. Birchtree Charter School
73. Mat-Su Career & Tech High School
77. Mat-Su Day School
78. Fronteras Spanish Immersion Charter School
91. Mat-Su Central School
95. MSBSD Operations & Maintenance
97. MSBSD Pupil Transportation Department

Palmer Area Inset

01. Palmer High School
10. Palmer Junior Middle School
33. Sherrad Elementary School
34. Swanson Elementary School
62. Academy Charter School
71. Valley Pathways School
72. Mat-Su Secondary School
96. MSBSD Nutrition Services
96. School District Warehouse
99. MSBSD Administration Building



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3601 C Street, Suite 600
Anchorage, AK 99503

Independent Auditor's Report

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Matanuska-Susitna Borough School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Matanuska-Susitna Borough School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District as of June 30, 2020 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 22, the budgetary comparison information on page 68, and the Schedules of the District's Proportionate Share of the Net Pension Liability, and Pension Contributions and the Schedules of the District's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability and Asset, and OPEB Contributions on pages 69 through 70, and 71 through 72, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for 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 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Matanuska-Susitna Borough School District's basic financial statements. The accompanying combining and individual fund financial statements and schedules, and Schedule of Compliance - AS 14.17.505 are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The accompanying combining and individual fund financial statements and schedules, and Schedule of Compliance - AS 14.17.505, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual fund financial statements and schedules, and Schedule of Compliance - AS 14.17.505 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Matanuska-Susitna Borough School District as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated November 15, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The General (School Operating) Fund financial statements for the year ended June 30, 2019 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 financial statements. The General (School Operating) Fund financial statements have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General (School Operating) Fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2019.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2020 on our consideration of Matanuska-Susitna 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 Matanuska-Susitna 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 Matanuska-Susitna Borough School District's internal control over financial reporting and compliance.

BDO USA, LLP

Anchorage, Alaska
November 15, 2020

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Management's Discussion and Analysis

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

This section of the Matanuska-Susitna Borough School District's comprehensive annual financial report presents discussion and analysis from the financial managers about the School District's financial performance over the fiscal year ended June 30, 2020 (FY 2020). We encourage readers to consider the information presented here in conjunction with the information furnished in our letter of transmittal at the front of this report as well as the School District's basic financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an important element of Required Supplementary Information (RSI) prescribed by Statement No. 34 of the Governmental Accounting Standard Board (GASB), Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

Financial Statements

Key financial highlights for the fiscal year ended June 30, 2020 include the following:

As of the close of the fiscal year, the School District's total governmental funds reported a combined ending fund balance of \$34,338,652, an increase of \$4,549,531 from the prior fiscal year.

The fund balance in the General Fund was \$28,522,037. Of this amount, \$2,332,448 was considered non-spendable, and was comprised of \$1,381,835 invested in inventory and \$950,613 reserved for prepaid items. Restricted fund balances totaled \$2,064,434, which was set aside for unspent student allotments for correspondence schools. Assigned fund balance of \$500,000 was reserved for self-insurance of workers' compensation claims. Unassigned fund balance at June 30, 2020 was \$23,625,155 for the General Fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements and supplement the information contained within them. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are fund financial statements which focus on individual activities of the School District, reporting the School District's operations in greater detail than the government-wide statements.
- Governmental fund financial statements present how basic services, such as regular and special education, were financed in the past fiscal year, as well as what resources remain for future expenditure.
- Fiduciary fund financial statements provide information about the financial relationships in which the School District acts solely as trustee or agent for the benefit of others.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Notes which provide additional information to further explain the data presented in the basic financial statements can be found following the statements. After the notes is a section of required supplemental information which supports and further explains the information contained within the financial statements and also includes a comparison of the School District's budget to actual results for the year.

Government-wide Financial Statements

The design of the government-wide financial statements is intended to provide readers with both short-term and long-term information about the School District's overall financial status, in a manner similar to a private-sector business.

The Statement of Net Position presents information on the School District's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the remainder being the net position of the resources available in the fund. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the School District is improving or deteriorating.

The Statement of Activities presents information revealing how the School District's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of any related cash flows. Some of the cash flows related to revenues and expenses reported on the Statement of Activities will occur in a future fiscal period.

Both of the government-wide financial statements present functions of the School District as governmental activities, that is, functions principally supported by taxes and unrestricted intergovernmental revenues. The governmental activities of the School District include instruction, administration, student transportation, and food services, among others. The government-wide financial statements are found in exhibit A-1 and B-1 of this report.

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts that is created for the purpose of tracking the financial transactions related to a specific activity or activities. The School District uses fund accounting to demonstrate accountability and to ensure compliance with finance-related legal requirements. The fund financial statements focus on the School District's most significant or "major" funds. All School District funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Governmental fund information helps the reader determine whether there are more (or less) financial resources that can be spent in the next fiscal year to finance the School District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

funds is described in the reconciliation accompanying the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. The governmental funds financial statements can be found in exhibit C-1 through C-4 of this report.

Proprietary Funds

The Proprietary Funds financial statements provide the same type of information as government-wide financial statements, only in greater detail. Proprietary funds are used to track business-type activities that charge customers a fee in return for goods or services. The School District maintains both types of proprietary funds - enterprise funds and internal service funds.

Enterprise funds are used to account for business-type activities for which external users are charged a fee for goods or services. The School District's only enterprise fund at the end of the fiscal year was the Mat-Su Construction Trades Fund.

Internal service funds are used to track the activities that provide goods or services to other agencies, funds, or programs within the School District. The School District uses an internal service fund to account for Workers' Compensation Self-Insurance.

Because the proprietary funds are financially immaterial to the financial statements and because they fall within the general educational mission of the School District, these funds are accounted for as governmental activities within the government-wide statements. The basic proprietary fund financial statements can be found in exhibit D-1 through D-3 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources that are held for the benefit of parties other than the School District. Fiduciary funds are not reflected in the government-wide financial statements because the resources accounted for within those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that which is used for proprietary funds. The basic fiduciary fund financial statements can be found in exhibit E-1 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for understanding the data provided within the government-wide and fund financial statements. The note disclosures can be found immediately following exhibit E-1 of this report.

Other Information

Combining and individual fund statements and schedules can be found after the Required Supplementary Information section.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Government-wide Financial Analysis

Net Position

Over time, net position may serve as a useful indicator of a government's overall financial condition. With the implementation of GASB 68 and 75, the District was required to recognize its proportional share of the net pension and OPEB liabilities and related deferred inflows and outflows of resources.

The School District's total liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$95,934,788 for the fiscal year ended June 30, 2020. Of this amount, \$110,676,134 is a deficit, \$2,068,724 was restricted for correspondence school student allotments, and \$4,290 was restricted for scholarships. The remaining \$12,668,332 (net of the related debt) is invested in the School District's capital assets (e.g. facilities, furniture, equipment, and software). Because these capital assets are necessary for the School District to provide the services, supplies, and equipment required to fulfill its educational mission, the resources invested in them are not available to be used for future spending.

The increase in current assets from the prior year can be attributed in part to increases in cash and accounts receivable. The deferred outflows of resources related to the pension and other postemployment benefits decreased over the prior year by \$7,766,950.

Current liabilities include accounts payable, accrued payroll and related liabilities, prepaid grant funds, student meal account deposits, and claims payable within one year. The increase in current liabilities from the prior year is largely attributable to an increase in accounts payable which was offset by reductions in the other components. Noncurrent liabilities, which includes the accrued leave, capital leases payable, and the net pension and postemployment benefits liabilities decreased by \$29,152,755. This decrease was largely the result of a \$29,224,616 decrease in the net pension and other postemployment benefits liabilities due to a change in the benefit terms. Deferred inflows of resources related to pensions and other postemployment benefits increased from the prior year by \$481,311. The analysis below focuses on net position (Table 1). The Change in net position for the School District is shown on the following page in the Statement of Activities (Table 2).

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Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Table 1
Net Position of Governmental Activities

June 30,	2020	2019
Assets		
Current and other assets	\$ 47,104,408	\$ 42,076,600
Noncurrent assets	28,178,317	20,010,528
Total Assets	75,282,725	62,087,128
Deferred Outflows		
Pension related	13,032,989	17,173,454
Other postemployment benefits related	9,809,625	13,436,110
Total Deferred Outflows of Resources	22,842,614	30,609,564
Total Assets and Deferred Outflows	98,125,339	92,696,692
Liabilities		
Current liabilities	12,548,370	11,986,940
Noncurrent liabilities	165,877,367	195,030,122
Total Liabilities	178,425,737	207,017,062
Deferred Inflows		
Pension related	7,679,000	4,231,063
Other postemployment benefits related	7,955,390	10,922,016
Total Deferred Inflows of Resources	15,634,390	15,153,079
Net Position		
Net investment in capital assets	12,668,332	12,332,307
Restricted for scholarships	4,290	4,289
Restricted for correspondence program	2,068,724	1,919,998
Unrestricted (deficit)	(110,676,134)	(143,730,043)
Total Net Position	(95,934,788)	(129,473,449)
Total Liabilities, Deferred Inflows and Net Position	\$ 98,125,339	\$ 92,696,692

Governmental Activities

The following condensed table of changes in net position, displays the revenues and expenses for the current year. The results of this year's operations for the School District as a whole are reported in the Statement of Activities in exhibit B-1 of this report. Table 2 provides condensed information from the Statement of Activities.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Table 2
Statement of Activities

Year Ended June 30,	2020	2019
Revenues		
Program revenues:		
Charges for services	\$ 999,167	\$ 1,212,213
Operating grants and contributions	53,516,040	49,365,415
General revenues and transfer to Borough:		
Borough district appropriations	60,665,932	58,374,918
Out of district reimbursement	-	447,749
Special Item - Transfer to the Borough	(5,900,000)	-
State grants not restricted	174,422,821	172,766,647
E-rate	1,344,024	1,276,298
Medicaid and other	846,371	1,211,487
Total Revenues	285,894,355	284,654,727
Expenses		
Instruction	92,755,961	99,898,869
Special education instruction	37,028,459	38,967,635
Special education support services - students	15,414,844	16,177,323
Support services - students	8,578,659	8,858,952
Support services - instruction	12,747,063	13,683,946
School administration	8,736,248	9,756,751
School administration support services	9,038,902	9,637,263
District administration	1,532,869	1,375,486
District administration support services	12,932,866	12,501,533
Operations and maintenance of plant	26,879,109	24,523,333
Student activities	2,960,185	3,454,577
Student transportation - other transportation services	300,153	228,364
Student transportation - to and from school	16,520,902	17,516,999
Community services	6,353	72,538
Food services	6,685,857	6,869,344
Construction and facilities acquisition	-	4,113,477
Interest on long-term debt	237,264	242,811
Total Expenses	252,355,694	267,879,201
Change in net position	33,538,661	16,775,526
Net Position, beginning of year	(129,473,449)	(146,248,975)
Net Position, end of year	\$ (95,934,788)	\$ (129,473,449)

The cost of all governmental activities in FY 2020 was \$252,355,694. Users of the School District's programs paid some of the cost of the School District's programs (\$999,167). The federal and state government subsidized certain programs with grants and contributions (\$53,516,040). However, most of the School Districts' normal operating costs were paid for

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

with funding provided by the State of Alaska Foundation Program (\$170,211,256), which does not include the On-Behalf Retirement Contributions from the State of Alaska (\$20,227,731) and Other State Revenue (\$3,994,080), which was comprised of \$63,956 in Dividend Raffle proceeds and \$3,930,124 in one-time funding. The Borough Appropriation (\$60,665,932) is derived from local property tax assessments. The School District completed a one-time transfer of \$5,900,000 to the Borough to be used to fund a portion of the Houston Middle School rebuild. The Statement of Activities is located in exhibit B-1 of this report.

Table 3 presents the total cost of services for each of the School District's primary functional activities. The 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 to provide each of these functions. The Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance can be found in Exhibit C-3.

Table 3
Net Cost of Governmental Activities

Governmental Activities	Fiscal Year 2020		Fiscal Year 2019	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Expenses:				
Instruction	\$ 152,322,173	\$ 143,353,333	\$ 151,206,350	\$ 141,422,855
Support services - school	43,105,799	36,920,261	42,433,439	36,308,160
School administration	20,720,374	20,321,287	21,222,020	20,697,087
District administration	16,075,480	15,070,674	14,926,978	13,622,899
Operations and maintenance	24,811,300	24,432,773	25,277,087	24,046,589
Student activities	3,441,325	3,408,857	3,718,195	3,718,095
Student transportation	16,824,500	-	17,747,425	2,564
Community services	14,204	-	83,800	-
Food services	6,687,893	(7,851)	6,870,276	-
Debt service	393,300	-	393,300	-
Construction and facilities acquisition	3,226,660	13,500	4,036,311	-
Total	\$ 287,623,008	\$ 243,512,834	\$ 287,915,181	\$ 239,818,249

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

Governmental Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful for assessing the School District's net resources available for expenditure at the end of the fiscal year. The School District's governmental funds reported combined fund balances at the end of the fiscal year of \$34,338,652 as reported in exhibit C-1.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Table 4 reconciles total ending balances for the governmental funds on the government-wide balance sheet.

Table 4
Reconciliation of Total Fund Balances for Governmental Funds
to Net Position for Governmental Activities

June 30,	2020	2019
Total fund balance - governmental funds at June 30	\$ 34,338,652	\$ 29,789,121
Cost of capital assets (net of accumulated depreciation)	19,128,563	18,948,574
Other postemployment benefits assets	9,049,754	-
Long-term liabilities	(165,877,367)	(193,968,168)
Deferred inflows and outflows - pension and other postemployment benefits related	7,208,224	15,456,485
Enterprise fund net position	217,386	300,539
Net Position At June 30	\$ (95,934,788)	\$ (129,473,449)

The School District had two major governmental funds in FY 2020. A major fund is defined as a governmental or enterprise fund for which the revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) total at least 10 percent of the total 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 that criteria may also be designated as major funds if they are considered important to the School District or the readers of its financial statements.

The General Fund qualifies as a major fund and is the principal operating fund for the School District. At the end of the prior fiscal year, the General Fund had a fund balance of \$28,522,037, which included non-spendable, restricted, assigned, and unassigned funds. The unassigned fund balance as of June 30, 2020, was \$23,625,155, an increase of \$3,009,929 from the prior year.

Although the Capital Improvement Projects Fund does not meet the reporting criteria to qualify as a major fund, the District has elected to present the fund as a major fund due to the significance of the fund to the users of the financial statements. This fund was established to provide funding for much needed equipment and infrastructure improvements to aging buildings, including ADA compliance upgrades; parking lot improvements; security upgrades; and fire alarm upgrades. In FY 2020, the four projects with the largest expenditures were for construction and relocation of portables between school sites to accommodate student populations at schools where enrollment was growing; mechanical, electrical, and water improvements at facilities; safety and security upgrades; and fleet vehicle refresh. Total expenditures for these four projects amounted to \$1,443,306, or about 16% of the total expenditures for capital improvement projects. The Capital Projects Fund had a fund balance at the end of the current year of \$3,736,478.

The Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance provide information for both of these major funds and are located in exhibit C-1 and C-3 of this report.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

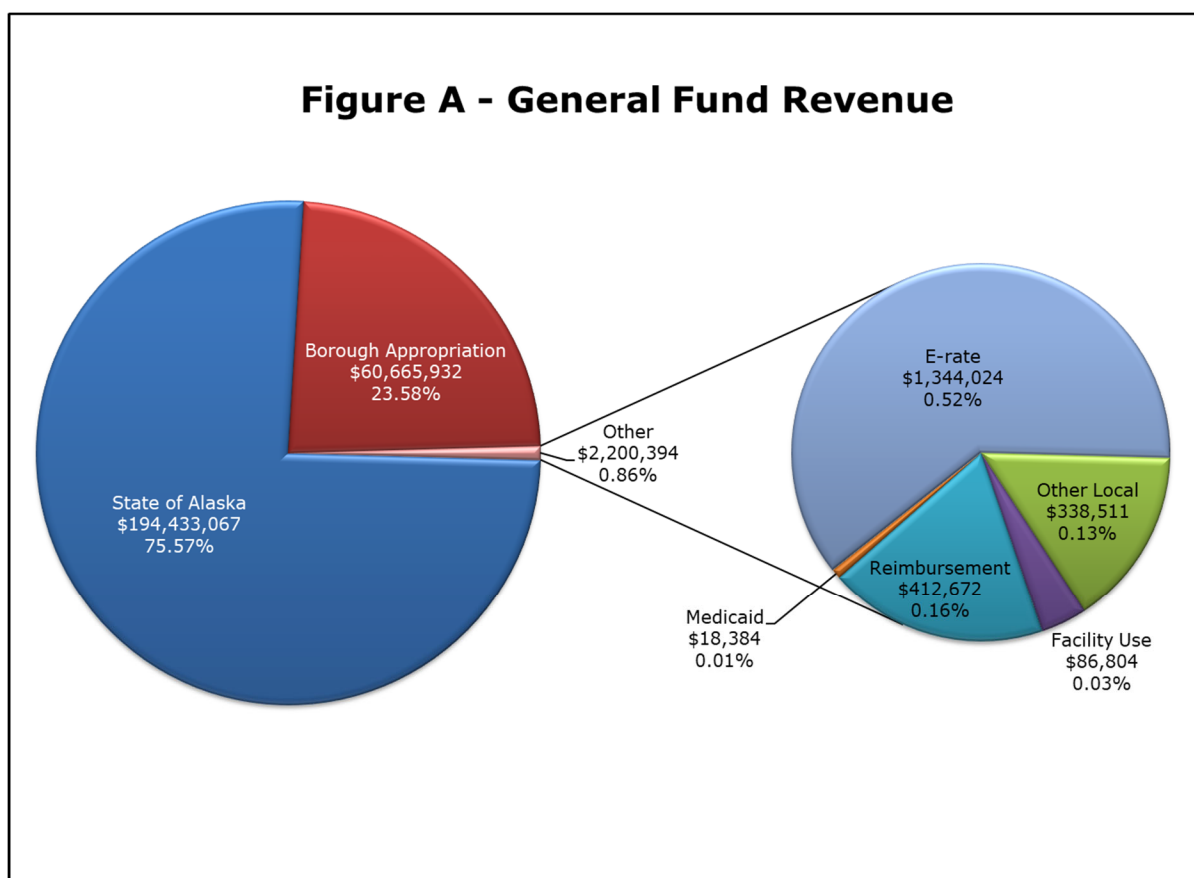
Year Ended June 30, 2020

Table 5 presents a summary of General Fund revenue, compares current year with the previous year, and shows the increase or (decrease) and percentage of change.

Table 5
General Fund Revenue

	2020	2019	Increase (Decrease)	Percentage Increase (Decrease)
Borough appropriation	\$ 60,665,932	\$ 58,374,918	\$ 2,291,014	3.92%
Other local	827,987	1,041,016	(213,029)	-20.46%
State of Alaska	194,433,067	190,942,103	3,490,964	1.83%
Federal E-Rate	1,344,024	1,276,298	67,726	5.31%
Federal Medicaid	18,384	618,220	(599,836)	-97.03%
Direct Grants	217,486	-	217,486	100.00%
Total Revenue	\$ 257,506,880	\$ 252,252,555	\$ 5,254,325	2.08%

Figure A presents a chart of General Fund revenue by source for the fiscal year ended June 30, 2020.



Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

The School District experienced an overall increase in revenue of \$5,254,325, or 2.08%. Funding from the Borough and State of Alaska made up \$2,291,014 and \$3,490,964 of that increase, respectively. Increases to State funding can be attributed to one-time grant funds and increases in on-behalf payments to support the unfunded liability in the State's retirement systems. Borough funding increased as a result of action taken by the Borough Assembly to link education funding to a millage rate equivalent of 6.3 mills. Federal E-rate funding was \$67,726 higher and Federal Medicaid funding was \$599,836 lower than in FY 2019. The large change in Federal Medicaid revenues was primarily due to software functionality issues which would not allow for Medicaid eligible encounter notes to be maintained. Other local revenue, which consisted of revenue from facility use and other local reimbursements, decreased from the prior year by \$213,029, largely due to facility closures related to COVID-19.

Table 6 presents a summary of the General Fund expenditures by function and reflects the change compared to the prior fiscal year in terms of both dollars and as a percentage. There was an increase in expenditures of 1.54% in FY 2020. The General Fund budget included several expenditure reductions. The overall increase in expenditures of \$3,394,585 over FY 2019 can primarily be attributed to salaries and benefits related expenditures.

Table 6
General Fund Expenditures

	2020	2019	Increase (Decrease)	Percentage Increase (Decrease)
Instruction	\$ 143,353,333	\$ 141,422,855	\$ 1,930,478	1.37%
Support services - school	36,920,261	36,308,160	612,101	1.69%
School administration	20,321,287	20,697,087	(375,800)	-1.82%
District administration	15,070,674	13,622,899	1,447,775	10.63%
Operations and maintenance	24,432,773	24,046,589	386,184	1.61%
Student activities	3,408,857	3,718,095	(309,238)	-8.32%
Community services	(7,851)	2,564	(10,415)	-406.20%
Construction and facilities acquisition	13,500	-	13,500	100.00%
Total Expenditures	\$ 243,512,834	\$ 239,818,249	\$ 3,694,585	1.54%

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Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Figure B presents a chart of General Fund expenditures by function for the fiscal year ended June 30, 2020.

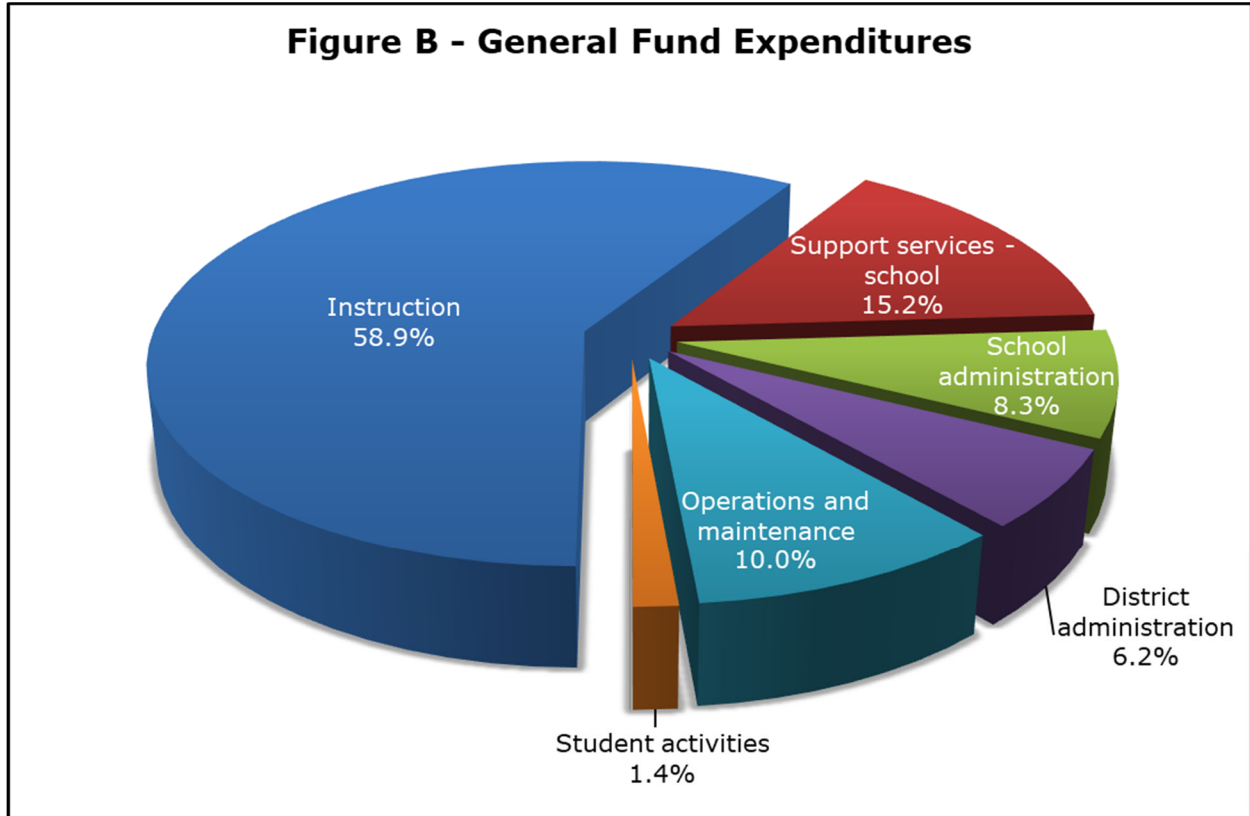


Table 6.1 below has been provided for a comparative view of increases and decreases over the prior year, and unlike Table 6, this schedule excludes on-behalf retirement payments from both years. This view demonstrates that, excluding any impact of on-behalf payments, the School District's expenditures increased by 0.74% overall from the prior fiscal year.

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Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Table 6.1
General Fund Expenditures

	2020	2019	Percentage Increase (Decrease)	Percentage Increase (Decrease)
Instruction	\$ 128,032,606	\$ 129,001,820	\$ (969,214)	-0.75%
Support services - school	34,752,445	33,009,764	1,742,681	5.28%
School administration	18,757,138	19,246,661	(489,523)	-2.54%
District administration	14,618,118	13,255,587	1,362,531	10.28%
Operations and maintenance	24,001,169	23,684,686	316,483	1.34%
Student activities	3,117,978	3,441,711	(323,733)	-9.41%
Community services	(7,851)	2,564	(10,415)	-406.20%
Construction and facilities acquisition	13,500	-	13,500	100.00%
Total Expenditures	\$ 223,285,103	\$ 221,642,793	\$ 1,642,310	0.74%

Capital Projects Fund

The School District's Capital Improvement Fund expenditures decreased by \$639,088 from the prior fiscal year. In the FY 2020 Winter Budget Revision, the School Board approved a transfer from the General Fund of \$3,381,059 to support numerous projects, which included a classroom technology refresh, portables to accommodate growth, mechanical, electrical, and plumbing maintenance, safety and security upgrades, and other major maintenance. The School Board approved an additional \$5,900,000 transfer to the Matanuska-Susitna Borough to be used to fund a portion of the Houston Middle School rebuild. Another \$350,000 was transferred for repairs to the roof of the Talkeetna Elementary school, and \$13,991 was transferred for power monitoring improvements. The fund balance of the Capital Improvement Fund increased by \$723,448 from \$3,013,030 in FY 2019 to \$3,736,478 in FY 2020.

Proprietary Funds

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

There was little change in the District's enterprise funds. The remaining \$426 resources remaining in the Families in Transition Fund at the end of FY 2019 were spent during FY 2020 and the fund has been closed. Following the guidance provided in Statement No. 54 of the Governmental Accounting Standards Board, the District discontinued reporting \$54,984 in the Adult Welding Fund and \$28,139 in the Alaska Works Partnership Fund and transferred these resources to the General Fund because it was no longer expected that a substantial portion of the inflows would be derived from restricted or committed revenue sources. This change left the Mat-Su Construction Trades Fund as the only enterprise fund of the School District. There was an overall reduction in cash and cash equivalents of \$83,903 within the enterprise funds over the fiscal year.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

General Fund Budgetary Highlights

The School District Board of Education holds public hearings and recommends the School District budget. The Matanuska-Susitna Borough then approves the appropriation of funds for the School District budget. Once approved, state law requires the District submit its budget to the State of Alaska Department of Education and Early Development.

The ending difference between the final amended budget and actual expended amounts in the General Fund equaled \$8,677,885. The difference can primarily be attributed to unspent funds appropriated to the functional areas of instruction, operations and maintenance of plant, and student activities. Non-certificated salaries in the instructional area were over budgeted, as were other employee benefits and supplies, materials, and media. In the area of operations and maintenance of plant, utility services, energy, other purchased services, and supplies, materials and media were all over budgeted.

In December 2019, a novel virus was discovered in Wuhan, China. Named COVID-19 (coronavirus), the virus quickly spread throughout the world via person-to-person contact and had the potential to cause severe illness. Symptoms of COVID-19 generally aligned with those of other respiratory illnesses, including cough, fever, and shortness of breath.

In March 2020, when the virus became more widespread, the Mat-Su Borough School District took immediate steps to help limit the spread to students and staff. Considering international travel restrictions, MSBSD canceled all student travel scheduled to occur during spring break. Simultaneously, the District closed facilities to the public as well as facility use request. Spring break, which began on March 9th, was extended for another week while staff prepared to begin remote learning.

School closures continued in the month of April. On April 2nd, all spring activities were canceled. Then, on April 9th, the State of Alaska formally closed all schools for the remainder of the school year. By then, remote learning was well underway, and students were progressing in their education.

The District's response to COVID-19 resulted in a number of operational adjustments that impacted revenue and expenditures estimates in several governmental funds.

In the General Fund, the District experienced a cost savings based on limited substitute usage in the second semester; a reduction in additional days being allocated for summer school and student workers; reduced costs associated with heating and powering facilities; and a reduction in co-curricular stipends for spring activities. In the Transportation Fund, the District experienced a significant savings, primarily due to reduced costs related to contracted services. The Food Service Fund had lower meal sales and meal reimbursements, causing an estimated revenue shortfall.

The Coronavirus Aid, Relief and Economic Security (CARES) Act, a \$2.2 trillion economic stimulus bill passed by the 116th U.S. Congress and signed into law by President Donald Trump on March 27, 2020, provided relief to schools amid economic fallout due to COVID-19. On May 20, 2020, the Alaska Legislature approved [House Bill 313](#), ratifying Governor Dunleavy's designated use of CARES Act funding.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

CARES Act Elementary and Secondary Emergency Relief Fund (ESSERF) may be used for any activity authorized by the Elementary and Secondary Education Act (ESEA), Individuals with Disabilities Education Act (IDEA), the Adult Education and Family Literacy Act, the Perkins Career and Technical Education (CTE) Act, or McKinney-Vento Homeless Act, in addition to other activities to help with the response to COVID-19, including preparedness and response efforts, sanitation, professional development, distance learning, and other activities.

The School Board accepted the CARES Act ESSERF grant award in the amount of \$3,997,351 on June 3, 2020. The grant will be utilized to support remote learning; additional teaching positions to help close learning gaps through class size reductions; and supplies necessary to maintain safe and healthy school environments. The difference between the original and amended budgets is primarily from the School District's following significant highlights:

- Increased revenue from the State of Alaska in the amount of \$4,027,615 for a one-time grant appropriated by the Legislature in 2018 under House Bill 287 and subject to a superior court decision that upheld the legislative action in November 2019.
- Appropriations from Fund Balance of \$7,558,054, of which \$2,097,369 was attributable to charter school carry-over, \$1,306,855 was comprised of unspent student allotments, and \$4,153,830 was allocated from the General Fund's unassigned fund balance.
- Salary and benefits budgets reductions of \$5,676,520 due to unfilled positions, leave of absences, lower substitute usage, and fewer activity stipends as a result of the cancellation of spring activities.
- A reduction in energy costs of \$1,012,860 after an in-depth analysis that considered usage over a three-year period and eliminated rate increases in the cost estimates.
- Increased budgeted transfers to other funds by \$6,706,748 for transfer to the other funds and other government units. The amended budget included \$12,195,951 in transfers to other funds. Of that amount, \$5,900,000 was committed to the Mat-Su Borough for the Houston Middle School rebuild; \$3,731,059 was as allocated to the CIP Fund; \$1,715,447 was approved as a subsidy to the Food Service Fund; \$498,727 was transferred to the Debt Service Fund to repay Fronteras USDA loan obligation; and \$350,718 was set-aside for the Pupil Transportation Fund.

Capital Projects Fund Budgetary Highlights

The School District Administration provides a prioritized list of capital project needs to the Board of Education for approval of future projects. The Board of Education then approves the appropriation of funds for the budget. Once approved, the Facilities Department coordinates scheduling the projects.

The ending difference between the final amended budget and actual expended amounts in the Capital Project Fund equaled \$3,722,878. This difference can be attributed to:

- The timeline of the transfer to CIP. This transfer generally occurs in December of each year.
- The multi-year timeline for many of the projects.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

The difference between the original and amended budgets results from the existing balance in continuing projects as well as a transfer in the amount of the winter appropriation of \$3,381,059, spring appropriation of \$13,991 for power monitoring improvements and \$350,000 to fund repairs to the Talkeetna Elementary School roof. The most significant highlights for funded projects can be attributed to:

- The addition of \$1,371,059 for classroom technology.
- The addition of \$1,000,000 for portable construction and relocation to support student enrollment trends.
- The addition of \$420,000 for mechanical upgrades.
- The addition of \$350,000 for the Talkeetna Elementary roof repair.
- The addition of \$300,000 for security camera expansion.
- The addition of \$250,000 to fund parking lot upgrades.
- The addition of \$240,000 to replace aging school gymnasium audio systems.

Debt Service Fund

The Mat-Su Borough obtained a \$6,900,000 loan from the U.S. Department of Agriculture (USDA) on behalf of the District to construct the new building for Fronteras Spanish Immersion Charter School. A Debt Service Fund was established June 7, 2017 to account for the accumulated resources which are dedicated to the repayment of Fronteras Spanish Immersion Charter School's long-term debt obligations. In FY 2020, \$498,727 was transferred to the Debt Service Fund. Total revenues exceeded expenditures by \$105,427, resulting in an ending fund balance of \$786,601.

Capital Asset and Debt Administration

Capital Assets

The School District's investment in capital assets for its governmental activities as of June 30, 2020 amounted to \$19,128,563 (net of accumulated depreciation). This investment in capital assets consists primarily of land, buildings, equipment, and furnishings. Additional information is available in footnote 3 of the notes to the financial statements.

Debt Administration

The School District's long-term obligations include \$4,180,449 for accrued leave. Additional information about annual leave is available in footnote 4 of the notes to the financial statements. Additional obligations include the net pension liability and net other postemployment benefits liability which is shown on the Statement of Net Position and amounts to \$153,285,432 and \$1,951,255 for FY 2020.

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Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

Economic Factors and Next Year's Budgets and Rates

In setting the budget for FY 2021, the School District considered a number of issues, with government-wide impacts among them, resulting in the following:

- Borough Revenue is maintained at 6.30 mills of the area-wide tax base and is expected to increase by \$1,644,216 based on growth in property values.
- The Base Student Allocation (BSA) was maintained at \$5,930. Total Foundation Program funding is not expected to see a significant increase and is estimated at \$169,960,205 in FY 2021. The one-time funding grants appropriated in 2018 are will not continue in FY 2021. The District anticipates a variance between projected and actual student enrollment counts in FY 2021 due to COVID-19 and more families electing correspondence study options in the fall. While enrollment will be somewhat unpredictable, a certain level of stability will be provided through the State of Alaska's Foundation Formula Program. The Foundation Formula Program has a hold harmless provision that aims to support districts experiencing enrollment reductions greater than 5% after the school size adjustment. In the first year of the enrollment decrease, school districts are eligible to receive 75% of the school size adjusted ADM difference between the current fiscal year and the base fiscal year.
- The adopted budget for FY 2021 was set with a projected student enrollment of 19,285, which is an increase of 222 students over FY 2020.
- The intensive count was projected to remain at 510 students in FY 2021.
- Federal Revenue and Other Local Revenue are not expected to see major changes in the coming year.
- PERS/TRS cost sharing is maintained in FY 2021, with total funding estimated to be \$ 20,262,378, a \$34,647 increase over FY 2020 based on increasing salaries and adjustments in actuarial rates approved by the Alaska Retirement Management Board.
- Certificated salaries are expected to increase by \$1,362,515 over current year actuals as a result of regular movement and were budgeted at \$97,068,471. To help offset the overall increase to certificated salaries in FY21, the School Board voted to reduce 20.4 certified positions from the General Fund and authorized these positions be funded from the CARES Act monies.
- Non-certificated salaries are expected to increase by \$1,628,179 over current year actuals as a result of regular movement. Non-certificated salaries were budgeted at \$36,859,677 for FY 2021.
- Health insurance is projected to increase by 8%, which is split 50/50 between the District for CEA and MSPA bargaining units. Administration and MSEA bargaining units assumed 100% of any increase, based on current contract language.
- All other benefits are adjusted as a percent of estimated salaries.
- Utilities are projected to increase at a rate of 10.5%, with total costs estimated to be \$9,189,124.
- Insurance line items are expected to increase by 24%, based on recent claims experience and adverse market conditions.
- Lastly, the Pupil Transportation Fund is expected to have a revenue shortfall of \$1,906,761. This revenue shortfall reflects services costs in excess of funding levels provided by the State of Alaska.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2020

The global pandemic brought about by COVID-19 will continue to have an impact on MSBSD operations in the coming year. While the District will make every effort to keep schools open to in-person learning, parents will also have the option of enrolling their child(ren) in an "At-Home Learning" program or in one of the District's correspondence study programs. At-Home Learning is a new option for families in FY 2021 where students will participate in remote learning, supported by a Mat-Su Borough School District certified teacher. While these enrollment options will be used to accommodate parent and student choice, it will lead to less predictability when it comes to projecting student enrollment trends and qualifying for State funding under the Foundation Formula Program.

Fortunately, the State's Foundation Formula Program has a hold harmless provision that will provide some stability if the District's average daily membership after the school size adjustment experiences a reduction equal to or greater than 5% from the prior year (FY 2020). Additionally, the District plans on utilizing CARES Act funding and other General Fund resources to support costs for remote delivery of instruction; additional teaching positions to help close learning gaps through class size reductions; increased substitute usage; and supplies necessary to maintain safe and healthy school environments. As the MSBD moves forward with plans for reopening schools in fall 2020, it is anticipated that the vast majority of all revenue sources will remain intact, allowing the District to safely deliver essential educational services amid the ongoing coronavirus pandemic.

Requests for Information

This report is designed to provide residents of the School District, taxpayers, parents, students, investors and creditors with a general overview of financial performance and to demonstrate fiscal accountability for the resources that the School District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Luke Fulp, Deputy Superintendent of Business and Operations
Matanuska-Susitna Borough School District
501 N. Gulkana St.
Palmer, Alaska 99645
Phone: (907) 761-4001

Basic Financial Statements

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Statement of Net Position

<i>June 30, 2020</i>	Governmental Activities
Assets and Deferred Outflows of Resources	
Assets	
Cash	\$ 37,425,211
Accounts receivable:	
Federal and state grants	5,288,915
Other	265,562
Inventory	3,172,107
Prepaid items	952,613
Net other postemployment benefits assets	9,049,754
Capital assets not being depreciated	119,632
Capital assets, net of accumulated depreciation	19,008,931
Total Assets	75,282,725
Deferred Outflows of Resources:	
Pension related	13,032,989
Other postemployment benefits related	9,809,625
Total Deferred Outflows of Resources	22,842,614
Total Assets and Deferred Outflows of Resources	\$ 98,125,339
Liabilities, Deferred Inflows of Resources and Net Position	
Liabilities	
Accounts payable	\$ 2,983,471
Accrued payroll and related liabilities	8,141,694
Unearned revenue	560,663
Claims payable	862,542
Noncurrent liabilities:	
Accrued leave - due within one year	2,641,012
Capital lease - due within one year	161,787
Accrued leave - due in more than one year	1,539,437
Capital lease payable - due in more than one year	6,298,444
Net pension liability	153,285,432
Net other postemployment benefits liability	1,951,255
Total Liabilities	178,425,737
Deferred Inflows of Resources	
Pension related	7,679,000
Other postemployment benefits related	7,955,390
Total Deferred Inflows of Resources	15,634,390
Net Position	
Net investment in capital assets	12,668,332
Restricted for scholarships	4,290
Restricted for correspondence program	2,068,724
Unrestricted (deficit)	(110,676,134)
Total Net Position	(95,934,788)
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 98,125,339

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Statement of Activities

Year Ended June 30, 2020	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contri- butions	
Governmental Activities				
Instruction	\$ 92,755,961	\$ -	\$ 13,072,482	\$ (79,683,479)
Special education instruction	37,028,459	-	4,752,107	(32,276,352)
Special education support services - students	15,414,844	-	2,460,340	(12,954,504)
Support services - students	8,578,659	-	1,972,422	(6,606,237)
Support services - instruction	12,747,063	-	4,367,963	(8,379,100)
School administration	8,736,248	-	1,144,582	(7,591,666)
School administration support services	9,038,902	-	440,074	(8,598,828)
District administration	1,532,869	-	96,282	(1,436,587)
District administration support services	12,932,866	-	1,420,906	(11,511,960)
Operations and maintenance of plant	26,879,109	-	918,864	(25,960,245)
Student activities	2,960,185	-	215,529	(2,744,656)
Student transportation - other transportation services	300,153	-	300,153	-
Student transportation - to and from school	16,520,902	-	16,708,421	187,519
Community services	14,204	-	14,207	3
Food services	6,678,006	999,167	5,296,058	(382,781)
Construction and facilities acquisition	-	-	335,650	335,650
Interest on long-term debt	237,264	-	-	(237,264)
Total Governmental Activities	\$ 252,355,694	\$ 999,167	\$ 53,516,040	\$ (197,840,487)
General Revenues				
Borough appropriation				60,665,932
State grants and entitlements not restricted to a specific purpose				174,422,821
E-rate				1,344,024
Medicaid reimbursement				18,384
Special item - transfer to other Governmental Units				(5,900,000)
Other				827,987
Total General Revenues				231,379,148
Change in net position				33,538,661
Net Position, (deficit) beginning				(129,473,449)
Net Position, (deficit) end of year				\$ (95,934,788)

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Governmental Funds
Balance Sheet

	Major Funds			Total Govern- mental Funds
	General	Capital Improvement	Nonmajor Funds	
<i>June 30, 2020</i>				
Assets				
Cash	\$ 29,696,166	\$ 4,029,809	\$ 1,716,816	\$ 35,442,791
Accounts receivable:				
Federal, state and local grants	-	-	5,288,915	5,288,915
Other	265,562	-	-	265,562
Inventory	1,381,835	-	1,781,642	3,163,477
Prepaid items	950,613	-	-	950,613
Due from other funds	6,562,680	-	-	6,562,680
Total Assets	\$ 38,856,856	\$ 4,029,809	\$ 8,787,373	\$ 51,674,038
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 2,173,198	\$ 293,331	\$ 509,601	\$ 2,976,130
Accrued payroll and related liabilities	8,141,694	-	-	8,141,694
Unearned revenue	19,927	-	540,736	560,663
Due to other funds	-	-	5,656,899	5,656,899
Total Liabilities	10,334,819	293,331	6,707,236	17,335,386
Fund Balances				
Nonspendable	2,332,448	-	1,781,642	4,114,090
Restricted	2,064,434	-	4,290	2,068,724
Committed	-	3,736,478	-	3,736,478
Assigned	500,000	-	1,326,551	1,826,551
Unassigned	23,625,155	-	(1,032,346)	22,592,809
Total Fund Balances	28,522,037	3,736,478	2,080,137	34,338,652
Total Liabilities and Fund Balances	\$ 38,856,856	\$ 4,029,809	\$ 8,787,373	\$ 51,674,038

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2020

Total fund balances of governmental funds	\$	34,338,652
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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.

Land	\$	119,632
Building, furnishings and equipment		39,463,595
Accumulated depreciation		(20,454,664)
		19,128,563

Total capital assets		19,128,563
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Certain other postemployment benefit plans have been funded
in excess of the required contributions. These assets are not financial resources
and therefore are not reported in the funds.

Net other postemployment benefits asset		9,049,754
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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:

Accrued leave		(4,180,449)
Capital lease payable		(6,460,231)
Net pension liability		(153,285,432)
Net other postemployment benefits liability		(1,951,255)

Total long-term liabilities		(165,877,367)
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Certain changes in net pension liabilities and net other postemployment
benefits assets and liabilities are deferred rather than recognized
immediately. These are amortized over time.

Deferred outflows of resources related to pensions		13,032,989
Deferred inflows of resources related to pensions		(7,679,000)
Deferred outflows of resources related to other postemployment benefits		9,809,625
Deferred inflows of resources related to other postemployment benefits		(7,955,390)

Total deferred pension and other postemployment benefits items		7,208,224
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Amounts reported in the proprietary funds of the District are
used to support ongoing educational programs. Their
activities are appropriately recorded with governmental
activities in the statement of net position.

Net Position of Governmental Activities	\$	(95,934,788)
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See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

	Major Funds			Total
Year Ended June 30, 2020	General	Capital Improvement	Nonmajor Funds	Governmental Funds
Revenues				
Local sources:				
Borough appropriation	\$ 60,665,932	\$ -	\$ -	\$ 60,665,932
Other	827,987	-	1,664,541	2,492,528
Borough capital projects	-	-	2,822	2,822
State of Alaska	194,433,067	-	17,448,410	211,881,477
Federal sources:				
E-rate	1,344,024	-	-	1,344,024
Medicaid reimbursement	18,384	-	-	18,384
Direct grants	217,486	-	535,475	752,961
Grants passed through the State of Alaska	-	-	20,788,882	20,788,882
Grants passed through intermediate agencies	-	-	42,406	42,406
Total Revenues	257,506,880	-	40,482,536	297,989,416
Expenditures				
Current:				
Instruction	102,760,589	119,463	6,493,659	109,373,711
Special education instruction	40,592,744	-	2,355,718	42,948,462
Special education support services - students	16,421,271	-	1,455,010	17,876,281
Support services - students	9,869,909	-	1,036,066	10,905,975
Support services - instruction	10,629,081	-	3,694,462	14,323,543
School administration	10,243,720	-	384,668	10,628,388
School administration support services	10,077,567	-	14,419	10,091,986
District administration	1,752,654	-	-	1,752,654
District administration support services	13,318,020	-	1,004,806	14,322,826
Operations and maintenance of plant	24,432,773	27,451	351,076	24,811,300
Student activities	3,408,857	-	32,468	3,441,325
Student transportation - to and from school	-	-	16,524,347	16,524,347
Student transportation - other transportation services	-	-	300,153	300,153
Community services	-	-	14,204	14,204
Food services	(7,851)	-	6,695,744	6,687,893
Debt Service:				
Principal	-	-	156,036	156,036
Interest	-	-	237,264	237,264
Capital outlay - construction and facilities acquisition	13,500	2,874,688	338,472	3,226,660
Total Expenditures	243,512,834	3,021,602	41,088,572	287,623,008
Other Noncurrent Debits - Transfer to Other Governmental Units	-	(5,900,000)	-	(5,900,000)
Excess (deficiency) of revenues over expenditures	13,994,046	(8,921,602)	(606,036)	4,466,408
Other Financing Sources (Uses)				
Transfers in	83,123	9,645,050	1,249,964	10,978,137
Transfers out	(10,895,014)	-	-	(10,895,014)
Net Other Financing Sources (Uses)	(10,811,891)	9,645,050	1,249,964	83,123
Net change in fund balances	3,182,155	723,448	643,928	4,549,531
Fund Balances, beginning of year	25,339,882	3,013,030	1,436,209	29,789,121
Fund Balances, end of year	\$ 28,522,037	\$ 3,736,478	\$ 2,080,137	\$ 34,338,652

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2020**

Net change in fund balances - total governmental funds	\$ 4,549,531
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 capital outlays exceeded depreciation:	
Capital outlay	\$ 3,383,915
Depreciation expense	<u>(3,203,926)</u>
	179,989
Amounts reported in the Proprietary Funds of the District are used to support ongoing educational programs. Their activities are appropriately recorded with governmental activities in the statement of activities.	(83,153)
Repayment of the principal of long-term debt consumes current financial resources of governmental funds. However, this does effect net position. This amount is the principal payments on long-term debt.	156,036
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.	
Increase in accrued leave	(227,897)
Increase in net pension liability and related deferred outflows and inflows of resources	(4,516,317)
Decrease in net OPEB asset/liability and related deferred outflows and inflows of resources	<u>33,480,472</u>
Change in Net Position of Governmental Activities	<u>\$ 33,538,661</u>

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Proprietary Funds
Statement of Net Position

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund
<i>June 30, 2020</i>		
Assets		
Current:		
Cash	\$ 206,756	\$ 1,775,664
Prepaid items	2,000	-
Inventory	8,630	-
Total Assets	\$ 217,386	\$ 1,775,664
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ -	\$ 7,341
Due to other funds	-	905,781
Claims payable	-	862,542
Total Current Liabilities	-	1,775,664
Net Position - unrestricted	217,386	-
Total Liabilities and Net Position	\$ 217,386	\$ 1,775,664

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund
<i>Year Ended June 30, 2020</i>		
Operating Revenues		
Interfund charges	\$ -	\$ 1,928,139
Sales	426	-
Total Operating Revenues	426	1,928,139
Operating Expenses		
District administration support services		
Claims expense	-	1,741,131
General and administrative	-	194,870
Total District administration support services	-	1,936,001
Instruction - supplies, materials, and media	456	-
Total Operating Expenses	456	1,936,001
Operating loss	(30)	(7,862)
Non Operating Revenue - interest income	-	7,862
Change in net position	(30)	-
Other Financing Uses - transfers out	(83,123)	-
Net Position, beginning of year	300,539	-
Net Position, end of year	\$ 217,386	\$ -

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Proprietary Funds
Statement of Cash Flows

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund
<i>Year Ended June 30, 2020</i>		
Cash Flows for Operating Activities		
Payments from interfund charges	\$ -	\$ (768,181)
Payments to suppliers	(780)	(2,444,573)
Net cash flows for operating activities	(780)	(3,212,754)
Cash Flows from Investing Activities		
Interest received	-	7,862
Cash Flows for Noncapital Financing Activities		
Transfers out	(83,123)	-
Net decrease in cash	(83,903)	(3,204,892)
Cash, beginning of year	290,659	4,980,556
Cash, end of year	\$ 206,756	\$ 1,775,664
Reconciliation of Operating Loss to Net Cash Flows for Operating Activities		
Operating loss	\$ (30)	\$ (7,862)
Adjustments to reconcile operating loss to net cash flows for operating activities:		
Decrease in due to other funds	-	(2,696,320)
Decrease in accounts payable	-	(2,959)
Decrease in unearned revenue	(426)	-
Increase in inventory	(324)	-
Decrease in claims payable	-	(505,613)
Net Cash Flows for Operating Activities	\$ (780)	\$ (3,212,754)

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Activities Agency Fund
Statement of Fiduciary Assets and Liabilities

Year Ended June 30, 2020

Assets

Cash	\$ 2,940,835
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Liabilities

Due to student activities	\$ 2,940,835
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See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Basic Financial Statements

June 30, 2020

1. Summary of Significant Accounting Policies

The financial statements of the Matanuska-Susitna Borough School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's most significant accounting policies are described below.

A. Reporting Entity

The accompanying financial statements include all the activities of the Matanuska-Susitna Borough School District. The District is a component unit of the Matanuska-Susitna Borough, Alaska.

Pursuant to Alaska Statutes, Title 29.43.030, the Matanuska-Susitna Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for these functions to the Matanuska-Susitna Borough School District School Board. Members of the School Board are elected by the public. The School Board has delegated responsibility for establishing, maintaining, and operating a system of public schools to the School Board on an area-wide basis. The School Board is required to submit an annual budget to the Borough Assembly for approval, and any bonds must also be issued by the Borough.

The financial statements included in this report are for the Matanuska-Susitna 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.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the overall government without displaying individual funds or fund types. In general, the effects of interfund activity have been removed from these statements to minimize the double-counting of internal activities. The District reports *governmental activities*, which are normally supported by intergovernmental revenues.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as *general revenues* of the District. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The focus of the fund financial statements is on major funds which are presented in separate columns. Nonmajor funds are aggregated and presented in a single column.

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Basic Financial Statements

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

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

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

Charges for services, intergovernmental revenues, and investment income associated with the current fiscal period are all considered to be subject to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when collected by the District.

The District reports the following major funds:

The *General Fund* is the District's primary operating fund. It accounts for all activities except those required to be accounted for in the other governmental funds, the proprietary funds, or the fiduciary funds.

The *Capital Improvement Fund* is a capital project fund used to account for all resources used for acquiring capital facilities including real property, initial equipment, additions and major repairs or improvements to facilities. This fund includes all projects funded by transfers from the General Fund. The District has elected to show this fund as a major fund because the information is relevant to the user of the District's financial statements.

The other funds of the District are considered nonmajor and are as follows:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific uses.

Capital Project Funds are used to account for all resources received and used for acquiring equipment, additions and major repairs or improvements to facilities.

Debt Service Funds are used to account for resources accumulated for payments of principal and interest on the long-term debt of governmental funds.

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Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Basic Financial Statements

Proprietary Funds are used to distinguish activities related to *operating* revenues and expenses from the Districts' *nonoperating* activities. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Districts' principal ongoing operations. Operating expenses for the enterprise funds include the costs of sales, services, and administrative expenses. All revenues and expenses not meeting this definition that are related to the Districts' business-type activities are reported as nonoperating revenues and expenses within the proprietary funds.

Enterprise Funds are a type of proprietary fund that is used to account for the business-type activities of the District for which a fee is charged to external users. It is the intent that revenues of the enterprise funds will be devoted principally to funding the enterprise activity. Because the enterprise funds are immaterial to the financial statements, and because they fall within the educational mission of the District, these funds are accounted for as *governmental activities* in the government-wide financial statements. At the end of the fiscal year, the Mat-Su Construction Trades Program was the only remaining enterprise fund maintained by the District.

Internal Service Funds are the second type of proprietary fund, and are used to track the business-type activities that provide goods and services within the District. An Internal Service Fund is used to account for the processing of worker's compensation self-insurance transactions provided across all funds. Because this fund directly benefits other governmental funds, it is also classified as *governmental activities* in the government-wide financial statements.

Agency Funds are a class of Fiduciary funds that contain the resources of others that are held on a temporary, purely custodial basis by the District. The District reports Student Activities resources that are held on behalf of the student organizations. These funds are reported using the *accrual basis of accounting*.

D. Budgets

Annual budgets for operations are adopted by the School Board for operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting for governmental funds.

The adopted School Operating Fund (General Fund) budget is submitted to the Matanuska-Susitna Borough for review and approval. The approved budget is also submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

The School Board retains line item authority once the annual Borough appropriation to the District is approved by the Borough Assembly.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General and Special Revenue Funds.

F. Cash

The District's Cash is considered to be cash on hand, demand deposits, and certificate of deposits with original maturities of three months or less from the date of acquisition. For the Statement of Cash Flows, the District reports these amounts as cash.

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Basic Financial Statements

G. Short-Term Interfund 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 governmental funds balance sheet and proprietary funds statement of net position.

H. Inventories and Prepaid Items

Warehouse inventories are valued using the average method and fuel inventories are valued using the consumption method that is marked to market value. The Food Service Fund is inventoried on a FIFO (first-in, first-out) basis. Inventory in the General Fund consists of heating fuel for the schools and other buildings, warehouse custodial inventory, and correspondence school shelf stock. Inventory in the Special Revenue Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed.

Payments made to vendors for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased. Year-end prepaid items are recorded as assets and are classified as "nonspendable" fund balance, indicating that such amounts do not represent "available spendable resources."

I. Capital Assets

Capital assets result from expenditures in the governmental funds. With the exception of Twindly Bridge Charter School and Fronteras Spanish Immersion Charter School, capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the balance sheet of the fund financial statements.

All purchased capital assets except land are valued at cost. Donated capital assets are valued at acquisition value on the date of donation. Acquisition value is the price that would be paid to acquire an assets with equivalent service potential in an orderly market transaction at the acquisition date. The District maintains an assets capitalization threshold of \$5,000 (\$25,000 for software). For the most part, the District does not possess building infrastructure. With the exception of Twindly Bridge Charter School and Fronteras Spanish Immersion Charter School, buildings (and any related debt) are owned by the Borough and are not recorded in these financial statements.

All reported capital assets except for land are depreciated. Depreciation is computed on the straight line basis over the estimated useful life of the assets, generally 3 to 7 years for equipment and vehicles, and 40 years for buildings. 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.

J. Accrued Leave

All permanent employees earn and accrue vacation and sick leave. Unused leave is accrued utilizing current salary cost as earned by employees and recorded as a liability in the government-wide statement of net position. No compensated absence liability is recorded in the fund financial statements.

K. Unearned Revenue

Amounts received from grantor agencies, which are restricted as to use and have not yet been expended for the intended use are shown on the balance sheet and statement of net position as unearned revenue.

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Basic Financial Statements

L. Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension and OPEB liabilities and assets, and 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 Systems (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.

M. Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position may sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The District reports certain pension and OPEB related items as deferred outflows of resources. These items are amortized to expense over time.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports certain pension and OPEB related items as deferred inflows of resources. These items are amortized as a reduction to expense over time.

N. Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

Nonspendable fund balance. This classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balances comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the external constraints imposed on resources either (a) by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by the District itself, through formal resolutions of the District's Board—the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the District's Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification represents the resources the District's intends to use for specific purposes, but are neither restricted nor committed. The District's Superintendent has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Matanuska-Susitna Borough School District

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Unassigned fund balance. This category of fund balance contains the resources not required to be reported in one of the other categories. It is also used to report negative fund balances in other governmental funds. A negative number indicates that the District spent more for a particular purpose than was available in that fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, followed by unrestricted resources—committed, assigned, and unassigned—in order as needed.

O. Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows/inflows of resources and liabilities and disclosure of contingent assets, deferred outflows/inflows of resources and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

2. Cash

The District's cash resources for general operations are maintained in a central treasury shared with the Borough. In addition, the District maintains some of its own accounts for specific purposes such as the Worker's Compensation Fund and the Student Activity accounts. 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 Matanuska-Susitna Borough (Borough). The Borough Assembly 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 School District's name are insured by the Federal Deposit Insurance Corporation or covered by collateralization agreements.

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Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

3. Capital Assets

Capital asset activity for the year ended June 30, 2020 follows:

Governmental Activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 119,632	\$ -	\$ -	\$ 119,632
Capital assets being depreciated				
Furnishings and equipment	28,060,693	3,383,915	(81,013)	31,363,595
Buildings	8,100,000	-	-	8,100,000
Total assets being depreciated	36,160,693	3,383,915	(81,013)	39,463,595
Accumulated depreciation				
Furnishings and equipment	(16,471,751)	(2,991,426)	81,013	(19,382,164)
Buildings	(860,000)	(212,500)	-	(1,072,500)
Total accumulated depreciation	(17,331,751)	(3,203,926)	81,013	(20,454,664)
Total assets being depreciated, net	18,828,942	179,989	-	19,008,931
Net Capital Assets	\$ 18,948,574	\$ 179,989	\$ -	\$ 19,128,563

Depreciation expense was charged to the governmental functions of the District as follows for the year ended June 30, 2020:

Instruction	\$ 80,009
Special education support services - students	3,044
Support services - students	1,485
Support services - instruction	43,649
School administration support services	10,326
District administration support services	860,068
Operations and maintenance of plant	2,198,680
Student Activities	6,565
Student transportation - to and from school	100
Total Depreciation	\$ 3,203,926

In addition, significant capital construction and related capital asset activity relevant to the District has been recorded on the Matanuska-Susitna Borough's financial statements. As described in Note 4, the District has recorded capital assets for land and buildings recorded as capital leases. The legal title of these buildings rests with the Borough.

Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

4. Long-term Obligations

A schedule of changes in long-term obligations for the year ended June 30, 2020 follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Capital lease payable	\$ 6,616,267	\$ -	\$ (156,036)	\$ 6,460,231	\$ 161,787
Accrued leave	3,952,552	6,186,595	(5,958,698)	4,180,449	2,641,012
Long-term Obligations	\$ 10,568,819	\$ 6,186,595	\$ (6,114,734)	\$ 10,640,680	\$ 2,802,799

In order to construct a new facility for the Fronteras Spanish Immersion Charter School, the Borough obtained a \$6,900,000 loan at an interest rate of 3.625% from the U.S. Department of Agriculture (USDA) in 2017. The terms of the agreement require the Borough to make monthly principal and interest payments in the amount of \$32,775 for a period of 28 years. The District entered into a capital lease agreement with the Borough to use the facility, and the payments made to the Borough are used to pay the USDA loan. In addition, significant debt and related repayment activities relevant to the District are recorded in the financial statements of the Matanuska-Susitna Borough.

Approximately 63% of accrued leave is expected to be used within one year. Accrued leave balances are typically liquidated by the General Fund.

The total cost of the assets acquired under capital lease as of June 30, 2020 was \$8,100,000. The assets are included as building in capital assets. The accumulated amortization and amortization expense included in depreciation totaled \$1,072,500 and \$212,500, respectively for the year ended June 30, 2020.

Annual debt service requirements to maturity for the above obligations except accrued leave follow:

Year Ending June 30,	Principal	Interest	Total
2021	161,787	231,513	393,300
2022	167,750	225,550	393,300
2023	173,933	219,367	393,300
2024	180,344	212,956	393,300
2025	186,991	206,309	393,300
2026-2030	1,043,563	922,937	1,966,500
2031-2035	1,250,593	715,907	1,966,500
2036-2040	1,498,695	467,805	1,966,500
2041-2045	1,796,018	170,473	1,966,491
2046	557	2	559
	\$ 6,460,231	\$ 3,372,819	\$ 9,833,050

Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

5. Leases

The District has operating leases for buildings and equipment used for education program sites. Rent and lease expenditures were \$1,445,501 for the year ended June 30, 2020. The future minimum lease payments on non-cancellable leases are as follows:

Year Ending June 30,

2021	\$ 1,432,985
2022	466,799
2023	465,586
2024	465,586
2025	142,607
	<hr/> \$ 2,973,563 <hr/>

6. Interfund Receivables, Payables, and Transfers

A schedule of interfund balances and transfers for the year ended June 30, 2020 follows:

Due from Other Funds

Due from the nonmajor governmental funds to the General Fund for short-term operating advances	\$ 5,656,899
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Due from Internal Service Fund to the General Fund for short-term operating advances	905,781
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Total Amount Due From Other Funds	\$ 6,652,680
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Transfers

From General Fund to nonmajor governmental funds from the General Fund for operating subsidies	\$ 1,249,964
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From the General Fund to the Capital Improvement Fund for capital acquisition subsidy	9,645,050
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Total Transfers to Other Funds	\$ 10,895,014
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Transfers to the General Fund

From the Enterprise Fund to the General Fund for operating activities	83,123
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Total Transfer	\$ 10,978,137
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Additionally, the District transferred funds of \$5,900,000 to the Borough as reimbursement for earthquake damage repairs.

Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

Note 7. Retirement Plans

General Information About the Plans

The District participates in two defined benefit pension plans. The Alaska Teachers' Retirement System (TRS) is a cost-sharing multiple employer plan which covers teachers and other eligible participants. The Alaska Public Employees' Retirement System (PERS) is a cost-sharing multiple employer plan which covers eligible State and local government employees, other than teachers. Both Plans were established and are administered by the State of Alaska Department of Administration to provide pension, postemployment healthcare, death and disability 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 includes financial statements and other required supplemental information. Those reports are available via the internet at <http://doa.alaska.gov/drdb>. Actuarial valuation reports, audited financial statements, and other detailed plan information are also available on this website.

Both Plans provides for retirement, death and disability, and postemployment healthcare benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plans, full retirement benefits are generally calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. The tiers within the Plans establish differing criteria regarding normal retirement age, early retirement age, and the criteria for calculation of AMS, COLA adjustments, and other postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

(a) Defined Benefit (DB) Pension Plan

Both the PERS and TRS DB Plans were closed to new entrants effective July 1, 2006. New employees hired after that date participate in the PERS or TRS Defined Contribution (DC) Plans described later in these notes.

Historical Context and Special Funding Situation

Historically, the TRS plan has been a cost-sharing plan, while originally, PERS was an agent-multiple-employer plan. In April 2008, the Alaska Legislature passed legislation converting the previously existing PERS plan from a DB agent-multiple employer plan to a DB cost-sharing plan with an effective date of July 1, 2008. In connection with this conversion, the State of Alaska passed additional legislation which statutorily capped the employer contribution rate for both plans, established a state funded "on-behalf" contribution (subject to funding availability), and required that employer contributions be calculated against all PERS/TRS eligible wages, including wages paid to participants of the PERS Tier IV/TRS Tier III defined contribution plans described later in these notes. The Alaska Legislature has the power and authority to change the aforementioned statute through the legislative process.

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Alaska Statutes 14.25.085 and 39.35.280 require the State of Alaska to contribute to the Plan an amount such that, when combined with the employer contribution, is sufficient to pay each Plans' past service liability contribution rate as adopted by the Alaska Retirement Management Board (ARM Board). As such, both Plans are considered to be in a special funding situation as defined by GASB, and management has recorded all pension related liabilities, deferred inflows/outflows of resources, and disclosures on this basis.

Employee Contribution Rates

District PERS employees are required to contribute 6.75% of their annual covered salary (9.60% for employees on a nine-month payment contract). Teachers and other certificated employees are required to contribute 8.65% of their annual covered salary to TRS.

Employer and Other Contribution Rates

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

Employer Effective Rate: This is the contractual employer pay-in rate. Under current legislation, the amount calculated for the statutory employer effective contribution rate is 22% of eligible wages for PERS and 12.56% of eligible wages for TRS, subject to a wage floor, and other termination events. These rates are calculated on all PERS/TRS participating wages, including those wages attributable to employees in the DC plan. Contributions derived from the DC employee payroll is referred to as the Defined Benefit Unfunded Liability or DBUL contribution.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039.

State 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. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as additional revenues and expenditures. In the government-wide financial statements, the on-behalf amounts reflect revenue and expense only during the measurement period in which the Plan recognizes the payments, resulting in a significant timing difference between the cash transfers and revenue and expense recognition.

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Notes to Basic Financial Statements

Contribution rates for the year ended June 30, 2020 were determined in the June 30, 2017 actuarial valuations. The District's contribution rates for the 2020 fiscal year were as follows:

<i>PERS</i>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	15.72%	23.73%	6.62%
Postemployment healthcare (ARHCT)	6.28%	4.89%	0.00%
Total Contribution Rates	22.00%	28.62%	6.62%

<i>TRS</i>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	8.03%	26.56%	17.91%
Postemployment healthcare (ARHCT)	4.53%	3.91%	0.00%
Total Contribution Rates	12.56%	30.47%	17.91%

In 2020, the District was credited with the following contributions to the pension plans:

	Measurement Period July 1, 2018 to June 30, 2019	District Fiscal Year July 1, 2019 to June 30, 2020
<i>PERS</i>		
Employer contributions (including DBUL)	\$ 3,714,194	\$ 3,464,212
Nonemployer contributions (on-behalf)	1,966,871	2,338,553
Total Contributions	\$ 5,681,065	\$ 5,802,7665

	Measurement Period July 1, 2018 to June 30, 2019	District Fiscal Year July 1, 2019 to June 30, 2020
<i>TRS</i>		
Employer contributions (including DBUL)	\$ 5,076,868	\$ 4,529,984
Nonemployer contributions (on-behalf)	16,208,585	17,889,178
Total Contributions	\$ 21,285,453	\$ 17,889,178

In addition, employee contributions to the Plans totaled \$812,658 for PERS and \$4,458,235 for TRS during the District's fiscal year.

Matanuska-Susitna Borough School District
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Notes to Basic Financial Statements

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

At June 30, 2020, 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 for its proportional share, 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	\$	57,206,105	\$ 96,079,327
State's proportionate share of NPL associated with the District		22,718,504	142,489,557
Total Net Pension Liability	\$	79,924,609	\$ 238,568,884

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 to calculate the net pension liability as of that date. The District's proportion of the net pension liability is based on the ratio of the present value of projected future contributions for each employer to the present value of project future contributions to the Plan for the fiscal years 2020 to 2039. At the June 30, 2019 measurement date, the District's proportion for PERS was 1.04501 percent, which was a decrease of 0.10954 percent from its proportion measured as of June 30, 2018. At the June 30, 2019 measurement date, the District's proportion for TRS was 5.14194 percent, which was a decrease of 0.02896 from its proportion measured as of June 30, 2018.

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Notes to Basic Financial Statements

For the year ended June 30, 2020, the District recognized pension expense of \$4,713,981 for PERS and \$7,691,238 for TRS. In addition, the District recognized on-behalf revenue of \$3,086,191 and \$10,948,876 for support provided by the State for PERS and TRS, respectively. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>PERS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (846,874)
Changes in assumptions	1,751,397	-
Net difference between projected and actual earnings on pension plan investments	820,214	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(2,042,824)
District contributions subsequent to the measurement date	3,464,212	-
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 6,035,823	\$ (2,889,698)

<i>TRS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (2,605,420)
Changes in assumptions	-	(679,951)
Net difference between projected and actual earnings on pension plan investments	2,467,182	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(1,503,931)
District contributions subsequent to the measurement date	4,529,984	-
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 6,997,166	\$ (4,789,302)

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Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

The \$3,464,212 for PERS and \$4,529,984 for TRS reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>PERS</i>	<i>TRS</i>
2021	\$ (228,224)	\$ (2,045,422)
2022	(605,578)	(1,789,024)
2023	232,717	674,571
2024	282,998	837,755
2025	-	-
Thereafter	-	-
Total Amortization	\$ (318,087)	\$ (2,322,120)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019:

Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level percentage of pay, closed
Inflation	2.50%
Salary 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 an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-termination and post-termination mortality rates were based upon the 2013-2017 actual mortality experience. Pre-termination mortality rates were based on 100% of the RP-2014 white-collar employee table with MP-2017 generational improvement. Post-termination mortality rates were based on 91% of male and 96% of female rates of the RP-2014 table with MP-2017 generational improvement (PERS); and 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table with MP-2017 generational improvement (TRS). Deaths are assumed to be occupational 40% of the time (PERS) and 15% of the time (TRS).

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The actuarial assumptions used in the June 30, 2018 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return, excluding the inflation component of 2.50%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	24%	8.16%
Global equity (non-U.S.)	22%	7.51%
Intermediate treasuries	10%	1.58%
Opportunistic	10%	3.96%
Real assets	17%	4.76%
Absolute return	7%	4.76%
Private equity	9%	11.39%
Cash equivalents	1%	0.83%

Discount Rate

The discount rate used to measure the total pension liability was 7.38%. This is a reduction in the discount rate used since the prior measurement date, which was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Notes to Basic Financial Statements

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.38%, as well as what the District's proportionate share of the 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:

<i>PERS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net pension liability	1.04501%	\$ 75,502,020	\$ 57,206,105	\$ 41,883,873

<i>TRS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net pension liability	5.14194%	\$ 138,404,934	\$ 96,079,327	\$ 60,541,798

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

8. Defined Contribution (DC) Pension Plan

Employees hired after July 1, 2006 participate in PERS Tier IV or TRS Tier III, both DC plans. These Plans are administered by the State of Alaska, Department of Administration in conjunction with the DB plans noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plans are individual pension participation accounts. Each participation account is self-directed with respect to investment options. These Plans are included in the comprehensive annual financial reports for PERS and TRS, and at the following website, as noted above. <http://doa.alaska.gov/drdb>.

Contributions to the DC plans consist solely of employer and employee contributions with no special funding or other nonemployer contributions. In addition, actual remittances to the PERS system require that the District contribute at 22%. Actual remittances to the TRS system require that the District contribute at 12.56%. After deducting the DC plan contributions (and related OPEB contributions), the remaining remittance (the DBUL) is deposited into the DB plan as noted earlier.

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Benefit Terms

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were applied in the year ended June 30, 2020 to cover a portion of the District's employer match contributions.

Employee Contribution Rate

Employees are required to contribute 8% 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, 2020, the District was required to contribute 5% of covered salary into the Plan for PERS and 7% of covered salary for TRS.

The District and employee contributions to PERS for pensions for the year ended June 30, 2020 were \$1,133,872 and \$1,814,186, respectively. The District and employee contributions to TRS for pensions for the year ended June 30, 2020 were \$3,255,626 and \$3,720,712, respectively. The District contribution amount was recognized as pension expense/expenditures.

9. Defined 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, a healthcare trust fund, provides major medical coverage to retirees of the DB plans. The ARHCT is self-funded and self-insured. The ARHCT was closed to all new members effective July 1, 2006. Benefits vary by Tier level. The RMP provides major medical coverage to retirees of the PERS DC Plan (Tier IV) and TRS DC Plan (Tier III). The RMP is self-insured. Members are not eligible to use the Plan until they have at least 10 years of service and are Medicare age eligible. The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS and TRS. 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, as noted above. <http://doa.alaska.gov/drb>.

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Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

Employer Contribution Rate

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

Employer contribution rates for the year ended June 30, 2020 were as follows:

	PERS	TRS
Alaska Retiree Healthcare Trust	6.28%	4.53%
Retiree Medical Plan	1.32%	1.09%
Occupational Death and Disability Benefits	0.26%	0.08%
Total Contribution Rates	7.86%	5.70%

In 2020, the District was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2018 to June 30, 2019	District Fiscal Year July 1, 2019 to June 30, 2020
<i>PERS</i>		
Employer contributions - ARHCT	\$ 1,350,296	\$ 1,383,317
Employer contributions - RMP	196,550	299,159
Employer contributions - ODD	54,296	58,967
Total Contributions	\$ 1,601,142	\$ 1,741,443

	Measurement Period July 1, 2018 to June 30, 2019	District Fiscal Year July 1, 2019 to June 30, 2020
<i>TRS</i>		
Employer contributions - ARHCT	\$ 2,509,478	\$ 2,555,022
Employer contributions - RMP	347,826	506,768
Employer contributions - ODD	35,154	37,204
Total Contributions	\$ 2,892,458	\$ 3,098,994

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Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

OPEB Liabilities, OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plans

At June 30, 2020, the District reported a liability for its proportionate share of the net OPEB liabilities (NOL) and net OPEB assets (NOA) that reflected a reduction for State OPEB support provided to the District. The amount recognized by the District for its proportional share, the related State proportion, and the total were as follows:

	PERS	TRS
District's proportionate share of NOL - ARHCT	\$ 1,550,562	\$ -
District's proportionate share of NOL - RMP	400,693	-
Total District's Proportionate Share of NOL	\$ 1,951,255	\$ -
State's proportionate share of the ARHCT NOL associated with the District	616,486	-
Total Net OPEB Liabilities	\$ 2,567,741	\$ -
	PERS	TRS
District's proportionate share of NOA - ARHCT	\$ -	\$ (7,841,984)
District's proportionate share of NOA - RMP	-	(432,506)
District's proportionate share of NOA - ODD	(322,419)	(452,845)
Total District's Proportionate Share of NOA	\$ (322,419)	\$ (8,727,335)
State's proportionate share of the ARHCT NOA associated with the District	-	(11,669,016)
Total Net OPEB Assets	\$ (322,419)	\$ (20,396,351)

The total OPEB liabilities (assets) for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 to calculate the net OPEB liabilities (assets) as of that date. The District's proportion of the net OPEB liabilities (assets) is based on the ratio of the present value of projected future contributions for each employer to the present value of projected future contributions to the Plans for the fiscal years 2020 to 2039.

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Matanuska-Susitna Borough School District
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Notes to Basic Financial Statements

<i>PERS</i>	June 30, 2018 Measurement Date Employer Proportion	June 30, 2019 Measurement Date Employer Proportion	Change
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	1.15442%	1.04499%	(0.10943)%
RMP	1.68413%	1.67486%	(0.00927)%
ODD	1.68413%	1.32983%	(0.35430)%

<i>TRS</i>	June 30, 2018 Measurement Date Employer Proportion	June 30, 2019 Measurement Date Employer Proportion	Change
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	5.15915%	5.13148%	(0.02767)%
RMP	10.96155%	11.27493%	0.31338%
ODD	10.96155%	11.26201%	0.30046%

For the year ended June 30, 2020, the District recognized OPEB expense of \$(10,376,686) for PERS and \$(17,054,589) for TRS. Of these amounts, \$(3,984,356) for PERS and \$(29,490,408) for TRS was recorded for on-behalf revenue and expense for support provided by the ARHCT plans. OPEB expense and on-behalf revenue for the year ended is listed by plan in the table below:

<i>PERS</i>	OPEB expense	On-behalf revenue
ARHCT	\$ (10,679,924)	\$ (3,984,356)
RMP	280,984	-
ODD	22,344	-
Total	\$ (10,376,686)	\$ (3,984,356)

<i>TRS</i>	OPEB expense	On-behalf revenue
ARHCT	\$ (17,458,283)	\$ (29,490,408)
RMP	411,621	-
ODD	(7,927)	-
Total	\$ (17,054,589)	\$ (29,490,408)

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Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>PERS</i>	ARHCT	RMP	ODD	Total
Deferred Outflows of Resources:				
Changes in assumptions	\$ 2,057,566	\$ 193,945	\$ -	\$ 2,251,511
Changes in proportion and differences between District contributions and proportionate share of contributions	154,342	5,181	42,656	202,179
District contributions subsequent to the measurement date	1,383,317	299,159	58,967	1,741,443
Total Deferred Outflows of Resources Related to OPEB Plans	\$ 3,595,225	\$ 498,285	\$ 101,623	\$ 4,195,133

<i>PERS</i>	ARHCT	RMP	ODD	Total
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (1,041,945)	\$ (29,683)	\$ (100,525)	\$ (1,172,153)
Changes in assumptions	-	-	(6,165)	(6,165)
Difference between projected and actual investment earnings	(678,977)	(4,422)	(2,130)	(685,529)
Changes in proportion and differences between District contributions and proportionate share of contributions	(460,756)	(4,636)	(12,308)	(477,700)
Total Deferred Inflows of Resources Related to OPEB Plans	\$ (2,181,678)	\$ (38,741)	\$ (121,128)	\$ (2,341,547)

Amounts reported as deferred outflows of resources related to OPEB plans resulting from District contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>PERS</i>	ARHCT	RMP	ODD	Total
Year Ending June 30,				
2021	\$ 181,449	\$ 16,785	\$ (13,150)	\$ 185,084
2022	(527,757)	16,785	(13,150)	(524,122)
2023	163,354	27,397	(10,203)	180,548
2024	213,184	27,210	(10,142)	230,250
2025	-	23,150	(11,127)	12,026
Thereafter	-	49,058	(20,700)	28,357
Total Amortization	\$ 30,230	\$ 160,385	\$ (78,472)	\$ 112,143

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At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>TRS</i>	<i>ARHCT</i>	<i>RMP</i>	<i>ODD</i>	<i>Total</i>
Deferred Outflows of Resources:				
Difference between expected and actual experience	\$ -	\$ 270,197	\$ -	\$ 270,197
Changes in assumptions	764,642	197,961	-	962,603
Changes in proportion and differences between District contributions and proportionate share of contributions	1,279,151	1,937	1,610	1,282,698
District contributions subsequent to the measurement date	2,555,022	506,768	37,204	3,098,994

Total Deferred Outflows of Resources Related to OPEB Plans	\$ 4,598,815	\$ 976,863	\$ 38,814	\$ 5,614,492
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<i>TRS</i>	<i>ARHCT</i>	<i>RMP</i>	<i>ODD</i>	<i>Total</i>
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (1,435,096)	\$ (35,421)	\$ (51,131)	\$ (1,521,648)
Changes in assumptions	(2,369,668)	(456,108)	(501)	(2,826,277)
Difference between projected and actual investment earnings	(1,213,545)	(11,297)	(3,198)	(1,228,040)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(19,601)	(18,277)	(37,878)

Total Deferred Inflows of Resources Related to OPEB Plans	\$ (5,018,309)	\$ (522,427)	\$ (73,107)	\$ (5,613,843)
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Amounts reported as collective deferred outflows of resources related to OPEB plans resulting from District contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>TRS</i>	<i>ARHCT</i>	<i>RMP</i>	<i>ODD</i>	<i>Total</i>
Year Ending June 30,				
2021	\$ (2,720,353)	\$ (21,899)	\$ (11,080)	\$ (2,753,332)
2022	(959,383)	(21,899)	(11,080)	(992,361)
2023	308,710	5,070	(7,589)	306,191
2024	396,510	4,687	(7,409)	393,788
2025	-	(5,686)	(8,490)	(14,176)
Thereafter	-	(12,605)	(25,849)	(38,455)
Total Amortization	\$ (2,974,516)	\$ (52,332)	\$ (71,497)	\$ (3,098,345)

Matanuska-Susitna Borough School District

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Notes to Basic Financial Statements

Actuarial Assumptions

The total OPEB liability for each plan for the measurement period ended June 30, 2019 was determined by actuarial valuations as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2019:

Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level percentage of payroll, closed
Inflation	2.50%
Salary increases	Graded by service from 6.75% to 2.75%
Investment return of return	7.38%, net of postemployment healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Healthcare cost trend rates (ARHCT Plan and RMP)	Pre-65 medical: 7.5% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Prescription drug: 8.5% grading down to 4.5% EGWP: 8.5% grading down to 4.5%
Mortality	PERS: Pre-termination and post-termination mortality rates were based upon the 2013-2017 actual mortality experience. Post-termination mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 health annuitant table projected with MP-2017 generational improvement. The rates were 100% of the RP-2014 employee table with MP-2017 generational improvement. TRS: Pre-termination and post-termination mortality rates were based upon the 2013-2017 actual mortality experience. Post-termination mortality rates were based on 100% of the RP-2014 white-collar employee table with MP-2017 generational improvement. Post-termination mortality rates were based on 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table with MP-2017 generational improvement.
Participation (ARHCT)	PERS: 100% system paid of members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 10% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. TRS: participation rates vary between 75% to 100% decrement due to disability, 50% to 95% decrement due to retirement, and 75% to 95% due to years of service.

The actuarial assumptions used in the June 30, 2018 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

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Notes to Basic Financial Statements

In addition to the changes in assumptions resulting from the experience study, the following assumption changes have been made since the prior valuation:

1. An Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in larger projected subsidies to offset the cost of prescription drug coverage.
2. Based on recent experience, the healthcare cost trend assumptions were updated
3. Per capita claims costs were updated to reflect recent experience.
4. Healthcare cost trends were updated to reflect a Cadillac Tax load.

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic rates of return, excluding the inflation component of 2.50% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2019 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
Broad domestic equity	24%	8.16%
Global equity (non-U.S.)	22%	7.51%
Intermediate treasuries	10%	1.58%
Opportunistic	10%	3.96%
Real assets	17%	4.76%
Absolute return	7%	4.76%
Private equity	9%	11.39%
Cash equivalents	1%	0.83%

Discount Rate

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2019 was 7.38%. This is a reduction in the discount rate used since the prior measurement date, which was 8.00%. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position of each plan 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 for each plan.

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Notes to Basic Financial Statements

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

The following presents the District's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.38%, as well as what the District's proportionate share of the respective plan's net OPEB liability (asset) 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:

<i>PERS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net OPEB liability (asset):				
ARHCT	1.04499%	\$ 12,472,323	\$ 1,550,562	\$ (7,433,782)
RMP	1.67486%	\$ 1,006,404	\$ 400,693	\$ (55,321)
ODD	1.32983%	\$ (305,835)	\$ (322,419)	\$ (335,823)

<i>TRS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net OPEB liability (asset):				
ARHCT	5.13148%	\$ 11,767,261	\$ (7,841,984)	\$ (23,893,316)
RMP	11.27493%	\$ 757,901	\$ (432,506)	\$ (1,317,814)
ODD	11.26201%	\$ (454,422)	\$ (452,845)	\$ (451,944)

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

The following presents the District's proportionate share of the net OPEB liability (asset) calculated using the healthcare cost trend rates as summarized in the 2018 actuarial valuation reports as well as what the District's proportionate share of the respective plan's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

<i>PERS</i>	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability (asset):				
ARHCT	1.04499%	\$ (8,484,564)	\$ 1,550,562	\$ 13,797,197
RMP	1.67486%	\$ (123,236)	\$ 400,693	\$ 1,117,900
ODD	1.32983%	\$ n/a	\$ n/a	\$ n/a

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<i>TRS</i>	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability (asset):				
ARHCT	5.13148%	\$ (25,663,780)	\$ (7,841,984)	\$ 14,019,572
RMP	11.27493%	\$ (1,442,627)	\$ (432,506)	\$ 966,825
ODD	11.26201%	\$ n/a	\$ n/a	\$ n/a

OPEB Plan Fiduciary Net Position

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

10. Defined Contribution OPEB Plans

PERS and TRS DC Pension Plan participants (PERS Tier IV and TRS Tier III) also participate in the Health Reimbursement Arrangement Plan (HRA Plan). The HRA Plan allows for medical care expense to be reimbursed from individual savings accounts established for eligible persons. The HRA Plan became effective July 1, 2006 at which time contributions by employers began.

Contribution Rate

AS 39.30.370 establishes this contribution amount as "three percent of the average annual employee compensation of *all employees of all employers* in the plan". As of July 1, 2019, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,121 per year for each full-time employee, and \$1.36 per hour for part-time employees.

Annual Postemployment Healthcare Cost

In fiscal year 2020, the District contributed \$1,091,391 in DC OPEB costs to PERS and \$1,481,592 in DC OPEB costs to TRS. These amounts have been recognized as expense/expenditures.

11. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensation, and (f) medical insurance costs of employees.

Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for employee medical cost, bodily injury, personal injury, and property damage, and errors and omissions. For these policies, premiums have increased over the last few years, however settlements have not exceeded coverage amounts.

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Accounting for Self-Insurance

For the year ended June 30, 2020, the District was self-insured for its workers' compensation insurance program. All claims reported under the self-insurance program are paid by the District. Commercial stop-loss coverage limits the liability to \$500,000 per individual claim. The District accrues an estimate of claims incurred but not reported at year end.

Following is a schedule of changes in claims liabilities for the two years ended June 30, 2020 and 2019 for the workers' compensation plan.

	Workers' Compensation Insurance
Claims Liability at June 30, 2018	\$ 1,182,319
Claims and administration expenses	2,072,765
Claims and administration expenses paid	(1,886,929)
Claims Liability at June 30, 2019	\$ 1,368,155
Claims and administration expenses	1,936,001
Claims and administration expenses paid	(2,441,614)
Claims Liability at June 30, 2020	\$ 862,542

12. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, would become a liability of the School Operating Fund.

The District receives a substantial portion of its revenue from state and local grants and the Matanuska-Susitna Borough. Significant changes in these revenue sources could have a material effect on the operations of the District.

The District provides services solely to those residents of the Matanuska-Susitna Borough, Alaska and near-by communities as within the State defined District boundaries. Changes in the local environment or economy could directly affect the District's enrollment. Significant changes in enrollment could have a material effect on the District's funding and operations.

From time to time, the District may be a participant in legal proceedings related to the conduct of its business. In the normal course of business, it also has various commitments and contingent liabilities, which are not reflected in the accompanying financial statements. In the opinion of the management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

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A District employee is alleged to have sexually assaulted and/or engaged in inappropriate conduct including alleged inappropriate touching and/or sexual contact with several students. The District became aware of the allegations that led to the arrest of the employee in late September 2019. The employee has been criminally charged and the criminal matter is pending. The employee has been terminated by the District. Six (6) civil claims have been filed against the District at this time and the District has recorded a \$500,000 liability related to this incident.

13. Fund Balances/Appropriation Lapse

Historically, Matanuska-Susitna Borough Ordinance Number 13-096 required that the School District refund or lapse one quarter of its increase in unassigned fund balance annually. On June 19, 2018 the Borough Assembly voted to adopt Ordinance 18-065, an ordinance allowing the District to retain a hundred percent of any increase in unassigned fund balance. This ordinance effectively repealed any lapse payment and encumbrance requirements previously in place.

Fund balances, reported in the District's individual major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints at June 30, 2020:

	Major Funds		Nonmajor Funds	Totals
	General	Capital Improvement		
Nonspendable:				
Inventory	\$ 1,381,835	\$ -	\$ 1,781,642	\$ 3,163,477
Prepaid items	950,613	-	-	950,613
Total nonspendable	2,332,448	-	1,781,642	4,114,090
Restricted:				
RJ Jones Memorial	-	-	4,290	4,290
Correspondence program	2,064,434	-	-	2,064,434
Total restricted	2,064,434	-	4,290	2,068,724
Committed:				
Construction	-	3,736,478	-	3,736,478
Assigned:				
Cultural program	-	-	5,032	5,032
Insurance reserve	500,000	-	-	500,000
Vending machines	-	-	126	126
Debt service	-	-	786,601	786,601
Student transportation	-	-	534,792	534,792
Total assigned	500,000	-	1,326,551	1,826,551
Unassigned	23,625,155	-	(1,032,346)	22,592,809
Total Fund Balances	\$ 28,522,037	\$ 3,736,478	\$ 2,080,137	\$ 34,338,652

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Notes to Basic Financial Statements

14. New Accounting Pronouncements

The Governmental Accounting Standards Board has issued several new accounting standards with upcoming implementation dates. Management has not fully evaluated the potential effects of these statements, and actual impacts have not yet been determined. The statements are as follows:

GASB Statement No. 84 - Fiduciary Activities - Effective for year-end June 30, 2020. This Statement addresses criteria for identifying and reporting fiduciary activities.

GASB Statement No. 87 - Leases - Effective for year-end June 30, 2021, This Statement addresses accounting and financial reporting for certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period - Effective for year-end June 30, 2021. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

GASB Statement No. 90 - Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61 - Effective for year-end June 30, 2020. This Statement addresses accounting and financial reporting for a majority equity interest in a legally separate organization. It provides a definition of a majority equity interest and provides guidance for further presentation as either an investment or a component unit, based on specific criteria.

GASB Statement No. 91 - Conduit Debt Obligations - Effective for year-end June 30, 2022. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting.

GASB Statement No. 92 - Omnibus 2020 - Provisions of this Statement related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The effective date for all other provisions of the Statement are to be implemented for year-end June 30, 2021. This Statement addresses a variety of topics such as leases, the applicability of Statement No. 73 and Statement No. 74 for reporting assets accumulated for postemployment benefits, the applicability of Statement No. 84 to postemployment benefit arrangements, the measurements of liabilities and assets related to asset retirement obligations in a government acquisition, reporting of public entity risk pools, referencing to nonrecurring fair value measurements, and terminology used to refer to derivative instruments.

GASB Statement No. 93 - Replacement of Interbank Offered Rates - The provisions of this Statement, except for paragraph 11b, are required to be implemented for year-end June 30, 2022. The requirements in paragraph 11b are required to be implemented for year-end June 30, 2023. This Statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

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Notes to Basic Financial Statements

GASB Statement No. 94 - Public-Private and Public-Public Partnerships and Availability Payment Arrangements - Effective for year-end June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and also provides guidance for accounting and financial reporting for availability payment arrangements (APA).

In light of the COVID-19 Pandemic, on May 8, 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, to provide relief to governments. This Statement, which was effective upon issuance, postpones the effective dates of certain provisions in the above noted pronouncements for one year, except for Statement No. 87 and provisions related to leases in Statement No. 92 which are postponed for eighteen months, Certain other provisions of Statement No. 92 are excluded from Statement No. 95. Additionally, Statement No. 95 excludes provisions in Statement No. 93 related to lease modifications and excludes Statement No. 94 since the GASB considered the pandemic in determining effective dates. Earlier application of the standards is encouraged and is permitted to the extent specified in each pronouncement as originally issued.

GASB Statement No. 96 - Subscription-Based Information Technology Arrangements - Effective for year-end June 30, 2023. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement, among other things, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability, provides capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA.

GASB Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - Effective for year-end June 30, 2022, except the portion of the pronouncement related to component unit criteria, which is effective for year-end June 30, 2020. This statement modifies certain guidance contained in Statement No. 84 and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

15. Risks and Uncertainties

COVID-19 - CARES Act

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021. The District is dependent upon its workforce to deliver its services. Developments such as social distancing and shelter-in-place directives will impact the District’s ability to deploy its workforce effectively. While expected to be temporary, prolonged workforce disruptions

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Basic Financial Statements

may negatively impact the District's services. Furthermore, adverse economic effects of the COVID-19 outbreak may affect the district's federal, state, and borough contributions.

Although the District cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the District's results of future operations, financial position, and liquidity in fiscal year 2021.

As of June 30, 2020, \$3,997,351 under the Elementary and Secondary School Emergency Relief Fund has been awarded to the School District. The School District has spent \$195,578 of these monies in fiscal year 2020, the remaining unspent monies to be expended in fiscal year 2021. Furthermore, through the CARES Act, \$942,742 was awarded and expended from the Summer Food Service program for children and \$10,195 was awarded and expended from the Epidemiology and Laboratory Capacity for Infectious Disease Contract Tracing in fiscal year 2020. These CARES Act awards were all passed through from the State of Alaska Department of Education and Early Development. The School District will continue to examine the impact that the CARES Act may have. Currently, the School District is unable to determine the full impact that the CARES Act will have on the District's financial condition, results of operations or liquidity. The District has not received additional awards of CARES Act monies subsequent to year end. We continue to examine the impact that the CARES Act may have on our operations. Currently, we are unable to determine the impact that the CARES Act will have on our financial condition, results of operation or liquidity.

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Required Supplementary Information

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual

Year Ended June 30, 2020	Budget		Actual	Variance with
	Original	Final		Final Budget
Revenues				
Local sources:				
Borough appropriation	\$ 60,665,932	\$ 60,665,932	\$ 60,665,932	\$ -
Other	21,354,234	8,294,528	827,987	(7,466,541)
State of Alaska	170,151,710	194,035,497	194,433,067	397,570
Federal	1,337,557	1,377,113	1,579,894	202,781
Total Revenues	253,509,433	264,373,070	257,506,880	(6,866,190)
Expenditures				
Current:				
Instruction	109,349,060	107,582,903	102,760,589	4,822,314
Special education instruction	40,681,117	40,648,719	40,592,744	55,975
Special education support services - students	17,259,751	16,738,425	16,421,271	317,154
Support services - students	9,706,498	9,588,253	9,869,909	(281,656)
Support services - instruction	11,336,621	10,882,010	10,629,081	252,929
School administration	10,187,292	10,256,571	10,243,720	12,851
School administration support services	10,658,183	10,295,387	10,077,567	217,820
District administration	1,307,923	1,718,006	1,752,654	(34,648)
District administration support services	12,175,070	13,543,447	13,318,020	225,427
Operations and maintenance of plant	27,413,206	26,819,548	24,432,773	2,386,775
Student activities	3,939,382	4,103,850	3,408,857	694,993
Food services	-	-	(7,851)	7,851
Capital outlay:				
Construction and facilities acquisition	-	13,600	13,500	100
Total Expenditures	254,014,103	252,190,719	243,512,834	8,677,885
Excess (deficiency) of revenues over expenditures	(504,670)	12,182,351	13,994,046	1,811,695
Other Financing Sources (Uses)				
Transfers in	2,500,000	13,600	83,123	69,523
Transfers out	(1,995,330)	(12,195,951)	(10,895,014)	1,300,937
Net Other Financing Sources (Uses)	504,670	(12,182,351)	(10,811,891)	1,370,460
Net change in fund balance	\$ -	\$ -	\$ 3,182,155	\$ 3,182,155
Fund Balance, beginning of year			25,339,882	
Fund Balance, end of year			\$ 28,522,037	

See accompanying notes to Required Supplementary Information.

Matanuska Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Teachers' Retirement System - Pension Plan
Schedule of the District's Proportionate Share of the Net Pension Liability

<i>Years Ended June 30,</i>	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	5.14194%	5.17090%	4.69305%	5.74558%	4.74949%	1.86717%
District's Proportionate Share of the Net Pension Liability	\$ 96,079,327	\$ 98,987,466	\$ 95,109,945	\$ 131,191,382	\$ 88,361,932	\$ 55,997,692
State of Alaska Proportionate Share of the Net Pension Liability	142,489,557	147,157,295	165,981,415	155,927,205	141,230,415	295,698,194
Total Net Pension Liability	\$ 238,568,884	\$ 246,144,761	\$ 261,091,360	\$ 287,118,587	\$ 229,592,347	\$ 351,695,886
District's Covered Payroll	100,787,471	98,511,549	101,197,628	95,217,509	92,055,028	88,788,045
District's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	95.33%	100.48%	93.98%	137.78%	95.99%	63.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.68%	74.09%	72.39%	68.40%	73.82%	55.70%

Schedule of District Contributions

<i>Years Ended June 30,</i>	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 4,529,984	\$ 5,076,868	\$ 5,272,973	\$ 4,891,948	\$ 4,448,917	\$ 4,729,021
Contributions Relative to the Contractually Required Contribution	4,529,984	5,076,868	5,272,973	4,891,948	4,448,917	4,729,021
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	100,739,471	100,787,471	98,511,549	101,197,628	95,217,509	92,055,028
Contributions as a Percentage of Covered Payroll	4.50%	5.04%	5.35%	4.83%	4.67%	5.14%

See accompanying notes to Required Supplementary Information.

Matanuska Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Public Employees' Retirement System - Pension Plan
Schedule of the District's Proportionate Share of the Net Pension Liability

<i>Years Ended June 30,</i>	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	1.04501%	1.15455%	1.09670%	1.26360%	1.28350%	0.67820%
District's Proportionate Share of the Net Pension Liability	\$ 57,206,105	\$ 57,370,051	\$ 56,692,527	\$ 70,627,690	\$ 62,250,192	\$ 31,632,130
State of Alaska Proportionate Share of the Net Pension Liability	22,718,504	16,619,476	21,123,351	8,900,517	16,671,606	28,809,640
Total Net Pension Liability	\$ 79,924,609	\$ 73,989,527	\$ 77,815,878	\$ 79,528,207	\$ 78,921,798	\$ 60,441,770
District's Covered Payroll	36,736,470	35,206,733	37,767,975	32,540,635	30,298,959	28,697,672
District's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	155.72%	162.95%	150.11%	217.04%	205.45%	110.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.42%	65.19%	63.37%	59.55%	63.96%	63.37%

Schedule of District Contributions

<i>Years Ended June 30,</i>	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 3,464,212	\$ 3,714,194	\$ 3,832,125	\$ 3,549,967	\$ 3,169,854	\$ 2,902,874
Contributions Relative to the Contractually Required Contribution	3,464,212	3,714,194	3,832,125	3,549,967	3,169,854	2,902,874
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	38,338,301	36,736,470	35,206,733	37,767,975	32,540,635	30,298,959
Contributions as a Percentage of Covered Payroll	9.04%	10.11%	10.88%	9.40%	9.74%	9.58%

See accompanying notes to Required Supplementary Information.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Teachers' Retirement System - OPEB Plans
Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)

Years Ended June 30,	ARHCT			RMP			ODD		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
District's Proportion of the Net OPEB Liability (Asset)	5.13148%	5.15915%	4.67820%	11.27493%	10.96155%	11.02554%	11.26201%	10.96155%	11.02554%
District's Proportionate Share of the									
Net OPEB Liability (Asset)	\$ (7,841,984)	\$ 16,041,813	\$ 8,604,759	\$ (432,506)	\$ (350,550)	\$ (522,610)	\$ (452,845)	\$ (384,312)	\$ (360,315)
State of Alaska Proportionate Share of the									
Net OPEB Liability (Asset)	(11,669,016)	23,938,559	15,091,607	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (19,511,000)	\$ 39,980,372	\$ 23,696,366	\$ (432,506)	\$ (350,550)	\$ (522,610)	\$ (452,845)	\$ (384,312)	\$ (360,315)
District's Covered Payroll	54,821,446	57,071,084	101,197,628	44,005,500	39,473,069	101,197,628	44,005,500	39,473,069	101,197,628
District's Proportionate Share of the									
Net OPEB Liability (Asset) as a Percentage of									
Payroll	-14.30%	28.11%	8.50%	-0.98%	-0.89%	-0.52%	-1.03%	-0.97%	-0.36%
Plan Fiduciary Net Position as a Percentage									
of the Total OPEB Liability (Asset)	105.50%	90.23%	93.75%	110.03%	109.56%	118.16%	1409.77%	1304.81%	1342.59%

Schedule of District Contributions

Years Ended June 30,	ARHCT			RMP			ODD		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Contractually Required Contributions	\$ 2,555,022	\$ 2,509,478	\$ 2,563,074	\$ 506,768	\$ 347,826	\$ 358,541	\$ 37,204	\$ 35,154	\$ -
Contributions Relative to the Contractually									
Required Contribution	\$ 2,555,022	\$ 2,509,478	\$ 2,563,074	\$ 506,768	\$ 347,826	\$ 358,541	\$ 37,204	\$ 35,154	\$ -
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 51,556,792	\$ 54,821,446	\$ 57,071,084	\$ 46,506,279	\$ 44,005,500	\$ 39,473,069	\$ 46,506,279	\$ 44,005,500	\$ 39,473,069
Contributions as a Percentage of Covered									
Payroll	4.956%	4.578%	4.491%	1.090%	0.790%	0.908%	0.080%	0.080%	0.000%

See accompanying notes to Required Supplementary Information.

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Public Employees' Retirement System - OPEB Plans
Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)

<i>Years Ended June 30,</i>	ARHCT			RMP			ODD		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
District's Proportion of the Net OPEB Liability (Asset)	1.04499%	1.15442%	1.09671%	1.67486%	1.68413%	1.74759%	1.32983%	1.68413%	1.74576%
District's Proportionate Share of the Net OPEB Liability (Asset)	\$ 1,550,562	\$ 11,847,667	\$ 9,264,516	\$ 400,693	\$ 214,306	\$ 91,137	\$ (322,419)	\$ (327,092)	\$ (247,965)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	616,486	3,439,441	3,454,993	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ 2,167,048	\$ 15,287,108	\$ 12,719,509	\$ 400,693	\$ 214,306	\$ 91,137	\$ (322,419)	\$ (327,092)	\$ (247,965)
District's Covered Payroll	12,208,778	12,835,293	35,206,733	20,895,087	19,115,128	35,206,733	20,895,087	19,115,128	35,206,733
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	12.70%	92.31%	26.31%	1.92%	1.12%	0.26%	-1.54%	-1.71%	-0.70%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	98.13%	88.12%	89.68%	83.17%	88.71%	93.98%	297.43%	270.62%	212.97%

Schedule of District Contributions

<i>Years Ended June 30,</i>	ARHCT			RMP			ODD		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Contractually Required Contributions	\$ 1,383,317	\$ 1,350,296	\$ 1,088,076	\$ 299,159	\$ 196,550	\$ 196,328	\$ 58,967	\$ 54,296	\$ 30,494
Contributions Relative to the Contractually Required Contribution	\$ 1,383,317	\$ 1,350,296	\$ 1,088,076	\$ 299,159	\$ 196,550	\$ 196,328	\$ 58,967	\$ 54,296	\$ 30,494
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 11,072,260	\$ 12,208,778	\$ 12,835,293	\$ 22,655,510	\$ 20,895,087	\$ 19,115,128	\$ 22,655,510	\$ 20,895,087	\$ 19,115,128
Contributions as a Percentage of Covered Payroll	12.494%	11.060%	8.477%	1.320%	0.941%	1.027%	0.260%	0.260%	0.160%

See accompanying notes to Required Supplementary Information.

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Required Supplementary Information

1. Budgetary Comparison Supplementary Schedule

The budgetary comparison schedule is presented on the modified accrual basis of accounting.

2. Public Employees' Retirement System and Teachers' Retirement System - Pension Plan

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

These tables are presented based on the Plan measurement date. For June 30, 2020, the Plan measurement date is June 30, 2019.

Changes in Assumptions:

In 2020, the discount rate was lowered from 8% to 7.38%.

The actuarial assumptions used in the June 30, 2018 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

Amounts reported reflect a change in assumptions between 2016 and 2017 in the method of allocating the net pension liability from actual contributions to present value of projected future contributions.

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

Schedule of District Contributions

These tables are based on the District's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

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

3. Public Employees' Retirement System and Teachers' Retirement System - OPEB Plans

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

These tables are presented based on the Plan measurement date. For June 30, 2020, the Plan measurement date is June 30, 2019.

Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

Notes to Required Supplementary Information, continued

Changes in Assumptions:

1. An Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in larger projected subsidies to offset the cost of prescription drug coverage.
2. Based on recent experience, the healthcare cost trend assumptions were updated
3. Per capita claims costs were updated to reflect recent experience
4. Healthcare cost trends were updated to reflect a Cadillac Tax load.
5. The discount rate was lowered from 8% to 7.38%.

The actuarial assumptions used in the June 30, 2018 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

Changes in Methods:

As part of the experience study, the actuarial cost method for the retiree healthcare plan was changed from the Entry Age Level Dollar method to the Entry Age Level Percent of Pay method.

GASB requires ten years of information be presented. However, until a full 10 years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions

These tables are based on the District's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

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

Additional Supplementary Information

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General Fund

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Balance Sheet

<i>June 30,</i>	2020	2019
Assets		
Cash	\$ 29,696,166	\$ 22,574,761
Accounts receivable - other	265,562	716,971
Inventory	1,381,835	1,269,159
Prepaid items	950,613	1,035,499
Due from other funds	6,562,680	9,240,080
Total Assets	\$ 38,856,856	\$ 34,836,470
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 2,173,198	\$ 1,151,930
Accrued payroll and related liabilities	8,141,694	8,344,658
Unearned revenue	19,927	-
Total Liabilities	10,334,819	9,496,588
Fund Balance		
Nonspendable	2,332,448	2,304,658
Restricted	2,064,434	1,919,998
Assigned	500,000	500,000
Unassigned	23,625,155	20,615,226
Total Fund Balance	28,522,037	25,339,882
Total Liabilities and Fund Balances	\$ 38,856,856	\$ 34,836,470

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual

<i>Years Ended June 30,</i>	2020		2019	
	Budget	Actual	Variance with Budget	Actual
Revenues				
Local sources:				
Borough appropriation	\$ 60,665,932	\$ 60,665,932	\$ -	\$ 58,374,918
In-Kind services	7,558,054	-	(7,558,054)	-
Facility use	80,910	86,804	5,894	164,518
Other local reimbursement	500,000	410,776	(89,224)	447,749
Other	155,564	330,407	174,843	428,749
Total local sources	68,960,460	61,493,919	(7,466,541)	59,415,934
State sources:				
PERS on behalf	2,328,195	2,338,553	10,358	1,966,871
TRS on behalf	17,468,431	17,889,178	420,747	16,208,585
Public school funding	170,211,256	170,211,256	-	170,026,401
Other state revenue	4,027,615	3,994,080	(33,535)	2,740,246
Total state sources	194,035,497	194,433,067	397,570	190,942,103
Federal sources:				
Direct	8,128	217,486	209,358	-
E-rate	1,337,557	1,344,024	6,467	1,276,298
Medicaid reimbursement	31,428	18,384	(13,044)	618,220
Total federal sources	1,377,113	1,579,894	202,781	1,894,518
Total Revenues	264,373,070	257,506,880	(6,866,190)	252,252,555
Expenditures				
Current:				
Instruction	107,582,903	102,760,589	4,822,314	102,382,910
Special education instruction	40,648,719	40,592,744	55,975	39,039,945
Special education support services - students	16,738,425	16,421,271	317,154	15,904,045
Support services - students	9,588,253	9,869,909	(281,656)	9,235,099
Support services - instruction	10,882,010	10,629,081	252,929	11,169,016
School administration	10,256,571	10,243,720	12,851	10,341,792
School administration support services	10,295,387	10,077,567	217,820	10,355,295
District administration	1,718,006	1,752,654	(34,648)	1,554,316
District administration support services	13,543,447	13,318,020	225,427	12,068,583
Operations and maintenance of plant	26,819,548	24,432,773	2,386,775	24,046,589
Student activities	4,103,850	3,408,857	694,993	3,718,095
Food services	-	(7,851)	7,851	2,564
Capital Outlay - construction and facilities acquisition	13,600	13,500	100	-
Total Expenditures	252,190,719	243,512,834	8,677,885	239,818,249
Excess of revenues over expenditures	12,182,351	13,994,046	1,811,695	12,434,306
Other Financing Sources (Uses) -				
Transfers in	13,600	83,123	69,523	33,248
Transfers out	(12,195,951)	(10,895,014)	1,300,937	(4,120,729)
Net Other Financing Sources (Uses)	(12,182,351)	(10,811,891)	1,370,460	(4,087,481)
Net change in fund balance	\$ -	3,182,155	3,182,155	\$ 8,346,825
Fund Balance, beginning of year		25,339,882		16,993,057
Fund Balance, end of year		\$ 28,522,037		\$ 25,339,882

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Schedule of Expenditures - Budget and Actual

<i>Years Ended June 30,</i>	2020		Variance	2019
	Budget	Actual	with Budget	Actual
Expenditures				
Instruction:				
Certificated salaries	\$ 56,940,741	\$ 56,929,891	\$ 10,850	\$ 56,677,882
Non-certificated salaries	2,957,389	2,543,731	413,658	2,847,254
Employee benefits	35,046,057	34,757,768	288,289	33,766,937
Professional and technical services	2,307,981	2,181,134	126,847	2,217,852
Staff travel	58,564	28,802	29,762	54,058
Student travel	455,454	407,946	47,508	450,129
Utility services	399,633	395,964	3,669	352,824
Other purchased services	1,470,106	735,437	734,669	809,464
Insurance and bond premiums	-	-	-	296
Supplies, materials and media	7,456,639	4,458,144	2,998,495	4,869,315
Other expenditures	467,183	321,772	145,411	329,378
Equipment	23,156	-	23,156	7,521
Total instruction	107,582,903	102,760,589	4,822,314	102,382,910
Special education instruction:				
Certificated salaries	14,073,400	14,119,909	(46,509)	14,230,932
Non-certificated salaries	9,867,483	9,948,132	(80,649)	9,262,348
Employee benefits	16,405,905	16,389,551	16,354	15,319,229
Professional and technical services	10,246	4,315	5,931	8,115
Staff travel	2,785	2,066	719	1,210
Student travel	5,440	3,482	1,958	4,588
Other purchased services	100	229	(129)	12,428
Supplies, materials and media	283,340	125,040	158,300	200,979
Other expenditures	20	20	-	116
Total special education instruction	40,648,719	40,592,744	55,975	39,039,945
Special education support services - students:				
Certificated salaries	7,286,283	7,240,582	45,701	7,091,708
Non-certificated salaries	1,737,262	1,745,605	(8,343)	1,546,016
Employee benefits	5,381,570	5,367,352	14,218	4,954,660
Professional and technical services	1,917,566	1,713,835	203,731	2,034,690
Staff travel	95,910	79,818	16,092	104,335
Student travel	16,500	14,526	1,974	5,559
Utility services	150	149	1	-
Other purchased services	4,100	3,989	111	47,111
Supplies, materials and media	288,261	245,282	42,979	114,737
Other expenditures	1,500	810	690	-
Equipment	9,323	9,323	-	5,229
Total special education support services - students	\$ 16,738,425	\$ 16,421,271	\$ 317,154	\$ 15,904,045

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Schedule of Expenditures - Budget and Actual, continued

<i>Years Ended June 30,</i>	2020		2019	
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Support services - students:				
Certificated salaries	\$ 4,904,073	\$ 4,923,970	\$ (19,897)	\$ 4,739,431
Non-certificated salaries	1,133,280	1,094,656	38,624	1,089,477
Employee benefits	3,252,573	3,486,799	(234,226)	3,206,775
Professional and technical services	17,373	16,873	500	3,500
Staff travel	6,424	1,458	4,966	4,060
Student travel	-	-	-	1,030
Other purchased services	48,950	20,380	28,570	37,087
Supplies, materials and media	223,130	176,004	47,126	151,608
Other expenditures	2,450	2,807	(357)	2,131
Equipment	-	146,962	(146,962)	-
Total support services - students	9,588,253	9,869,909	(281,656)	9,235,099
Support services - instruction:				
Certificated salaries	3,455,352	3,493,257	(37,905)	4,004,565
Non-certificated salaries	1,399,655	1,371,266	28,389	1,352,048
Employee benefits	2,822,165	2,949,672	(127,507)	3,110,647
Professional and technical services	161,731	190,552	(28,821)	12,641
Staff travel	84,954	48,054	36,900	139,197
Student travel	9,759	1,712	8,047	2,278
Utility services	1,965,935	1,939,228	26,707	1,830,851
Other purchased services	102,188	14,439	87,749	15,813
Supplies, materials and media	836,626	599,984	236,642	664,684
Other expenditures	11,115	13,147	(2,032)	25,388
Equipment	32,530	7,770	24,760	10,904
Total support services - instruction	10,882,010	10,629,081	252,929	11,169,016
School administration:				
Certificated salaries	6,735,227	6,711,980	23,247	6,818,101
Non-certificated salaries	12,658	12,659	(1)	9,925
Employee benefits	3,399,618	3,417,625	(18,007)	3,412,387
Professional and technical services	1,495	1,495	-	-
Staff travel	75,985	69,970	6,015	73,419
Other purchased services	68	500	(432)	256
Supplies, materials and media	27,961	24,718	3,243	21,036
Other expenditures	3,559	4,773	(1,214)	6,668
Total school administration	10,256,571	10,243,720	12,851	10,341,792

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Schedule of Expenditures - Budget and Actual, continued

<i>Years Ended June 30,</i>	2020		Variance with Budget	2019
	Budget	Actual		Actual
Expenditures, continued				
School administration support services:				
Non-certificated salaries	5,457,330	5,408,241	49,089	5,544,530
Employee benefits	3,999,904	3,899,629	100,275	3,905,169
Professional and technical services	-	-	-	6,400
Staff travel	4,993	1,766	3,227	9,117
Utility services	68,666	48,950	19,716	45,549
Other purchased services	533,021	504,805	28,216	612,054
Supplies, materials and media	229,462	213,313	16,149	219,416
Other expenditures	2,011	863	1,148	7,570
Equipment	-	-	-	5,490
Total school administration support services	10,295,387	10,077,567	217,820	10,355,295
District administration:				
Certificated salaries	567,762	623,996	(56,234)	490,105
Non-certificated salaries	354,750	368,462	(13,712)	361,488
Employee benefits	506,496	526,322	(19,826)	522,192
Professional and technical services	35,700	30,026	5,674	1,682
Staff travel	85,405	49,606	35,799	46,507
Student travel	2,034	201	1,833	-
Other purchased services	120,996	125,055	(4,059)	94,867
Supplies, materials and media	16,684	19,216	(2,532)	28,456
Other expenditures	28,179	9,770	18,409	9,019
Total district administration	1,718,006	1,752,654	(34,648)	1,554,316
District administration support services:				
Certificated salaries	7,650	51,261	(43,611)	21,567
Non-certificated salaries	4,852,648	4,911,645	(58,997)	4,709,048
Employee benefits	3,137,156	3,187,183	(50,027)	2,924,851
Professional and technical services	1,082,498	884,179	198,319	660,501
Staff travel	107,977	41,554	66,423	61,146
Utility services	68,923	15,464	53,459	10,734
Other purchased services	1,626,384	1,327,594	298,790	960,352
Insurance and bond premiums	495,271	437,954	57,317	362,893
Supplies, materials and media	1,816,794	2,071,301	(254,507)	1,734,590
Other expenditures	53,682	16,832	36,850	556,715
Indirect costs	(516,252)	(608,926)	92,674	(850,495)
Equipment	810,716	981,979	(171,263)	916,681
Total district administration support services	13,543,447	13,318,020	225,427	12,068,583

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

General (School Operating) Fund
Schedule of Expenditures - Budget and Actual, continued

<i>Years Ended June 30,</i>	2020		2019	
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Operations and maintenance of plant:				
Non-certificated salaries	7,391,576	7,304,696	86,880	6,917,980
Employee benefits	5,005,697	4,907,451	98,246	4,645,607
Professional and technical services	31,587	31,317	270	10,562
Staff travel	3,988	2,999	989	7,054
Utility services	940,107	691,592	248,515	763,110
Energy	5,957,910	5,224,492	733,418	5,526,341
Other purchased services	4,060,118	3,093,855	966,263	3,153,192
Insurance and bond premiums	1,897,068	1,853,327	43,741	1,410,241
Supplies, materials and media	1,500,797	1,304,013	196,784	1,543,088
Other expenditures	10,991	10,836	155	7,108
Equipment	19,709	8,195	11,514	62,306
Total operations and maintenance of plant	26,819,548	24,432,773	2,386,775	24,046,589
Student activities:				
Certificated salaries	1,921,539	1,611,110	310,429	1,718,445
Non-certificated salaries	467,834	522,405	(54,571)	700,840
Employee benefits	794,568	687,651	106,917	698,149
Staff travel	288	246	42	115
Student travel	565,715	390,020	175,695	425,890
Other purchased services	148,870	107,719	41,151	63,677
Supplies, materials and media	92,156	23,265	68,891	24,728
Other expenditures	112,880	66,441	46,439	86,251
Total student activities	4,103,850	3,408,857	694,993	3,718,095
Community services:				
Non-certificated salaries	-	-	-	2,500
Employee benefits	-	-	-	64
Total community services	-	-	-	2,564
Food services:				
Non-certificated salaries	-	92	(92)	-
Employee benefits	-	(7,943)	7,943	-
Total food services	-	(7,851)	7,851	-
Construction and facilities acquisition - other purchased services	13,600	13,500	-	-
Total construction and facilities acquisition	13,600	13,500	-	-
Total Expenditures	\$ 252,190,719	\$ 243,512,834	\$ 8,677,885	\$ 239,818,249

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Capital Projects Fund

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Capital Improvement Capital Project Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenue - Local sources	\$ 2,999,430	\$ -	\$ (2,999,430)
Expenditures			
Instruction:			
Certificated salaries	18,935	40,166	(21,231)
Employee benefits	3,028	5,842	(2,814)
Supplies, materials and media	1,376,627	73,455	1,303,172
Total instruction	1,398,590	119,463	1,279,127
Operations and maintenance of plant:			
Other professional services	19,000	11,371	7,629
Other purchased services	57,835	16,080	41,755
Total operations and maintenance of plant	76,835	27,451	49,384
Construction and facilities acquisition:			
Non-certificated salaries	15,120	-	15,120
Employee benefits	3,761	-	3,761
Professional and technical services	311,696	175,497	136,199
Other purchased services	3,577,880	1,971,829	1,606,051
Supplies, materials and media	978,756	390,823	587,933
Other expenditures	10,745	-	10,745
Equipment	361,097	336,539	24,558
Other capital outlay expense	10,000	-	10,000
Total construction and facilities acquisition	5,269,055	2,874,688	2,394,367
Total Expenditures	6,744,480	3,021,602	3,722,878
Other Noncurrent Debits - Transfer to Other Governmental Units	(5,900,000)	(5,900,000)	-
Deficiency of revenues over expenditures	(9,645,050)	(8,921,602)	723,448
Other Financing Sources			
Transfers in	9,645,050	9,645,050	-
Net change in fund balance	\$ -	723,448	\$ 723,448
Fund Balance, beginning of year		3,013,030	
Fund Balance, end of year		\$ 3,736,478	

Special Revenue Funds

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet

	Special Revenue Funds						National Math & Science Initiative (NMSI)
	Student Transportation	Substance Misuse and Addiction	Staff Develop- ment	Suicide Awareness, Prevention & Postvention	Youth in Detention		
<i>June 30, 2020</i>							
Assets							
Cash	\$ 550,974	\$ -	\$ 31	\$ -	\$ 198	\$ -	
Accounts receivable:							
Federal, state, and local grants	-	41,307	-	21,609	-	16,082	
Inventory	-	-	-	-	-	-	
Total Assets	\$ 550,974	\$ 41,307	\$ 31	\$ 21,609	\$ 198	\$ 16,082	
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 16,182	\$ -	\$ 31	\$ -	\$ 198	\$ -	
Unearned revenue	-	-	-	-	-	-	
Due to other funds	-	41,307	-	21,609	-	16,082	
Total Liabilities	16,182	41,307	31	21,609	198	16,082	
Fund Balances							
Nonspendable	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	
Assigned	534,792	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	
Total Fund Balances	534,792	-	-	-	-	-	
Total Liabilities and Fund Balances	\$ 550,974	\$ 41,307	\$ 31	\$ 21,609	\$ 198	\$ 16,082	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds, continued						
	Student Life Skills	Nutritional Alaskan Foods Program	Nutrition Services	Title I-D Delinquent	McKinney Homeless	Altern- ative Schools Grant	Title II-A, Teacher and Principal Training and Recruitment
June 30, 2020							
Assets							
Cash	\$ 2,079	\$ 201,173	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:							
Federal, state, and local grants	15,042	-	182,228	10,835	463	28,809	191,917
Inventory	-	-	1,413,253	-	-	-	-
Total Assets	\$ 17,121	\$ 201,173	\$ 1,595,481	\$ 10,835	\$ 463	\$ 28,809	\$ 191,917
Liabilities and Fund Balances							
Liabilities							
Accounts payable	-	-	36,173	-	-	-	8,795
Unearned revenue	17,121	201,173	157,277	-	-	-	-
Due to other funds	-	-	652,735	10,835	463	28,809	183,122
Total Liabilities	17,121	201,173	846,185	10,835	463	28,809	191,917
Fund Balances							
Nonspendable	-	-	1,413,253	-	-	-	-
Restricted	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(663,957)	-	-	-	-
Total Fund Balances	-	-	749,296	-	-	-	-
Total Liabilities and Fund Balances	\$ 17,121	\$ 201,173	\$ 1,595,481	\$ 10,835	\$ 463	\$ 28,809	\$ 191,917

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds, continued						
	Carl Perkins Vocational Education Basic	Title III-A English Language	IASA Con- solidated Admin- istration	Title I-A Basic	Title VI-B IDEA	Learning Center	Title I-C Migrant Education Summer
<i>June 30, 2020</i>							
Assets							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:							
Federal, state, and local grants	142,111	12,192	323,653	1,144,998	907,531	290,022	880,102
Inventory	-	-	-	159,118	-	-	-
Total Assets	\$ 142,111	\$ 12,192	\$ 323,653	\$ 1,304,116	\$ 907,531	\$ 290,022	\$ 880,102
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 17,865	\$ 9,551	\$ -	\$ 159,829	\$ -	\$ -	\$ 261
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	124,246	2,641	323,653	1,144,287	907,531	290,022	879,841
Total Liabilities	142,111	12,192	323,653	1,304,116	907,531	290,022	880,102
Fund Balances							
Nonspendable	-	-	-	159,118	-	-	-
Restricted	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	(159,118)	-	-	-
Total Fund Balances	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 142,111	\$ 12,192	\$ 323,653	\$ 1,304,116	\$ 907,531	\$ 290,022	\$ 880,102

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds, continued						
	Migrant Education Book Program	CEIS IDEA Part B Title VI-B	IDEA Part B Preschool Disabled	Student Health & Academic Achievement	Early Learning Preschool	Title IV-A Student Support & Academic Achievement	Title I-D Neglected
<i>June 30, 2020</i>							
Assets							
Cash	\$ -	\$ -	\$ -	\$ -	\$ 7,334	\$ -	\$ -
Accounts receivable:							
Federal, state, and local grants	13,673	167,616	40,202	33,661	-	161,842	13,535
Inventory	-	-	-	-	-	-	-
Total Assets	\$ 13,673	\$ 167,616	\$ 40,202	\$ 33,661	\$ 7,334	\$ 161,842	\$ 13,535
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,288	\$ 49,795	\$ -
Unearned revenue	-	-	-	-	6,046	-	-
Due to other funds	13,673	167,616	40,202	33,661	-	112,047	13,535
Total Liabilities	13,673	167,616	40,202	33,661	7,334	161,842	13,535
Fund Balances							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 13,673	\$ 167,616	\$ 40,202	\$ 33,661	\$ 7,334	\$ 161,842	\$ 13,535

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds, continued							
<i>June 30, 2020</i>	Comp St Literacy Development	Title I-A School Improve- ment	FEMA	COVID-19 Contact Tracing	CARES Act	Indian Education	Contributions From Local Sources	
Assets								
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,118	
Accounts receivable:								
Federal, state, and local grants	198,555	67,338	41,084	10,195	195,579	128,488	-	
Inventory	-	-	-	-	194,308	-	14,963	
Total Assets	\$ 198,555	\$ 67,338	\$ 41,084	\$ 10,195	\$ 389,887	\$ 128,488	\$ 73,081	
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 194,670	\$ -	\$ 14,963	
Unearned revenue	-	-	-	-	-	-	58,118	
Due to other funds	198,555	67,338	41,084	10,195	195,217	128,488	-	
Total Liabilities	198,555	67,338	41,084	10,195	389,887	128,488	73,081	
Fund Balances								
Nonspendable	-	-	-	-	194,308	-	14,963	
Restricted	-	-	-	-	-	-	-	
Assigned	-	-	-	-	-	-	-	
Unassigned	-	-	-	-	(194,308)	-	(14,963)	
Total Fund Balances	-	-	-	-	-	-	-	
Total Liabilities and Fund Balances	\$ 198,555	\$ 67,338	\$ 41,084	\$ 10,195	\$ 389,887	\$ 128,488	\$ 73,081	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds, continued							
	Trapper Creek Community Enrichment	Talkeetna Community Enrichment	Knik Tribal Council - Local	River Rangers	WL Community Enrichment	Mat-Su Health Foundation	Community Impact	
<i>June 30, 2020</i>								
Assets								
Cash	\$ 6,100	\$ -	\$ 2,068	\$ 6,091	\$ -	\$ 78,850	\$ 926	
Accounts receivable:								
Federal, state, and local grants	-	2,049	-	-	437	-	-	
Inventory	-	-	-	-	-	-	-	
Total Assets	\$ 6,100	\$ 2,049	\$ 2,068	\$ 6,091	\$ 437	\$ 78,850	\$ 926	
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unearned revenue	6,100	48	2,068	6,091	93	78,850	926	
Due to other funds	-	2,001	-	-	344	-	-	
Total Liabilities	6,100	2,049	2,068	6,091	437	78,850	926	
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	-	
Assigned	-	-	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	-	
Total Fund Balances	-	-	-	-	-	-	-	
Total Liabilities and Fund Balances	\$ 6,100	\$ 2,049	\$ 2,068	\$ 6,091	\$ 437	\$ 78,850	\$ 926	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	<u>Special Revenue Funds, continued</u>			<u>Debt Service</u>	<u>Capital Project</u>		
<i>June 30, 2020</i>	RJ Jones Memorial	Cultural Program	Vending Machines	Debt Service Fund	Disaster	Totals	
Assets							
Cash	\$ 4,290	\$ 11,857	\$ 126	\$ 786,601	\$ -	\$ 1,716,816	
Accounts receivable:							
Federal, state, and local grants	-	-	-	-	5,760	5,288,915	
Inventory	-	-	-	-	-	1,781,642	
Total Assets	\$ 4,290	\$ 11,857	\$ 126	\$ 786,601	\$ 5,760	\$ 8,787,373	
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 509,601	
Unearned revenue	-	6,825	-	-	-	540,736	
Due to other funds	-	-	-	-	5,760	5,656,899	
Total Liabilities	-	6,825	-	-	5,760	6,707,236	
Fund Balances							
Nonspendable	-	-	-	-	-	1,781,642	
Restricted	4,290	-	-	-	-	4,290	
Assigned	-	5,032	126	786,601	-	1,326,551	
Unassigned	-	-	-	-	-	(1,032,346)	
Total Fund Balances	4,290	5,032	126	786,601	-	2,080,137	
Total Liabilities and Fund Balances	\$ 4,290	\$ 11,857	\$ 126	\$ 786,601	\$ 5,760	\$ 8,787,373	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

	Special Revenue Funds						National Math & Science Initiative (NMSI)
	Student Transpor- tation	Substance Misuse and Addiction	Staff Develop- ment	Suicide Awareness, Prevention & Postvention	Youth in Detention		
<i>Year Ended June 30, 2020</i>							
Revenues							
Local sources:							
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Borough capital projects	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	-
State of Alaska	17,008,574	42,191	-	27,490	100,652	17,226	
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	-	-	2,680	-	-	-	-
Passed through other intermediate agencies	-	-	-	-	-	-	-
Total federal sources	-	-	2,680	-	-	-	-
Total Revenues	17,008,574	42,191	2,680	27,490	100,652	17,226	
Expenditures							
Current:							
Instruction	-	16,244	680	885	-	-	-
Special education instruction	-	-	-	-	96,730	-	-
Special education support services students	-	-	-	-	3,922	-	-
Support services - students	-	-	-	-	-	-	-
Support services - instruction	-	24,340	2,000	25,558	-	17,226	-
School administration	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-
District administration support services	-	1,607	-	1,047	-	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	16,524,347	-	-	-	-	-	-
Student transportation - other transportation services	300,153	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
Total Expenditures	16,824,500	42,191	2,680	27,490	100,652	17,226	
Excess (deficiency) of revenues over expenditures	184,074	-	-	-	-	-	-
Other financing sources - transfers in	350,718	-	-	-	-	-	-
Net change in fund balances	534,792	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-	-
Fund Balances, end of year	\$ 534,792	\$ -	\$ -	\$ -	\$ -	\$ -	-

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

Year Ended June 30, 2020	Special Revenue Funds, continued						
	Student Life Skills	Nutritional Alaskan Foods Program	Nutrition Services	Title I-D Delinquent	McKinney Homeless	AASL Convention	Alternative Schools Grant
Revenues							
Local sources:							
Other	\$ 14,645	\$ -	\$ 999,167	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-	-
Total local sources	14,645	-	999,167	-	-	-	-
State of Alaska	-	37,399	-	-	-	-	60,671
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	-	-	5,529,116	31,658	44,333	1,250	-
Passed through other intermediate agencies	-	-	-	-	-	-	-
Total federal sources	-	-	5,529,116	31,658	44,333	1,250	-
Total Revenues	14,645	37,399	6,528,283	31,658	44,333	1,250	60,671
Expenditures							
Current:							
Instruction	-	-	-	-	-	-	-
Special education instruction	14,645	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-
Support services - students	-	-	-	-	919	-	-
Support services - instruction	-	-	-	30,452	40,910	1,250	57,844
School administration	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-
District administration support services	-	-	3,214	1,206	1,689	-	2,311
Operations and maintenance of plant	-	-	267,243	-	-	-	-
Student activities	-	-	-	-	-	-	516
Student transportation - to and from school	-	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-	-
Community services	-	-	-	-	815	-	-
Food services	-	37,399	6,658,345	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
Total Expenditures	14,645	37,399	6,928,802	31,658	44,333	1,250	60,671
Excess (deficiency) of revenues over expenditures	-	-	(400,519)	-	-	-	-
Other financing sources - transfers in	-	-	400,519	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	749,296	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ 749,296	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

Year Ended June 30, 2020	Special Revenue Funds, continued						
	Title II-A, Teacher and Principal Training and Recruitment	Carl Perkins Vocational Education Basic	Title III-A English Language	IASA Con- solidated Admin- istration	Title I-A Basic	Title VI-B IDEA	Learning Center
Revenues							
Local sources:							
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	-
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	822,744	487,645	28,180	1,184,457	4,252,662	3,942,000	342,785
Passed through other intermediate agencies	-	-	-	-	-	-	-
Total federal sources	822,744	487,645	28,180	1,184,457	4,252,662	3,942,000	342,785
Total Revenues	822,744	487,645	28,180	1,184,457	4,252,662	3,942,000	342,785
Expenditures							
Current:							
Instruction	265	470,412	26,155	45,456	2,904,070	-	259,931
Special education instruction	-	-	-	-	-	2,037,831	-
Special education support services - students	-	-	-	-	-	1,413,749	-
Support services - students	-	-	-	-	263,429	174,401	-
Support services - instruction	791,139	-	952	799,804	743,820	-	-
School administration	-	-	-	-	149,009	165,862	69,797
School administration support services	-	-	-	-	2,094	-	-
District administration support services	31,340	17,233	1,073	339,197	161,991	150,157	13,057
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	28,249	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
Total Expenditures	822,744	487,645	28,180	1,184,457	4,252,662	3,942,000	342,785
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

	Special Revenue Funds, continued					
	Title I-C Migrant Education	Migrant Education Book Program	CEIS IDEA Part B Title VI-B	IDEA Part B Preschool Disabled	Student Health & Academic Achievement	Early Learning Preschool
<i>Year Ended June 30, 2020</i>						
Revenues						
Local sources:						
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-
State of Alaska	-	-	-	-	-	143,936
Federal sources:						
Direct from federal government	-	-	-	-	-	-
Passed through the State of Alaska	2,385,677	23,559	542,046	145,998	33,661	-
Passed through other intermediate agencies	-	-	-	-	-	-
Total federal sources	2,385,677	23,559	542,046	145,998	33,661	-
Total Revenues	2,385,677	23,559	542,046	145,998	33,661	143,936
Expenditures						
Current:						
Instruction	1,943,023	12,332	-	-	-	19,584
Special education instruction	-	-	85,069	118,496	-	-
Special education support services - students	-	-	-	21,941	-	-
Support services - students	84,402	-	-	-	-	-
Support services - instruction	265,994	11,227	436,330	-	33,661	118,869
School administration	-	-	-	-	-	-
School administration Support Services	-	-	-	-	-	-
District administration support services	90,874	-	20,647	5,561	-	5,483
Operations and maintenance of plant	1,384	-	-	-	-	-
Student activities	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Construction and facilities acquisition	-	-	-	-	-	-
Total Expenditures	2,385,677	23,559	542,046	145,998	33,661	143,936
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

	Special Revenue Funds, continued					
	Project Aware	Title IV-A Student Support & Academic Achievement	Title I-D Neglected	Comp St Literacy Development	Title I-A School Improve- ment	FEMA
<i>Year Ended June 30, 2020</i>						
Revenues						
Local sources:						
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-
State of Alaska	-	-	-	-	-	10,271
Federal sources:						
Direct from federal government	-	-	-	-	-	-
Passed through the State of Alaska	39,011	379,724	35,824	202,711	94,576	30,812
Passed through other intermediate agencies	-	-	-	-	-	-
Total federal sources	39,011	379,724	35,824	202,711	94,576	30,812
Total Revenues	39,011	379,724	35,824	202,711	94,576	41,083
Expenditures						
Current:						
Instruction	-	-	-	86,982	54,802	-
Special education instruction	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-
Support services - students	37,525	354,018	34,459	-	-	31,368
Support services - instruction	-	11,242	-	108,007	34,860	-
School administration	-	-	-	-	-	-
School administration support services	-	-	-	-	-	6,711
District administration support services	1,486	14,464	1,365	7,722	4,914	988
Operations and maintenance of plant	-	-	-	-	-	2,016
Student activities	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Construction and facilities acquisition	-	-	-	-	-	-
Total Expenditures	39,011	379,724	35,824	202,711	94,576	41,083
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

	Special Revenue Funds, continued					
	COVID-19 Contact Tracing	CARES Act	WHS AF JROTC Grant	Indian Education	Contributions From Local Sources	Trapper Creek Community Enrichment
<i>Year Ended June 30, 2020</i>						
Revenues						
Local sources:						
Other	\$ -	\$ -	\$ -	\$ -	\$ 35,051	\$ 2,621
Borough capital projects	-	-	-	-	-	-
Total local sources	-	-	-	-	35,051	2,621
State of Alaska	-	-	-	-	-	-
Federal sources:						
Direct from federal government	-	-	8,328	527,147	-	-
Passed through the State of Alaska	10,195	195,578	-	-	-	-
Passed through other intermediate agencies	-	-	-	-	-	-
Total federal sources	10,195	195,578	8,328	527,147	-	-
Total Revenues	10,195	195,578	8,328	527,147	35,051	2,621
Expenditures						
Current:						
Instruction	-	48,068	-	500,216	23,956	-
Special education instruction	-	527	-	-	-	-
Special education support services - students	-	15,398	-	-	-	-
Support services - students	9,807	35,978	-	-	-	-
Support services - instruction	-	9,179	8,328	6,851	7,840	-
School administration	-	-	-	-	-	-
School administration support services	-	5,614	-	-	-	-
District administration support services	388	80,649	-	20,080	-	-
Operations and maintenance of plant	-	165	-	-	-	-
Student activities	-	-	-	-	3,255	-
Student transportation - to and from school	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-
Community services	-	-	-	-	-	2,621
Food services	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Construction and facilities acquisition	-	-	-	-	-	-
Total Expenditures	10,195	195,578	8,328	527,147	35,051	2,621
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

	Special Revenue Funds, continued						SV Fire Damage Reclam- ation
	Talkeetna Community Enrichment	Knik Tribal Council - Local	WL Community Enrichment	Mat-Su Health Foundation	Cultural Program		
<i>Year Ended June 30, 2020</i>							
Revenues							
Local sources:							
Other	\$ 9,999	\$ -	\$ 769	\$ 133,250	\$ 5,480	\$ -	
Borough capital projects	-	-	-	-	-	-	
Total local sources	9,999	-	769	133,250	5,480	-	
State of Alaska	-	-	-	-	-	-	
Federal sources:							
Direct from federal government	-	-	-	-	-	-	
Passed through the State of Alaska	-	-	-	-	-	-	
Passed through other intermediate agencies	-	42,406	-	-	-	-	
Total federal sources	-	42,406	-	-	-	-	
Total Revenues	9,999	42,406	769	133,250	5,480	-	
Expenditures							
Current:							
Instruction	-	38,260	-	17,038	-	-	
Special education instruction	-	-	-	2,420	-	-	
Special education support services - students	-	-	-	-	-	-	
Support services - students	-	3,483	-	6,277	-	-	
Support services - instruction	-	-	-	106,779	-	-	
School administration	-	-	-	-	-	-	
School administration support services	-	-	-	-	-	-	
District administration support services	-	663	-	-	-	-	
Operations and maintenance of plant	-	-	-	736	-	1,450	
Student activities	-	-	-	-	448	-	
Student transportation - to and from school	-	-	-	-	-	-	
Student transportation - other transportation services	-	-	-	-	-	-	
Community services	9,999	-	769	-	-	-	
Food services	-	-	-	-	-	-	
Debt Service:							
Principal	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	
Total Expenditures	9,999	42,406	769	133,250	448	1,450	
Excess (deficiency) of revenues over expenditures	-	-	-	-	5,032	(1,450)	
Other financing sources - transfers in	-	-	-	-	-	-	
Net change in fund balances	-	-	-	-	5,032	(1,450)	
Fund Balances, beginning of year	-	-	-	-	-	1,450	
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ 5,032	\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

	Special Revenue Funds, continued			Debt Service	Capital Project		
	Vending Machine	RJ Jones Memorial	Disaster	Debt Service Fund	Bond Reimbursement		Totals
<i>Year Ended June 30, 2020</i>							
Revenues							
Local sources:							
Other	\$ 126	\$ 1	\$ 463,432	\$ -	\$ -	\$	1,664,541
Borough capital projects	-	-	-	-	2,822		2,822
Total local sources	126	1	463,432	-	2,822		1,667,363
State of Alaska	-	-	-	-	-		17,448,410
Federal sources:							
Direct from federal government	-	-	-	-	-		535,475
Passed through the State of Alaska	-	-	-	-	-		20,788,882
Passed through other intermediate agencies	-	-	-	-	-		42,406
Total federal sources	-	-	-	-	-		21,366,763
Total Revenues	126	1	463,432	-	2,822		40,482,536
Expenditures							
Current:							
Instruction	-	-	25,300	-	-		6,493,659
Special education instruction	-	-	-	-	-		2,355,718
Special education support services - students	-	-	-	-	-		1,455,010
Support services - students	-	-	-	-	-		1,036,066
Support services - instruction	-	-	-	-	-		3,694,462
School administration	-	-	-	-	-		384,668
School administration support services	-	-	-	-	-		14,419
District administration support services	-	-	24,400	-	-		1,004,806
Operations and maintenance of plant	-	-	78,082	-	-		351,076
Student activities	-	-	-	-	-		32,468
Student transportation - to and from school	-	-	-	-	-		16,524,347
Student transportation - other transportation services	-	-	-	-	-		300,153
Community services	-	-	-	-	-		14,204
Food services	-	-	-	-	-		6,695,744
Debt Service:							
Principal	-	-	-	156,036	-		156,036
Interest	-	-	-	237,264	-		237,264
Capital outlay:							
Construction and facilities acquisition	-	-	335,650	-	2,822		338,472
Total Expenditures	-	-	463,432	393,300	2,822		41,088,572
Excess (deficiency) of revenues over expenditures	126	1	-	(393,300)	-		(606,036)
Other financing sources - transfers in	-	-	-	498,727	-		1,249,964
Net change in fund balances	126	1	-	105,427	-		643,928
Fund Balances, beginning of year	-	4,289	-	681,174	-		1,436,209
Fund Balances, end of year	\$ 126	\$ 4,290	\$ -	\$ 786,601	\$ -	\$	2,080,137

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Transportation Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - State of Alaska	\$ 17,008,574	\$ 17,008,574	\$ -
Expenditures			
Student transportation - to and from school:			
Non-certificated salaries	213,544	217,301	(3,757)
Employee benefits	138,887	138,580	307
Other purchased services	16,699,061	16,160,363	538,698
Supplies, materials and media	10,440	5,419	5,021
Student transportation - in-lieu-of agreements	(3,793)	107	(3,900)
Other expenditures	1,000	2,577	(1,577)
Total student transportation - to and from school	17,059,139	16,524,347	534,792
Student transportation - other transportation services - other purchased services	300,153	300,153	-
Total Expenditures	17,359,292	16,824,500	534,792
Excess (deficiency) of revenues over expenditures	(350,718)	184,074	534,792
Other Financing Sources - transfers in	350,718	350,718	-
Net change in fund balance	<u>\$ -</u>	534,792	<u>\$ 534,792</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ 534,792</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Substance Misuse and Addiction Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
State of Alaska	\$ 42,200	\$ 42,191	\$ (9)
Expenditures			
Instruction:			
Certificated salaries	11,370	11,370	-
Employee benefits	200	201	(1)
Supplies, materials, and media	4,448	4,673	(225)
Total instruction	16,018	16,244	(226)
Support services - instruction:			
Non-certificated salaries	9,139	9,139	-
Employee benefits	10,049	10,049	-
Supplies, materials, and media	5,386	5,152	234
Total support services - instruction	24,574	24,340	234
District administration - indirect costs	1,608	1,607	1
Total Expenditures	42,200	42,191	9
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Staff Development Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues			
Federal Revenue through the State of Alaska	\$ 9,675	\$ 2,680	\$ (6,995)
Expenditures			
Instruction - staff travel	900	680	220
Support services - instruction - staff travel	8,775	2,000	6,775
Total Expenditures	9,675	2,680	6,995
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Suicide Awareness, Prevention & Postvention Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - State of Alaska	\$ 27,500	\$ 27,490	\$ (10)
Expenditures			
Instruction - student travel	885	885	-
Support services - instruction:			
Non-certificated salaries	300	300	-
Employee benefits	26	28	(2)
Professional and technical services	15,667	15,655	12
Staff travel	1,210	1,210	-
Student travel	362	362	-
Supplies, materials and media	8,003	8,003	-
Total support services - instruction	25,568	25,558	10
District administration support services - indirect costs	1,047	1,047	-
Total Expenditures	27,500	27,490	10
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Youth in Detention Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - State of Alaska	\$ 100,652	\$ 100,652	\$ -
Expenditures			
Special education instruction:			
Certificated salaries	69,537	69,100	437
Employee benefits	20,294	23,147	(2,853)
Supplies, materials and media	5,255	4,483	772
Total special education instruction	95,086	96,730	(1,644)
Special education support services - students:			
Non-certificated salaries	-	2,989	(2,989)
Employee benefits	-	933	(933)
Total special education support services - students	-	3,922	(3,922)
District administration support services - indirect costs	5,566	-	5,566
Total Expenditures	100,652	100,652	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

National Math & Science Initiative (NMSI) Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - State of Alaska	\$ 60,115	\$ 17,226	\$ (42,889)
Expenditures			
Support services - instruction:			
Certificated salaries	1,400	1,400	-
Employee benefits	45	43	2
Professional and technical services	58,670	(299)	58,969
Supplies, materials and media	-	16,082	(16,082)
Total Expenditures	60,115	17,226	42,889
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Life Skills Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year Ended June 30, 2020

Revenues - Local sources - other	\$ 14,645
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Expenditures

Special education instruction:

Non certificated salaries	14,415
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Employee benefits	230
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Total Expenditures	14,645
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Net change in fund balance	-
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Fund Balance, beginning of year	-
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Fund Balance, end of year	\$ -
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Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nutritional Alaskan Foods for Schools Program Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - State of Alaska	\$ 238,572	\$ 37,399	\$ (201,173)
Expenditures			
Food services - supplies, materials and media	238,572	37,399	201,173
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nutrition Services Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources:			
Food service	\$ 878,422	\$ 924,359	\$ 45,937
Other	15,748	74,808	59,060
Total local sources	894,170	999,167	104,997
Federal education grants passed through the State of Alaska	4,787,343	5,529,116	741,773
Total Revenues	5,681,513	6,528,283	846,770
Expenditures			
District administration support services - other purchased services	4,613	3,214	1,399
Operations and maintenance of plant:			
Utility services	19,252	16,566	2,686
Energy	219,258	214,354	4,904
Other purchased services	4,822	4,527	295
Insurance and bond premiums	21,438	-	21,438
Supplies, materials and media	44,724	31,796	12,928
Total operations and maintenance of plant	309,494	267,243	42,251
Food services:			
Non-certificated salaries	2,632,684	2,717,468	(84,784)
Employee benefits	1,223,121	1,214,745	8,376
Staff travel	6,217	3,833	2,384
Utility services	97	34	63
Other purchased services	88,302	87,647	655
Supplies, materials and media	3,112,986	2,634,098	478,888
Other expenditures	39,678	520	39,158
Total food services	7,103,085	6,658,345	444,740
Total Expenditures	7,417,192	6,928,802	488,390
Deficiency of revenues over expenditures	(1,735,679)	(400,519)	1,335,160
Other Financing Sources - transfers in	1,715,447	400,519	(1,314,928)
Net change in fund balance	<u>\$ (20,232)</u>	-	<u>\$ 20,232</u>
Fund Balance, beginning of year		<u>749,296</u>	
Fund Balance, end of year		<u>\$ 749,296</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title I-D Delinquent Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 37,544	\$ 31,658	\$ (5,886)
Expenditures			
Instruction - professional and technical services	1,000	-	1,000
Support services - instruction:			
Non-certificated salaries	18,160	19,940	(1,780)
Employee benefits	12,510	10,512	1,998
Supplies, materials and media	3,817	-	3,817
Other expenditures	627	-	627
Total support services - instruction	35,114	30,452	4,662
District administration support services - indirect costs	1,430	1,206	224
Total Expenditures	37,544	31,658	5,886
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

McKinney Homeless Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 44,919	\$ 44,333	\$ (586)
Expenditures			
Support services - students - other purchased services	919	919	-
Support services - instruction:			
Staff travel	2,632	2,632	-
Other purchased services	1,396	793	603
Supplies, materials and media	35,825	35,825	-
Other expenditures	1,660	1,660	-
Total support services - instruction	41,513	40,910	603
Community services:			
Supplies, materials and media	415	415	-
Other expenditures	400	400	-
Total community services	815	815	-
District administration support services - indirect costs	1,672	1,689	(17)
Total Expenditures	44,919	44,333	586
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

AASL Convention Grant Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - From Federal through the State of Alaska	\$ 1,250	\$ 1,250	\$ -
Expenditures			
Support services - instruction - staff travel	1,250	1,250	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Alternative Schools Grant Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - State of Alaska	\$ 69,000	\$ 60,671	\$ (8,329)
Expenditures			
Support services - instruction:			
Non-certificated salaries	5,168	4,892	276
Employee benefits	5,485	5,289	196
Professional and technical services	10,080	10,030	50
Staff travel	1,253	812	441
Student travel	1,777	1,775	2
Other purchased services	1,349	1,349	-
Supplies, materials and media	39,943	32,897	7,046
Other expenditures	800	800	-
Total support services - instruction	65,855	57,844	8,011
District administration support services - indirect costs	2,628	2,311	317
Student activities:			
Certificated salaries	500	500	-
Employee benefits	17	16	1
Total student activities	517	516	1
Total Expenditures	69,000	60,671	8,329
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title II-A, Teacher and Principal Training and Recruitment Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 1,098,735	\$ 822,744	\$ (275,991)
Expenditures			
Instruction - staff travel	265	265	-
Support services - instruction:			
Certificated salaries	367,846	331,240	36,606
Non-certificated salaries	63,394	63,394	-
Employee benefits	124,225	112,569	11,656
Professional and technical services	249,463	142,147	107,316
Staff travel	69,082	61,941	7,141
Supplies, materials and media	157,904	64,936	92,968
Other expenditures	23,641	14,912	8,729
Total support services - instruction	1,055,555	791,139	264,416
District administration support services - indirect costs	42,915	31,340	11,575
Total Expenditures	1,098,735	822,744	275,991
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Carl Perkins Vocational Education Basic Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 525,759	\$ 487,645	\$ (38,114)
Expenditures			
Instruction:			
Certificated salaries	155,119	155,773	(654)
Non-certificated salaries	2,548	2,548	-
Employee benefits	62,594	59,998	2,596
Staff travel	13,291	11,179	2,112
Student travel	2,996	683	2,313
Other purchased services	17,500	17,150	350
Supplies, materials and media	216,103	187,359	28,744
Other expenditures	1,700	499	1,201
Equipment	35,223	35,223	-
Total instruction	507,074	470,412	36,662
District administration support services - indirect costs	18,685	17,233	1,452
Total Expenditures	525,759	487,645	38,114
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title III-A English Language Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 46,902	\$ 28,180	\$ (18,722)
Expenditures			
Instruction:			
Certificated salaries	5,416	3,556	1,860
Non-certificated salaries	300	150	150
Employee benefits	1,162	263	899
Supplies, materials and media	32,646	22,186	10,460
Total instruction	39,524	26,155	13,369
Support services - instruction:			
Staff travel	1,330	-	1,330
Supplies, materials and media	3,591	352	3,239
Other expenditures	600	600	-
Total support services - instruction	5,521	952	4,569
District administration support services - indirect costs	1,857	1,073	784
Total Expenditures	46,902	28,180	18,722
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

IASA Consolidated Administration Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 1,220,461	\$ 1,184,457	\$ (36,004)
Expenditures			
Instruction:			
Certificated salaries	30,586	35,430	(4,844)
Employee benefits	9,941	10,026	(85)
Total Instruction	40,527	45,456	(4,929)
Support services - instruction:			
Certificated salaries	499,828	499,829	(1)
Non-certificated salaries	66,300	66,300	-
Employee benefits	217,678	217,678	-
Staff travel	6,682	6,682	-
Supplies, materials and media	9,044	9,315	(271)
Total support services - instruction	799,532	799,804	(272)
District administrative support services:			
Non-certificated salaries	242,671	191,946	50,725
Employee benefits	104,942	102,133	2,809
Indirect costs	32,789	45,118	(12,329)
Total district administration support services	380,402	339,197	41,205
Total Expenditures	1,220,461	1,184,457	36,004
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title I-A Basic Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 4,895,794	\$ 4,252,662	\$ (643,132)
Expenditures			
Instruction:			
Certificated salaries	1,052,289	1,052,286	3
Non-certificated salaries	450,268	450,415	(147)
Employee benefits	619,571	620,033	(462)
Other professional services	52,801	52,801	-
Staff travel	12,114	12,113	1
Student travel	15,822	15,822	-
Utility services	4,636	4,921	(285)
Other purchased services	7,781	7,782	(1)
Supplies, materials and media	1,358,630	686,724	671,906
Other expenditures	1,173	1,173	-
Total instruction	3,575,085	2,904,070	671,015
Support services - students:			
Certificated salaries	190,156	190,158	(2)
Non-certificated salaries	9,443	9,443	-
Employee benefits	62,903	62,902	1
Professional and technical services	926	926	-
Total support services - students	263,428	263,429	(1)
Support services - instruction:			
Certificated salaries	9,185	9,185	-
Non-certificated salaries	468,674	468,841	(167)
Employee benefits	227,541	227,556	(15)
Professional and technical services	24,999	24,999	-
Staff travel	5	5	-
Supplies, materials and media	29,152	13,234	15,918
Total support services - instruction	759,556	743,820	15,736
School administration:			
Certificated salaries	109,579	109,578	1
Employee benefits	38,711	38,711	-
Staff travel	720	720	-
Total school administration	149,010	149,009	1

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title I-A Basic Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual, continued

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Expenditures, continued			
School administration Support:			
Non-certificated salaries	\$ 1,592	\$ 1,592	\$ -
Employee benefits	503	502	1
Total school administration	2,095	2,094	1
District administrative support services - indirect costs	118,375	161,991	(43,616)
Student activities:			
Other professional services	23,117	23,117	-
Staff travel	1,502	1,503	(1)
Student travel	3,626	3,629	(3)
Total student activities	28,245	28,249	(4)
Total Expenditures	4,895,794	4,252,662	643,132
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 4,410,397	\$ 3,942,000	\$ (468,397)
Expenditures			
Special education instruction:			
Certificated salaries	346,385	282,394	63,991
Non-certificated salaries	990,692	910,565	80,127
Employee benefits	1,093,556	844,872	248,684
Total special education instruction	2,430,633	2,037,831	392,802
Special education support services - students:			
Certificated salaries	228,232	258,211	(29,979)
Non-certificated salaries	619,604	630,443	(10,839)
Employee benefits	496,731	435,611	61,120
Professional and technical services	23,000	17,560	5,440
Staff travel	15,000	8,571	6,429
Other purchased services	23,000	14,999	8,001
Supplies, materials and media	66,612	48,354	18,258
Total special education support services - students	1,472,179	1,413,749	58,430
Support services - students:			
Certificated salaries	39,313	39,413	(100)
Non-certificated salaries	74,732	74,732	-
Employee benefits	60,516	60,256	260
Total support services - students	174,561	174,401	160
School administration:			
Certificated salaries	125,210	125,209	1
Employee benefits	39,815	40,653	(838)
Total school administration	165,025	165,862	(837)
District administration support services - indirect costs	167,999	150,157	17,842
Total Expenditures	4,410,397	3,942,000	468,397
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Learning Center Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 495,000	\$ 342,785	\$ (152,215)
Expenditures			
Instruction:			
Certificated salaries	87,879	67,273	20,606
Non-certificated salaries	40,624	40,403	221
Employee benefits	37,736	28,068	9,668
Professional and technical services	77,380	61,963	15,417
Staff travel	17,390	8,063	9,327
Student travel	73,525	43,920	29,605
Supplies, materials and media	25,557	10,241	15,316
Indirect costs	43,285	-	43,285
Total instruction	403,376	259,931	143,445
Support services - students:			
Certificated salaries	1,002	-	1,002
Employee benefits	158	-	158
Total support services - students	1,160	-	1,160
School administration:			
Certificated salaries	51,903	51,273	630
Staff travel	640	-	640
Employee benefits	19,066	18,524	542
Total school administration	71,609	69,797	1,812
District administration support services - indirect costs	18,855	13,057	5,798
Total Expenditures	495,000	342,785	152,215
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Title I-C Migrant Education Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 3,203,142	\$ 2,385,677	\$ (817,465)
Expenditures			
Instruction:			
Certificated salaries	746,320	788,996	(42,676)
Non-certificated salaries	288,617	340,693	(52,076)
Employee benefits	523,411	539,171	(15,760)
Professional and technical services	216,000	167,670	48,330
Staff travel	1,500	124	1,376
Student travel	4,080	222	3,858
Utility services	(1,250)	-	(1,250)
Other purchased services	36,694	11,623	25,071
Supplies, materials and media	1,221,032	94,449	1,126,583
Other expenditures	1,500	75	1,425
Total instruction	3,037,904	1,943,023	1,094,881
Support services - students:			
Certificated salaries	62,341	64,951	(2,610)
Non-certificated salaries	280	280	-
Employee benefits	14,381	19,171	(4,790)
Total support services - students	77,002	84,402	(7,400)
Support services - instruction:			
Non-certificated salaries	-	148,944	(148,944)
Employee benefits	-	115,497	(115,497)
Supplies, materials and media	-	1,553	(1,553)
Total support services - instruction	-	265,994	(265,994)
District administration support services - indirect costs	84,436	90,874	(6,438)
Operations and maintenance of plant - utility services	3,800	1,384	2,416
Total Expenditures	3,203,142	2,385,677	817,465
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Migrant Education Book Program Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 24,800	\$ 23,559	\$ (1,241)
Expenditures			
Instruction - supplies, materials and media	12,332	12,332	-
Support services instruction - supplies, materials and media	12,091	11,227	864
District administration support services - indirect costs	377	-	377
Total Expenditures	24,800	23,559	1,241
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

CEIS IDEA Part B Title VI-B Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 705,768	\$ 542,046	\$ (163,722)
Expenditures			
Special education instruction:			
Certificated salaries	3,116	3,116	-
Non-certificated salaries	68,204	62,590	5,614
Employee benefits	19,456	19,363	93
Total special education instruction	90,776	85,069	5,707
Support services - instruction:			
Certificated salaries	384,428	310,448	73,980
Non-certificated salaries	317	-	317
Employee benefits	203,363	125,882	77,481
Total support services - instruction	588,108	436,330	151,778
District administration support services - indirect costs	26,884	20,647	6,237
Total Expenditures	705,768	542,046	163,722
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		-	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

IDEA Part B Preschool Disabled Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 201,601	\$ 145,998	\$ (55,603)
Expenditures			
Special education instruction:			
Certificated salaries	59,771	58,561	1,210
Non-certificated salaries	36,750	32,796	3,954
Employee benefits	32,424	27,139	5,285
Total special education instruction	128,945	118,496	10,449
Special education support services - students:			
Certificated salaries	12,472	3,143	9,329
Employee benefits	210	97	113
Professional and technical services	30,000	16,240	13,760
Staff travel	7,600	-	7,600
Other purchased services	700	625	75
Supplies, materials and media	13,994	1,836	12,158
Other expenditures	1	-	1
Total special education support services - students	64,977	21,941	43,036
District administration support services - indirect costs	7,679	5,561	2,118
Total Expenditures	201,601	145,998	55,603
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Health and Academic Achievement Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 34,402	\$ 33,661	\$ (741)
Expenditures			
Support services - instruction:			
Certificated salaries	885	150	735
Non-certificated salaries	1,092	1,091	1
Employee benefits	103	103	-
Professional and technical services	12,900	12,900	-
Staff travel	195	195	-
Supplies, materials and media	19,227	19,222	5
Total support services - instruction	34,402	33,661	741
Total Expenditures	34,402	33,661	741
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Early Learning Preschool Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - State of Alaska	\$ 149,982	\$ 143,936	\$ (6,046)
Expenditures			
Instruction:			
Certificated salaries	14,262	14,125	137
Non-certificated salaries	21,670	8	21,662
Employee benefits	26,937	5,451	21,486
Total instruction	62,869	19,584	43,285
Support services - instruction:			
Non-certificated salaries	-	22,616	(22,616)
Employee benefits	-	25,830	(25,830)
Professional and technical services	-	5,938	(5,938)
Staff travel	-	1,409	(1,409)
Supplies, materials, and media	87,113	63,076	24,037
Total support services - instruction	87,113	118,869	(31,756)
District administration support services - indirect costs	-	5,483	(5,483)
Total Expenditures	149,982	143,936	6,046
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Project Aware Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 75,626	\$ 39,011	\$ (36,615)
Expenditures			
Support services - students:			
Certificated salaries	51,016	27,965	23,051
Employee benefits	23,358	9,560	13,798
Total support services - students	74,374	37,525	36,849
District administration support services - indirect costs	1,252	1,486	(234)
Total Expenditures	75,626	39,011	36,615
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title IV-A Student Support & Academic Achievement Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 628,235	\$ 379,724	\$ (248,511)
Expenditures			
Instruction - non-certificated salaries	711	-	711
Support services - students:			
Certificated salaries	36,145	11,975	24,170
Non-certificated salaries	73,867	38,562	35,305
Employee benefits	35,910	17,045	18,865
Professional and technical services	435,732	286,436	149,296
Total support services - students	581,654	354,018	227,636
Support services - instruction:			
Certificated salaries	1,550	1,550	-
Employee benefits	-	27	(27)
Staff travel	370	-	370
Student travel	2,360	-	2,360
Supplies, materials and media	17,660	9,665	7,995
Total support services - instruction	21,940	11,242	10,698
District administrative support services - indirect costs	23,930	14,464	9,466
Total Expenditures	628,235	379,724	248,511
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title I-D Neglected Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 91,682	\$ 35,824	\$ (55,858)
Expenditures			
Support services - students:			
Certificated salaries	20,619	21,387	(768)
Employee benefits	14,665	11,417	3,248
Staff travel	3,000	75	2,925
Supplies, materials, and media	7,000	1,580	5,420
Indirect costs	42,906	-	42,906
Total support services students	88,190	34,459	53,731
District administration support services - indirect costs	3,492	1,365	2,127
Total Expenditures	91,682	35,824	55,858
Net change in fund balance	\$ -	-	\$ -
Fund Balance , beginning of year		-	
Fund Balance , end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Comp St Literacy Development Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 406,785	\$ 202,711	\$ (204,074)
Expenditures			
Instruction:			
Certificated salaries	15,300	15,300	-
Non-certificated salaries	83,948	-	83,948
Employee benefits	61,350	298	61,052
Professional and technical services	48,000	25,220	22,780
Staff travel	15,102	-	15,102
Supplies, materials, and media	61,397	46,164	15,233
Other expenditures	5,000	-	5,000
Total instruction	290,097	86,982	203,115
Support services - instruction:			
Staff travel	3,998	798	3,200
Supplies, materials, and media	97,195	107,209	(10,014)
Total support services - instruction	101,193	108,007	(6,814)
District administration support services - indirect costs	15,495	7,722	7,773
Total Expenditures	406,785	202,711	204,074
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Title I-A School Improvement Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 362,063	\$ 94,576	\$ (267,487)
Expenditures			
Instruction:			
Certificated salaries	44,584	15,355	29,229
Non-certificated salaries	107,640	18,037	89,603
Employee benefits	64,199	14,354	49,845
Staff travel	8,861	-	8,861
Supplies, materials, and media	31,208	7,056	24,152
Total instruction	256,492	54,802	201,690
Special Education Instruction - supplies, materials, and media	9,552	-	9,552
Support services - instruction:			
Certificated salaries	21,702	3,535	18,167
Non-certificated salaries	2,489	2,164	325
Employee benefits	2,970	1,661	1,309
Professional and technical services	40,727	18,600	22,127
Staff travel	1,832	1,832	-
Supplies, materials, and media	15,087	7,068	8,019
Indirect costs	822	-	822
Total support services - instruction	85,629	34,860	50,769
District administration support services - indirect costs	10,390	4,914	5,476
Total Expenditures	362,063	94,576	267,487
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
From federal - through the State of Alaska	\$ 187,500	\$ 30,812	\$ (156,688)
State of Alaska	62,500	10,271	(52,229)
Total Revenues	250,000	41,083	(208,917)
Expenditures			
Support services - students:			
Certificated salaries	125,000	-	125,000
Employee benefits	125,000	-	125,000
Total support services - students	250,000	-	250,000
Support Services - students - supplies, materials, and media	-	31,368	(31,368)
School admin support services - supplies, materials, and media	-	6,711	(6,711)
District admin support service - supplies, materials, and media	-	988	(988)
Operations and maintenance of plant - supplies, materials, and media	-	2,016	(2,016)
Total Expenditures	250,000	41,083	208,917
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

COVID-19 Contact Tracing Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 132,000	\$ 10,195	\$ (121,805)
Expenditures			
Support services - students:			
Certificated salaries	123,000	9,636	113,364
Employee benefits	3,972	171	3,801
Total support services - students	126,972	9,807	117,165
District administration support services - indirect costs	5,028	388	4,640
Total Expenditures	132,000	10,195	121,805
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

CARES Act Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - From federal - through the State of Alaska	\$ 196,925	\$ 195,578	\$ (1,347)
Expenditures			
Instruction:			
Professional and technical services	1,240	-	1,240
Staff travel	469	469	-
Utility services	1,887	1,887	-
Other purchased services	-	(75)	75
Supplies, materials, and media	45,786	45,787	(1)
Total instruction	49,382	48,068	1,314
Special education support services instruction - supplies, materials, and media	528	527	1
Special education support services - students:			
Staff travel	293	293	-
Supplies, materials, and media	15,105	15,105	-
Total special education support services - students	15,398	15,398	-
Support services - students:			
Staff travel	21,123	21,123	-
Utility services	8,087	8,088	(1)
Other purchased services	75	80	(5)
Supplies, materials, and media	6,688	6,687	1
Total support services - students	35,973	35,978	(5)
Support services - instruction:			
Utility services	23	23	-
Supplies, materials, and media	9,156	9,156	-
Total support services - instruction	9,179	9,179	-
School administration support services:			
Staff travel	1,870	1,869	1
Utility services	1,821	1,820	1
Supplies, materials, and media	1,926	1,925	1
Total school administration support services	5,617	5,614	3
District administrative support services:			
Other purchased services	620	660	(40)
Supplies, materials, and media	72,562	72,539	23
Indirect costs	7,501	7,450	51
Total district administration support services	80,683	80,649	34
Operations and maintenance of plant - other purchased services	165	165	-
Total Expenditures	196,925	195,578	1,347
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

WHS AF JROTC Grant Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - federal direct	\$ 9,186	\$ 8,328	\$ (858)
Expenditures			
Support services - instruction:			
Student travel	2,912	-	2,912
Other purchased services	767	659	108
Supplies, materials, and media	5,507	7,669	(2,162)
Total support services - instruction	9,186	8,328	858
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Indian Education Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - direct federal education grants	\$ 627,543	\$ 527,147	\$ (100,396)
Expenditures			
Instruction:			
Certificated salaries	306,566	270,271	36,295
Non-certificated salaries	55,298	46,571	8,727
Employee benefits	166,767	145,843	20,924
Professional and technical services	36,000	17,760	18,240
Staff travel	750	234	516
Student travel	1,000	-	1,000
Utility service	250	-	250
Other purchased services	750	178	572
Supplies, materials and media	35,011	19,359	15,652
Other expenditures	300	-	300
Total instruction	602,692	500,216	102,476
Support services - instruction:			
Non-certificated salaries	-	6,279	(6,279)
Employee benefits	-	572	(572)
Total support services - instruction	-	6,851	(6,851)
District administration support services - indirect costs	24,851	20,080	4,771
Total Expenditures	627,543	527,147	100,396
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Contributions from Local Sources Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources - other	\$ 53,922	\$ 35,051	\$ (18,871)
Federal - direct	45,465	-	(45,465)
Total Revenues	99,387	35,051	(64,336)
Expenditures			
Instruction:			
Non-certificated salaries	7,108	7,108	-
Employee benefits	635	635	-
Supplies, materials and media	15,006	16,213	(1,207)
Total instruction	22,749	23,956	(1,207)
Support services - instruction:			
Non-certificated salaries	-	960	(960)
Employee benefits	-	89	(89)
Supplies, materials and media	31,173	6,791	24,382
Total support services - instruction	31,173	7,840	23,333
Student activities:			
Certificated salaries	-	2,796	(2,796)
Employee benefits	-	459	(459)
Total student activities	-	3,255	(3,255)
Total Expenditures	53,922	35,051	18,871
Net change in fund balance	<u>\$ 45,465</u>	-	<u>\$ (45,465)</u>
Fund Balance, beginning of year		-	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Trapper Creek Community Enrichment Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources - other	\$ 9,324	\$ 2,621	\$ (6,703)
Expenditures			
Community services:			
Certificated salaries	75	75	-
Non-certificated salaries	1,956	1,431	525
Employee benefits	469	392	77
Supplies, materials and media	6,824	723	6,101
Total community services	9,324	2,621	6,703
Total Expenditures	9,324	2,621	6,703
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Talkeetna Community Enrichment Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources - other	\$ 20,139	\$ 9,999	\$ (10,140)
Expenditures			
Community services:			
Non-certificated salaries	8,738	8,738	-
Employee benefits	825	801	24
Supplies, materials and media	10,116	48	10,068
Other expenditures	460	412	48
Total community services	20,139	9,999	10,140
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Knik Tribal Council - Local Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - federal sources passed through intermediate agencies	\$ 44,474	\$ 42,406	\$ (2,068)
Expenditures			
Instruction:			
Certificated salaries	28,922	25,918	3,004
Non-certificated salaries	4,959	4,960	(1)
Employee benefits	5,864	5,383	481
Supplies, materials and media	4,066	1,999	2,067
Total instruction	43,811	38,260	5,551
Support services - students:			
Certificated salaries	-	3,003	(3,003)
Employee benefits	-	480	(480)
Total support services - students	-	3,483	(3,483)
District administration support services - indirect costs	663	663	-
Total Expenditures	44,474	42,406	2,068
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance , beginning of year		<u>-</u>	
Fund Balance , end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

WL Community Enrichment Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources - other	\$ 2,225	\$ 769	\$ (1,456)
Expenditures			
Community services:			
Certificated salaries	1,200	430	770
Employee benefits	10	7	3
Supplies, materials and media	1,015	332	683
Total community services	2,225	769	1,456
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Mat-Su Health Foundation Special Revenue Fund

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

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - local sources - other	\$ 303,728	\$ 133,250	\$ (170,478)
Expenditures			
Instruction:			
Certificated salaries	1,257	-	1,257
Employee benefits	197	-	197
Staff travel	5,241	-	5,241
Supplies, materials, and media	32,245	17,038	15,207
Total instruction	38,940	17,038	21,902
Special education instruction - supplies, materials and media	2,420	2,420	-
Support services students - professional and technical services	18,794	6,277	12,517
Support services - instruction:			
Certificated salaries	27,868	13,875	13,993
Non-certificated salaries	32,070	9,563	22,507
Employee benefits	2,142	1,592	550
Professional and technical services	63,560	32,826	30,734
Staff travel	5,647	147	5,500
Other purchased services	1,533	1,533	-
Supplies, materials and media	109,917	47,141	62,776
Other expenditures	102	102	-
Total support services - instruction	242,839	106,779	136,060
Operations and maintenance of plant - other purchased services	735	736	(1)
Total Expenditures	303,728	133,250	170,478
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Cultural Program Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - local sources - other	\$ 5,480	\$ 5,480	\$ -
Expenditures			
Instruction - supplies, materials, and media	5,032	-	5,032
Student activities:			
Non-certificated salaries	410	410	-
Employee benefits	38	38	-
Total Student Activities	448	448	-
Total Expenditures	5,480	448	5,032
Net change in fund balance	<u>\$ -</u>	5,032	<u>\$ 5,032</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ 5,032</u>	

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

SV Fire Damage Reclamation Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year Ended June 30, 2020

Expenditures

Operations and maintenance of plant - other purchased services	\$ 1,450
Net change in fund balance	(1,450)
Fund Balance, beginning of year	1,450
Fund Balance, end of year	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Vending Machines Fund Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year Ended June 30, 2020

Revenues - local sources	\$ 126
Net change in fund balance	126
Fund Balance, beginning of year	-
Fund Balance, end of year	\$ 126

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

RJ Jones Memorial Fund Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year Ended June 30, 2020

Revenues:

Local - earnings on investments	\$	1
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Net change in fund balance		1
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Fund Balance, beginning of year		4,289
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Fund Balance, end of year	\$	4,290
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Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

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

<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Variance with Final Budget
Revenues - local sources - other	\$ 574,720	\$ 463,432	\$ (111,288)
Expenditures			
Instruction:			
Certificated salaries	-	14,385	(14,385)
Employee benefits	-	2,298	(2,298)
Other purchased services	1,445	-	1,445
Supplies, materials and media	235,927	8,617	227,310
Total instruction	237,372	25,300	212,072
Support services - instruction - supplies, materials, and media	106	-	106
District administrative support services:			
Non-certificated salaries	469	16,995	(16,526)
Employee benefits	145	7,405	(7,260)
Total district administration support services	614	24,400	(23,786)
Operations and maintenance of plant:			
Certificated salaries	-	2,781	(2,781)
Non-certificated salaries	7,624	9,474	(1,850)
Employee benefits	730	1,844	(1,114)
Other professional services	3,400	32,800	(29,400)
Staff travel	5	-	5
Other purchased services	208,920	30,386	178,534
Supplies, materials and media	38,075	797	37,278
Other expenditures	293	-	293
Total operations and maintenance of plant	259,047	78,082	180,965
Student transportation - school activities - other expenses	10,495	-	10,495
Capital improvement projects:			
Professional and technical services	332	-	332
Energy	1,947	2,250	(303)
Other purchased services	64,588	299,149	(234,561)
Supplies, materials and media	219	34,251	(34,032)
Total capital improvement projects	67,086	335,650	(268,564)
Total Expenditures	574,720	463,432	111,288
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Capital Projects Fund

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Bond Reimbursement Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with
<i>Year Ended June 30, 2020</i>	Final Budget	Actual	Final Budget
Revenues - local sources - borough capital projects	\$ 4,885	\$ 2,822	\$ (2,063)
Expenditures			
Construction and facilities acquisition -			
other purchased services	4,885	2,822	2,063
Total Expenditures	4,885	2,822	2,063
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Debt Service Fund

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Debt Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year Ended June 30, 2020

Expenditures

Debt service:

Principal	\$	156,036
Interest		237,264

Total debt service		393,300
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Total Expenditures		393,300
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Other Financing Sources - transfers in		498,727
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Net change in fund balance		105,427
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Fund Balance, beginning of year		681,174
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Fund Balance, end of year	\$	786,601
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Proprietary Funds

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Enterprise Funds
Combining Statement of Net Position

<i>June 30, 2020</i>	Mat-Su Construction Trade	Families In Transition	Totals
Assets			
Cash	\$ 206,756	\$ -	\$ 206,756
Prepaid items	2,000	-	2,000
Inventory	8,630	-	8,630
Total Assets	\$ 217,386	\$ -	\$ 217,386
Net Position	-	-	-
Net Position - unrestricted	217,386	-	217,386

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Enterprise Funds
Combining Statement of Revenues,
Expenses and Changes in Net Position

<i>Year Ended June 30, 2020</i>	Mat-Su Construction Trade	Adult Welding Classes	Families In Transition	Alaska Works Partnership	Totals
Operating Revenues					
Sales	\$ -	\$ -	\$ 426	\$ -	\$ 426
Operating Expenses					
Instruction - supplies, materials, and media	30	-	426	-	456
Operating Loss	(30)	-	-	-	(30)
Other financing uses - transfers out	-	(54,984)	-	(28,139)	(83,123)
Net Position, beginning of year	217,416	54,984	-	28,139	300,539
Net Position, end of year	\$ 217,386	\$ -	\$ -	\$ -	\$ 217,386

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Nonmajor Enterprise Funds
Combining Statement of Cash Flows

<i>Year Ended June 30, 2020</i>	Mat-Su Construction Trade	Adult Welding Classes	Families In Transition	Alaska Works Partnership	Totals
Cash Flows for Operating Activities					
Payments to suppliers	\$ (354)	\$ -	\$ (426)	\$ -	\$ (780)
Net cash flows for operating activities	(354)	-	(426)	-	\$ (780)
Cash Flows for Noncapital Financing Activities					
Transfers out	-	(54,984)	-	(28,139)	\$ (83,123)
Net decrease in cash	(354)	(54,984)	(426)	(28,139)	\$ (83,903)
Cash, beginning of year	\$ 207,110	\$ 54,984	\$ 426	\$ 28,139	\$ 290,659
Cash, end of year	\$ 206,756	\$ -	\$ -	\$ -	\$ 206,756
Reconciliation of Operating Loss					
Cash Flows for Operating Activities					
Operating loss	\$ (30)	\$ -	\$ -	\$ -	\$ (30)
Decrease in unearned revenue	-	-	(426)	-	(426)
Increase in inventory	(324)	-	-	-	(324)
Net Cash Flows for Operating Activities	\$ (354)	\$ -	\$ (426)	\$ -	\$ (780)

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Workers' Compensation Self-Insurance Internal Service Fund
Statements of Net Position

<i>June 30,</i>	2020	2019
Assets		
Cash	\$ 1,775,664	\$ 4,980,556
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 7,341	\$ 10,300
Due to other funds	905,781	3,602,101
Claims payable	862,542	1,368,155
Total Current Liabilities	1,775,664	4,980,556
Net Position	-	-
Total Liabilities and Net Position	\$ 1,775,664	\$ 4,980,556

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Workers' Compensation Self-Insurance Internal Service Fund
Statements of Revenues, Expenses and
Changes in Net Position

<i>Years Ended June 30,</i>	2020	2019
Operating Revenues - interfund charges	\$ 1,928,139	\$ 2,072,765
Operating Expenses		
District administration support services:		
Claims expense	1,741,131	1,740,876
General and administrative	194,870	339,313
Total Operating Expenses	1,936,001	2,080,189
Operating loss	(7,862)	(7,424)
Nonoperating Revenue - interest income	7,862	7,424
Change in net position	-	-
Net Position, beginning of year	-	-
Net Position, end of year	\$ -	\$ -

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)
Workers' Compensation Self-Insurance Internal Service Fund
Statements of Cash Flows

<i>Years Ended June 30,</i>	2020	2019
Cash Flows from (for) Operating Activities		
Receipts (disbursements) from interfund charges	\$ (768,181)	\$ 2,194,869
Payments to suppliers	(2,444,573)	(1,897,818)
Net cash flows from (for) operating activities	(3,212,754)	297,051
Cash Flows from Investing Activities		
Interest received	7,862	7,424
Net increase (decrease) in cash	(3,204,892)	304,475
Cash, beginning of year	4,980,556	4,676,081
Cash, end of year	\$ 1,775,664	\$ 4,980,556
Reconciliation of Operating Loss to Net Cash Flows for Operating Activities		
Operating loss	\$ (7,862)	\$ (7,424)
Adjustments to reconcile operating loss to net cash flows from operating activities:		
Increase (decrease) in due to other funds	(2,696,320)	122,104
Decrease in accounts payable	(2,959)	(3,465)
Increase (decrease) in claims payable	(505,613)	185,836
Net Cash Flows from (for) Operating Activities	\$ (3,212,754)	\$ 297,051

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Fiduciary Fund

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Activities Agency Fund
Balance Sheets

<i>June 30,</i>	2020	2019
Assets		
Cash	\$ 2,940,835	\$ 2,725,743
Liabilities		
Due to student activities and community schools	\$ 2,940,835	\$ 2,725,743

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Activities Agency Fund
Statement of Receipts, Disbursements and Changes
in Cash Balance and Due to Student Organizations

<i>Year Ended June 30, 2020</i>	Balance at July 1, 2019	Receipts	Disburse- ments	Balance at June 30, 2020
American Charter Academy	\$ 27,588	\$ 20,915	\$ 7,999	\$ 40,504
Beryozava	707	156	108	755
Big Lake Elementary	56,651	26,303	29,976	52,978
Birchtree Charter	69,963	103,593	113,221	60,335
Burchell High School	49,634	13,984	19,306	44,312
Butte Elementary	29,275	35,147	20,604	43,818
Colony High School	370,380	458,562	443,428	385,514
Colony Middle School	82,184	132,416	119,031	95,569
Cottonwood Creek Elementary	42,203	38,583	41,528	39,258
Dena'ina Elementary	12,650	24,011	19,548	17,113
Finger Lake Elementary	44,463	22,407	17,383	49,487
Glacier View School	9,012	4,737	382	13,367
Goose Bay Elementary	33,668	37,284	38,525	32,427
Houston High School	125,421	346,751	335,426	136,746
Houston Middle School	48,004	71,806	79,576	40,234
Iditarod Elementary	22,092	17,248	15,360	23,980
Knik Elementary	14,991	19,791	18,795	15,987
Larson Elementary	37,088	56,789	41,918	51,959
Machentanz Elementary	106,646	185,264	170,089	121,821
Meadow Lakes Elementary	19,203	8,420	11,143	16,480
Palmer High School	245,325	401,012	388,355	257,982
Palmer Jr Middle School	62,790	110,557	103,889	69,458
Pioneer Peak Elementary	18,107	19,892	24,551	13,448
Shaw Elementary	37,166	72,762	54,313	55,615
Sherrod Elementary	61,740	51,018	35,745	77,013
Snowshoe Elementary	27,740	35,108	33,671	29,177
Su Valley Jr/Sr High School	89,445	82,820	81,435	90,830
Sutton Elementary	4,876	9,596	8,127	6,345
Swanson Elementary	26,110	35,465	29,728	31,847
Talkeetna Elementary	26,526	13,254	7,391	32,389
Tanaina Elementary	32,571	17,437	13,943	36,065
Teeland Middle School	93,860	88,661	86,420	96,101
Trapper Creek Elementary	3,791	4,051	1,516	6,326
Twindly-Bridge Charter	30,718	57,430	48,555	39,593
Wasilla High School	219,177	309,699	296,143	232,733
Wasilla Middle School	68,744	170,508	163,504	75,748
Willow Elementary	22,450	9,098	9,263	22,285

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Student Activities Agency Fund
Statement of Receipts, Disbursements and Changes
in Cash Balance and Due to Student Organizations, continued

<i>Year Ended June 30, 2020</i>	Balance at July 1, 2019	Receipts	Disburse- ments	Balance at June 30, 2020
Fronteras Charter	\$ 62,032	\$ 64,386	\$ 52,397	\$ 74,021
Mat-Su Career and Tech High	148,916	122,988	118,440	153,464
Mat-Su Central School	8,296	74,347	72,831	9,812
Mat-Su Day School	20,558	15,689	13,076	23,171
Redington Jr/Sr High School	184,745	201,335	189,613	196,467
Valley Pathways School	28,237	7,661	7,597	28,301
Total Due to Student Activities	\$ 2,725,743	\$ 3,598,941	\$ 3,383,849	\$ 2,940,835

Schedule of Compliance AS 14.17.505

Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Schedule of Compliance - AS 14.17.505
Year Ended June 30, 2020

Total fund balance - School Operating Fund	\$ 28,522,037
less exemptions per 4 AAC 09.160(a):	
Inventory	1,381,835
Prepaid items	950,613
Reserve for correspondence program	2,064,434
Self-insurance	500,000
	<u>500,000</u>
Fund balance subject to 10% limitation	<u>\$ 23,625,155</u>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	\$ 23,625,155	=	<u>9.702%</u>
Current year expenditures	\$ 243,512,834		

Note 1. Waiver of 10% Fund Limitation

On March 11, 2020, a Public Health Disaster Emergency was declared under AS 26.23.020. The State of Alaska issued notice to suspend AS 14.17.505 and 4 AAC 09.160. Requirement that school districts retain only 10% of their operating funds for the following year will be suspended until July 1, 2020. The School District has elected to present this schedule.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

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MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 1

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting, unaudited)

	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Governmental activities:					
Net investment in capital assets	\$ 2,364,292	\$ 5,707,926	\$ 6,935,776	\$ 6,659,975	\$ 7,873,567
Restricted					
Endowment & Scholarships	5,745	5,764	5,768	5,772	-
Correspondence	-	-	-	-	909,690
Unrestricted (deficit)	6,672,023	9,628,437	11,235,950	16,453,611	(67,493,691)
Total Net Position	<u>\$ 9,042,060</u>	<u>\$ 15,342,127</u>	<u>\$ 18,177,494</u>	<u>\$ 23,119,358</u>	<u>\$ (58,710,434)</u>

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Governmental activities:					
Net investment in capital assets	\$ 11,719,917	\$ 12,468,508	\$ 12,420,350	\$ 12,332,307	\$ 12,668,332
Restricted					
Endowment & Scholarships	-	-	4,285	4,289	4,290
Correspondence	1,227,235	1,610,912	1,768,396	1,919,998	2,068,724
Unrestricted (deficit)	(101,330,211)	(147,605,306)	(160,442,006)	(143,730,043)	(110,676,134)
Total Net Position	<u>\$ (88,383,059)</u>	<u>\$ (133,525,886)</u>	<u>\$ (146,248,975)</u>	<u>\$ (129,473,449)</u>	<u>\$ (95,934,788)</u>

Note:

- Beginning with the fiscal year 2013 financial reports, the district is now using the term net position in place of net asset per GASB Statement No. 63 changes effective for periods beginning after December 15, 2011.
- Beginning with Fiscal Year 2015, the District adopted the provisions of GASB Statement No. 68 Accounting and Financial Reporting for Pensions, which among other accounting and reporting criteria, requires the District to recognize its proportional share of the Net Pension Liability (and related deferred inflow/outflows of resources), as of the beginning of the District's fiscal year. As a result of the implementation of this statement, the Unrestricted amount for the District's net position is negative as opposed to positive numbers in prior years.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year		
	2010-11	2011-12	2012-13
Expenses			
Governmental activities:			
Instruction	\$ 101,676,435	\$ 102,652,990	\$ 111,528,252
Special education instruction	34,791,877	34,635,679	37,990,290
Special education support svcs - students	12,562,755	13,424,756	14,444,346
Support services - students	9,372,873	9,134,244	10,142,769
Support services - instruction	13,789,623	11,608,145	12,929,046
School administration	8,961,567	8,644,008	9,251,490
School administration support services	8,445,556	8,690,991	9,321,729
District administration	2,081,487	2,183,125	2,510,421
District administration support services	11,127,927	11,124,510	11,152,661
Operations and maintenance of plant	20,186,592	24,642,884	23,314,018
Student activities	3,619,406	3,817,866	4,127,474
Student transportation service - to and from school	-	-	-
Student transportation service - student activities	12,528,426	14,054,946	14,984,891
Community services	170,616	71,929	28,425
Food services	5,842,775	6,102,001	6,227,749
Construction and facilities acquisition	146,825	204,284	1,086,884
Interest on long-term debt	-	-	-
Total expenses	<u>245,304,740</u>	<u>250,992,358</u>	<u>269,040,445</u>
Program Revenues			
Governmental activities:			
Charges for services:			
Food services	1,311,006	1,251,850	1,238,418
Operating grants and contributions	42,671,259	59,152,213	73,268,002
Total program revenues	<u>43,982,265</u>	<u>60,404,063</u>	<u>74,506,420</u>
Net expense - governmental activities	<u>(201,322,475)</u>	<u>(190,588,295)</u>	<u>(194,534,025)</u>
General Revenues and Other Changes in Net Position			
Governmental activities:			
Grants and contributions not restricted to specific programs:			
Borough direct appropriation	48,078,905	48,048,419	48,845,260
State grants and entitlements not restricted	157,110,238	145,190,155	144,671,947
E-rate	373,968	956,307	818,873
Medicaid	223,583	1,032,785	1,005,974
Out of District Reimbursement	1,033,518	1,277,377	1,501,007
Other	719,267	383,319	526,331
Total general revenue	<u>207,539,479</u>	<u>196,888,362</u>	<u>197,369,392</u>
Change in Net Position	<u>\$ 6,217,004</u>	<u>\$ 6,300,067</u>	<u>\$ 2,835,367</u>

Notes:

- Beginning with the fiscal year 2013 financial reports, the District is now using the term net position in place of net assets per GASB Statement 63 changes effective for periods beginning after December 15, 2011.
- Beginning with the fiscal year 2020 financial reports, the District has ceased reporting capital expenditures as a major function.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting), continued

Fiscal Year						
2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
\$ 115,177,488	\$ 133,133,390	\$ 122,469,569	\$ 129,211,154	\$ 107,165,419	\$ 99,898,869	\$ 92,755,961
39,598,495	44,347,523	48,649,106	50,200,983	40,822,523	38,967,635	37,028,459
14,890,203	18,887,579	16,189,170	20,122,446	17,627,881	16,177,323	15,414,844
10,221,597	11,371,555	12,929,378	13,950,916	9,372,277	8,858,952	8,578,659
11,920,978	15,877,378	14,381,217	14,075,318	11,487,186	13,683,946	12,747,063
9,750,103	12,258,280	11,442,708	12,271,585	10,249,983	9,756,751	8,736,248
10,237,800	10,151,374	12,952,086	13,400,426	10,107,832	9,637,263	9,038,902
2,381,199	2,652,052	2,676,091	2,666,430	1,540,370	1,375,486	1,532,869
11,473,216	10,321,568	16,529,327	14,864,925	12,205,977	12,501,533	12,932,866
23,899,444	23,926,623	29,164,991	28,816,558	24,384,005	24,523,333	26,879,109
4,261,180	4,580,399	3,911,398	4,283,203	3,545,267	3,454,577	2,960,185
-	-	-	18,046,667	17,462,016	17,516,999	16,520,902
14,625,526	15,281,946	17,055,480	809,345	400,198	228,364	300,153
33,206	27,159	19,978	23,994	22,180	72,538	6,353
6,158,475	6,521,325	6,775,158	7,103,926	6,940,007	6,869,344	6,685,857
2,561,948	1,702,221	731,402	1,945,688	1,926,253	4,113,477	-
-	-	-	-	401,222	242,811	237,264
277,190,858	311,040,372	315,877,059	331,793,564	275,660,596	267,879,201	252,355,694
1,143,678	1,108,593	1,039,643	1,115,178	1,097,620	1,212,213	999,167
74,179,332	101,938,313	62,405,666	54,554,845	52,947,144	49,365,415	53,516,040
75,323,010	103,046,906	63,445,309	55,670,023	54,044,764	50,577,628	54,515,207
(201,867,848)	(207,993,466)	(252,431,750)	(276,123,541)	(221,615,832)	(217,301,573)	(197,840,487)
51,226,720	51,291,720	52,665,941	55,841,300	55,841,300	58,374,918	60,665,932
152,514,643	160,874,324	164,091,360	170,159,334	170,625,841	172,766,647	174,422,821
977,158	1,222,684	2,437,337	1,349,403	1,280,412	1,276,298	1,344,024
166,098	1,150,746	1,066,987	1,090,092	1,356,014	618,220	18,384
1,500,450	1,669,618	1,797,802	1,854,746	445,329	447,749	(5,900,000)
424,643	430,864	699,698	685,839	516,669	593,267	827,987
206,809,712	216,639,956	222,759,125	230,980,714	230,065,565	234,077,099	231,379,148
\$ 4,941,864	\$ 8,646,490	\$ (29,672,625)	\$ (45,142,827)	\$ 8,449,733	\$ 16,775,526	\$ 33,538,661

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2010-11	2011-12	2012-13	2013-14
General Fund				
Nonspendable	\$ 962,784	\$ 2,125,081	\$ 1,344,040	\$ 1,503,064
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	500,000	500,000	500,000	500,000
Unassigned	1,400,935	1,699,886	6,582,546	10,809,725
Total general fund	<u>\$ 2,863,719</u>	<u>\$ 4,324,967</u>	<u>\$ 8,426,586</u>	<u>\$ 12,812,789</u>
All other governmental funds				
Nonspendable, reported in:				
Special revenue funds	540,394	540,361	645,710	630,557
Restricted	5,745	5,764	5,768	5,772
Committed, reported in:				
Capital projects funds	7,227,733	8,000,740	6,080,793	5,895,826
Assigned, reported in:				
Special revenue funds	1,529,129	1,321,630	835,841	1,195,490
Unassigned, reported in:				
Special revenue funds	(540,394)	-	-	-
Total all other governmental funds	<u>\$ 8,762,607</u>	<u>\$ 9,868,495</u>	<u>\$ 7,568,112</u>	<u>\$ 7,727,645</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting), continued

Fiscal Year					
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
\$ 1,623,546	\$ 1,763,837	\$ 2,587,589	\$ 2,600,665	\$ 2,304,658	\$ 2,332,448
903,914	1,221,455	1,606,630	1,768,396	1,919,998	2,064,434
-	-	-	500,000	-	-
500,000	500,000	500,000	500,000	500,000	500,000
14,278,535	11,230,141	7,088,486	11,623,996	20,615,226	23,625,155
<u>\$ 17,305,995</u>	<u>\$ 14,715,433</u>	<u>\$ 11,782,705</u>	<u>\$ 16,993,057</u>	<u>\$ 25,339,882</u>	<u>\$ 28,522,037</u>
633,195	563,139	879,944	758,689	667,038	1,781,642
5,776	5,780	4,282	4,285	4,289	4,290
6,654,120	4,857,129	3,053,923	3,735,930	3,013,030	3,736,478
1,499,642	1,859,118	1,010,450	775,924	682,624	1,326,551
-	-	(231,610)	(9,393)	82,258	(1,032,346)
<u>\$ 8,792,733</u>	<u>\$ 7,285,166</u>	<u>\$ 4,716,989</u>	<u>\$ 5,265,435</u>	<u>\$ 4,449,239</u>	<u>\$ 5,816,615</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 4

Governmental Funds Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2010-11	2011-12	2012-13	2013-14
Revenues from local sources:				
Borough direct appropriation	\$ 48,078,905	\$ 48,048,419	\$ 48,845,260	\$ 51,226,720
Food services	1,340,169	1,401,593	1,238,418	1,143,678
Earnings on investments	988	651	373	351
Other local revenue	2,050,752	1,660,026	2,113,217	7,504,075
Total revenue from local sources	<u>51,470,814</u>	<u>51,110,689</u>	<u>52,197,268</u>	<u>59,874,824</u>
Revenue from state sources:				
Foundation program	132,987,274	139,119,165	141,276,085	143,796,099
School Improvement	441,704	459,962	466,013	476,483
Energy Relief Grant	-	2,361,367	2,929,851	-
Senate Bill 18	-	-	-	2,517,299
House Bill 65	-	-	-	2,996,786
TRS on-behalf	21,480,287	25,502,869	34,140,205	36,858,926
PERS on-behalf	2,200,973	3,249,659	4,178,043	4,187,300
Other state revenue	12,133,717	14,793,929	15,835,467	16,164,379
Total revenue from state sources	<u>169,243,955</u>	<u>185,486,951</u>	<u>198,825,664</u>	<u>206,997,272</u>
Revenue from federal sources:				
Direct	968,294	1,271,425	1,457,073	1,073,904
E-Rate	373,968	956,307	818,873	977,158
Medicaid reimbursement	223,583	1,032,785	1,005,974	166,098
Through the State of Alaska and other intermediate agencies	28,981,400	17,429,596	17,566,958	16,641,195
Total revenue from federal sources	<u>30,547,245</u>	<u>20,690,113</u>	<u>20,848,878</u>	<u>18,858,355</u>
Total revenues	<u>\$ 251,262,014</u>	<u>\$ 257,287,753</u>	<u>\$ 271,871,810</u>	<u>\$ 285,730,451</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 4

Governmental Funds Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting), continued

Fiscal Year					
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
\$ 51,291,720	\$ 52,665,941	\$ 55,841,300	\$ 55,841,300	\$ 58,374,918	\$ 60,665,932
1,108,593	1,039,643	1,115,178	1,097,620	1,180,345	924,359
1,185	34	34	37	53	16
6,635,854	8,435,083	6,214,888	1,919,618	3,283,467	1,570,975
<u>59,037,352</u>	<u>62,140,701</u>	<u>63,171,400</u>	<u>58,858,575</u>	<u>62,838,783</u>	<u>63,161,282</u>
155,076,933	163,573,688	169,628,235	169,972,248	169,485,342	170,211,256
496,904	517,671	531,101	537,159	541,059	543,865
5,300,487	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
239,848,269	16,045,044	14,735,551	14,396,752	16,208,585	17,889,178
13,941,378	1,875,047	1,507,427	1,047,303	1,966,871	2,338,553
17,283,941	17,834,064	16,457,713	17,777,841	20,413,336	20,898,625
<u>431,947,912</u>	<u>199,845,515</u>	<u>202,860,027</u>	<u>203,731,303</u>	<u>208,615,193</u>	<u>211,881,477</u>
852,066	778,384	804,092	629,961	594,830	752,961
1,222,684	2,437,337	1,349,403	1,280,412	1,276,298	1,344,024
1,150,746	1,066,987	1,090,092	1,356,014	618,220	18,384
<u>16,443,827</u>	<u>17,103,205</u>	<u>17,170,462</u>	<u>19,069,002</u>	<u>21,502,486</u>	<u>20,831,288</u>
<u>19,669,323</u>	<u>21,385,913</u>	<u>20,414,049</u>	<u>22,335,389</u>	<u>23,991,834</u>	<u>22,946,657</u>
<u>\$ 510,654,586</u>	<u>\$ 283,372,129</u>	<u>\$ 286,445,476</u>	<u>\$ 284,925,267</u>	<u>\$ 295,445,810</u>	<u>\$ 297,989,416</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 5
Governmental Funds Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Instruction	\$ 100,802,148	\$ 103,499,291	\$ 111,582,158	\$ 116,008,960	\$ 240,362,437
Special education instruction	34,289,387	34,909,793	37,968,642	39,595,992	72,343,485
Special education support svc. - students	12,557,209	13,404,443	14,356,252	14,977,473	31,087,214
Support services - students	9,195,799	9,276,323	10,118,303	10,296,301	21,320,389
Support services - instruction	13,803,008	11,622,599	12,869,796	11,881,290	26,037,639
School administration	8,668,554	8,658,489	9,241,119	9,727,761	23,633,598
School administration support services	8,687,576	8,409,581	9,335,527	10,349,865	12,078,209
District administration	2,126,610	2,153,297	2,495,089	2,341,882	3,942,710
District administration support services	11,305,014	11,277,610	11,108,804	9,808,134	12,527,440
Operations and maintenance of plant	20,609,278	24,274,025	23,049,191	24,054,428	26,728,663
Student activities	3,617,914	3,817,013	4,127,607	4,289,527	7,299,072
Student transportation service - to and from school	12,491,970	14,037,739	14,971,166	14,628,406	15,287,959
Student transportation service - student activities	-	-	-	-	-
Student transportation service - other	-	-	-	-	-
Community services	112,312	71,929	28,425	28,425	25,746
Food services	5,920,471	5,923,944	6,134,367	6,134,367	6,513,662
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Construction and facilities acquisition	197,645	3,217,541	2,684,128	2,684,128	5,908,069
	<u>\$ 244,384,895</u>	<u>\$ 254,553,617</u>	<u>\$ 270,070,574</u>	<u>\$ 281,351,715</u>	<u>\$ 505,096,292</u>
Debt Service Expenditures to Non-Capital Expenditures	-	-	-	-	-

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Instruction	\$ 108,132,268	\$ 110,759,936	\$ 107,417,063	\$ 108,758,800	\$ 109,373,711
Special education instruction	39,130,728	42,212,271	41,630,066	42,447,550	42,948,462
Special education support svc. - students	16,183,342	17,240,183	17,795,980	17,547,078	17,876,281
Support services - students	9,853,439	10,599,150	9,684,574	10,320,728	10,905,975
Support services - instruction	13,534,368	12,575,788	11,471,417	14,565,633	14,323,543
School administration	9,911,971	10,212,836	10,256,013	10,866,725	10,628,388
School administration support services	10,699,171	11,344,458	10,522,280	10,355,295	10,091,986
District administration	2,322,675	2,281,051	1,543,480	1,561,093	1,752,654
District administration support services	15,122,521	12,659,529	12,363,490	13,365,885	14,322,826
Operations and maintenance of plant	26,129,500	26,131,547	24,810,971	25,277,087	24,911,300
Student activities	3,534,412	3,770,079	3,622,219	3,718,195	3,441,325
Student transportation service - to and from school	17,051,828	18,040,165	17,452,335	17,519,061	16,524,347
Student transportation service - student activities	-	809,345	-	-	-
Student transportation service - other	-	-	400,198	228,364	300,153
Community services	20,854	23,151	22,222	83,800	14,204
Food services	6,801,723	7,103,929	6,901,329	6,870,276	6,687,893
Debt Service					
Principal	-	-	133,244	150,489	156,036
Interest	-	-	401,222	242,811	237,264
Construction and facilities acquisition	9,041,458	6,182,963	2,738,366	4,036,311	3,226,660
Total expenditures	<u>\$ 287,470,258</u>	<u>\$ 291,946,381</u>	<u>\$ 279,166,469</u>	<u>\$ 287,915,181</u>	<u>\$ 287,723,008</u>
Debt Service Expenditures to Non-Capital Expenditures	-	-	0.19%	0.14%	0.14%

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 6

Other Financing Sources and Uses and Net Change in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(*accrual basis of accounting*)

	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Excess (deficiency) of revenues over expenditures	\$ 6,877,119	\$ 2,734,136	\$ 1,801,236	\$ 4,378,736	\$ 5,558,294
Other financing sources (uses):					
Issuance of capital leases					
Transfers in	7,797,196	6,956,916	1,306,620	3,391,608	3,692,367
Transfers out	(8,088,914)	(7,123,916)	(1,306,620)	(3,224,608)	(3,692,367)
Total other financing sources (uses)	(291,718)	(167,000)	-	167,000	-
Net change in fund balances	<u>\$ 6,585,401</u>	<u>\$ 2,567,136</u>	<u>\$ 1,801,236</u>	<u>\$ 4,545,736</u>	<u>\$ 5,558,294</u>

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Excess (deficiency) of revenues over expenditures	\$ (4,098,129)	\$ (5,500,905)	\$ 5,758,798	\$ 7,530,629	\$ 4,466,408
Other financing sources (uses):					
Issuance of capital leases					
Transfers in	2,646,100	3,192,212	4,392,849	4,120,729	10,978,137
Transfers out	(2,646,100)	(3,192,212)	(4,392,849)	(4,120,729)	(10,895,014)
Total other financing sources (uses)	-	-	-	-	83,123
Net change in fund balances	<u>\$ (4,098,129)</u>	<u>\$ (5,500,905)</u>	<u>\$ 5,758,798</u>	<u>\$ 7,530,629</u>	<u>\$ 4,549,531</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 7

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year of Assessed Value	Real Property	Personal Property	Tax Exempt Property	Total Taxable Assessed Value
2010	9,289,426,297	70,605,851	1,288,187,547	8,071,844,601
2011	9,538,236,712	70,594,984	1,399,139,093	8,209,692,603
2012	9,844,733,062	71,482,452	1,532,187,448	8,384,028,066
2013	10,083,251,287	50,340,319	1,600,527,289	8,533,064,317
2014	10,350,396,337	63,442,515	1,711,599,833	8,702,239,019
2015	10,700,459,143	52,590,547	1,748,972,499	9,004,077,191
2016	11,241,555,014	55,738,480	2,031,032,480	9,266,261,014
2017	11,827,850,040	57,210,951	2,149,070,847	9,735,990,144
2018	12,143,847,289	55,474,108	2,189,734,774	10,009,586,623
2019	12,607,655,917	56,166,810	2,276,424,441	10,387,398,286
Less:				
	Direct Tax Rate	Estimated Actual Taxable Value	Percentage of Actual Value	
2010	9.980	8,929,096,710	90.40%	
2011	9.956	9,103,817,690	90.18%	
2012	10.051	9,063,680,270	92.50%	
2013	9.691	9,568,003,300	89.18%	
2014	9.852	10,064,353,720	86.47%	
2015	9.662	10,268,301,740	87.69%	
2016	9.984	10,985,826,830	84.35%	
2017	9.984	11,715,012,530	83.11%	
2018	10.332	11,715,012,530	85.44%	
2019	10.331	12,038,657,130	86.28%	

Note: Property in the Matanuska-Susitna Borough is reassessed annually at the property's true and full value as of January 1 of the tax year per MSB Code 3.15.060(A). Tax rates are per \$1,000 of assessed value.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019. This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by Matanuska-Susitna Borough

Table 8

Principal Taxable Properties
Current Year and Nine Years Ago

Taxpayer	2019			2010		
	Taxable Assessed Valuation	Rank	Percentage of Borough's Taxable Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Borough's Taxable Assessed Valuation
Mat-Su Valley Medical Center	\$ 103,141,900	1	1.03%	\$ 109,016,392	1	1.33%
Enstar Natural Gas	62,990,900	2	0.63	42,678,400	2	0.52
Fred Meyer Stores, Inc.	48,424,400	3	0.48	40,268,360	3	0.49
Alaska Hotel Properties, Inc.	41,266,600	4	0.41	38,483,000	4	0.47
Wal-Mart Stores, Inc.	19,575,700	5	0.20	30,267,140	6	0.37
Cook Inlet Region, Inc.	26,201,700	6	0.26	21,042,100	10	0.26
GCI Cable/Alaska Wireless	26,178,800	7	0.26	24,806,000	8	0.30
Global Finance & Investments S. A./Gary Lundgren	24,862,500	8	0.25	25,943,900	7	0.32
DBC, LLC/Target	18,456,400	9	0.18	36,966,703	5	0.45
Schweiger, John Loving Legacy LLC	16,993,500	10	0.17	-	-	-
Lowe's HIW Inc.	-	-	-	-	-	-
Alaska Pipeline Co.	-	-	-	-	-	-
Lowe's HIW Inc.	-	-	-	22,350,000	9	0.27
	<u>\$ 388,092,400</u>		<u>3.87%</u>	<u>\$ 391,821,995</u>		<u>4.78%</u>

Note: Includes real and personal property

Source:

Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019.
This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 9

Direct and Overlapping Property Tax Rates

(mill levy rate per \$1000 of assessed value)

Last Ten Fiscal Years

Fiscal Year	Borough Direct Rate	Overlapping Rates							
	Areawide Borough	Service Area Number							
		Non- Areawide Borough	City of Palmer	City of Wasilla	City of Houston	2	4	7	8
2010	9.980	0.429	3.00	-	3.00	2.77	3.55	1.21	8.51
2011	9.956	0.394	3.00	-	3.00	2.94	3.71	1.32	8.51
2012	10.051	0.425	3.00	-	3.00	2.94	3.96	1.32	8.22
2013	9.691	0.489	3.00	-	3.00	3.05	4.06	1.39	4.00
2014	9.852	0.520	3.00	-	3.00	3.05	4.41	1.39	4.00
2015	9.662	0.520	3.00	-	3.00	3.24	4.59	1.39	-
2016	9.984	0.517	3.00	-	3.00	3.43	4.82	1.07	-
2017	9.984	0.525	3.00	-	3.00	3.43	4.59	0.91	-
2018	10.332	0.548	3.00	-	3.00	3.43	4.59	0.91	-
2019	10.331	0.548	3.00	-	3.00	3.43	4.59	0.91	-

Fiscal Year	Overlapping Rates								
	Service Area Number								
	9	14	15	16	17	19	20	21	23
2010	2.18	1.51	4.11	1.78	2.75	2.46	3.17	2.57	3.82
2011	2.41	1.66	4.11	1.50	2.75	2.62	3.39	2.57	4.01
2012	2.58	1.66	4.11	1.50	2.75	2.51	3.62	2.57	4.29
2013	2.78	1.77	4.10	1.50	2.92	2.51	3.86	2.57	4.59
2014	2.78	1.77	4.10	1.50	2.92	2.51	3.86	2.57	4.59
2015	2.78	1.77	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2016	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2017	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2018	2.78	1.85	4.10	1.50	2.92	2.50	3.50	2.57	4.59
2019	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59

Note: * The Borough Direct Rate represents a single component which is the Areawide Mill Levy Rate. Also, Fire Service Areas (FSA), Road Service Areas (RSA), and Service Areas (SA) are identified by service area numbers.

* In Fiscal Year 2010, FSA #33 and FSA #34 were combined to create FSA #136.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019. This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 9

Direct and Overlapping Property Tax Rates

(mill levy rate per \$1000 of assessed value), continued

Last Ten Fiscal Years

Overlapping Rates									
Service Area Number									
Fiscal Year	24	25	26	27	28	29	30	31	
2010	1.73	1.46	2.86	3.24	2.25	2.73	3.74	3.35	
2011	1.84	1.53	3.04	3.24	2.00	2.73	3.74	3.35	
2012	1.84	1.61	3.23	3.24	2.00	2.73	3.97	3.68	
2013	1.95	1.73	3.45	3.48	2.00	2.89	4.41	3.68	
2014	1.95	1.73	3.45	3.48	2.00	2.89	4.41	3.68	
2015	2.04	1.73	3.45	3.48	2.00	2.89	4.41	3.68	
2016	2.04	1.73	3.45	3.48	2.00	3.01	4.41	3.68	
2017	2.04	1.73	3.45	3.48	1.99	3.01	4.41	3.68	
2018	2.04	1.73	3.45	3.48	1.99	3.12	4.41	3.68	
2019	2.04	1.73	3.45	3.48	1.99	3.12	4.41	3.68	

Overlapping Rates									
Service Area Number									
Fiscal Year	33*	34*	35	69	130	131	132	135	136*
2010	-	-	1.14	6.61	1.72	3.51	0.80	3.00	1.49
2011	-	-	1.21	7.33	1.83	3.47	0.84	3.00	1.56
2012	-	-	1.29	8.21	1.92	3.68	0.88	3.00	1.56
2013	-	-	1.37	9.12	1.97	4.13	0.88	2.96	1.67
2014	-	-	1.46	9.12	1.99	3.24	0.90	2.96	1.67
2015	-	-	1.34	9.12	1.99	3.24	0.90	2.96	1.78
2016	-	-	2.75	9.12	1.99	3.24	0.94	3.21	1.88
2017	-	-	2.75	9.40	2.15	3.24	0.96	3.21	2.20
2018	-	-	2.75	9.40	2.15	3.24	0.96	3.21	2.20
2019	-	-	2.75	9.40	2.12	3.24	0.96	3.21	2.20

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 10

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Unfunded Senior Citizens and Disabled Veterans Levy	Net Tax Levy	Collected within the Fiscal Year of the Levy Amount	Percentage of Levy
2010	\$ 108,123,032	\$ 7,386,682	\$ 100,736,350	\$ 97,109,667	96.40 %
2011	110,203,515	7,743,976	102,459,539	98,954,998	96.58
2012	114,442,314	8,325,740	106,116,574	101,881,857	96.01
2013	114,904,572	8,834,593	106,069,979	102,321,617	96.47
2014	118,906,810	8,920,224	109,986,586	106,109,708	96.48
2015	121,650,445	9,906,339	111,744,106	108,285,996	96.91
2016	130,590,976	11,295,573	119,295,403	116,527,024	97.68
2017	138,589,875	12,166,401	126,423,474	122,648,889	97.01
2018	144,622,503	13,588,979	131,033,524	126,903,605	96.85
2019	152,062,345	14,943,337	137,119,008	133,194,431	97.14

Fiscal Year	Collections in Subsequent Years	Total Collections to Date Amount	Percentage of Net Levy
2010	\$ 3,524,652	\$ 100,634,319	99.90 %
2011	3,339,545	102,294,543	99.84
2012	3,948,981	105,830,838	99.73
2013	3,360,490	105,682,107	99.63
2014	3,300,814	109,410,522	99.48
2015	2,672,639	110,958,635	99.30
2016	1,793,793	118,320,817	99.18
2017	1,940,330	124,589,219	98.55
2018	1,682,619	128,586,224	98.13
2019	-	133,194,431	97.14

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019. This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 11
Significant Own-Sourced Revenue
Last Ten Fiscal Years

Fiscal Year	Food Services Local Revenue	Cost of Full- Priced Meals ^a		Percentage of Students Eligible for Free or Reduced-Price Meals ^b
		Breakfast	Lunch	
2010-11	1,340,169	Free	2.85	38.6%
2011-12	1,401,593	1.60	2.85	38.2%
2012-13	1,238,418	1.60	2.95	39.5%
2013-14	1,143,679	1.60	2.95	40.0%
2014-15	1,108,593	1.60	2.95	40.0%
2015-16	1,039,643	1.60	2.95	40.4%
2016-17	1,115,178	1.75	3.25	41.2%
2017-18	1,097,620	2.00	3.50	44.0%
2018-19	1,212,213	2.00	3.50	47.7%
2019-20	999,167	2.00	3.50	43.6%

Note:

^a The cost of full-price meals are for elementary.

^b Cybersoft Nutrition Services Software - for all sites including non-meal program participants.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 12

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Government Activities						
Fiscal Year	General Obligation Bonds	Certificates of Participation	Notes Payable	Unamortized Bond Premium	Capital Leases	
2010	\$ 161,695,000	\$ 7,775,000	\$ 282,993	\$ 5,363,354	\$ -	
2011	184,240,000	7,100,000	359,063	5,812,872	-	
2012	262,845,000	6,390,000	347,777	15,848,933	-	
2013	270,410,000	5,645,000	329,698	18,592,433	-	
2014	299,455,000	13,450,000	311,347	22,851,440	-	
2015	335,920,000	12,195,000	292,721	33,411,389	-	
2016	314,755,000	10,885,000	6,781,005	30,910,711	-	
2017	313,680,000	20,585,000	7,490,499	36,422,155	-	
2018	290,020,000	19,130,000	7,248,163	33,744,998	-	
2019	269,440,000	17,610,000	7,759,268	31,129,886	-	

Business-type Activities						
Fiscal Year	General Obligation Bonds	Notes Payable	Unamortized Bond Premium	Total Primary Government	Percentage of Personal Income	Per Capita
2010	\$ 7,630,000	\$ 3,951,150	\$ 132,948	\$ 186,830,445	\$ 5.49	% 2,216
2011	7,220,000	4,606,769	123,452	209,462,156	5.74	2,354
2012	6,665,000	4,561,767	684,094	297,342,571	7.72	3,243
2013	6,200,000	4,434,462	625,457	306,237,050	7.29	3,194
2014	5,735,000	4,346,366	566,821	346,715,974	7.75	3,534
2015	5,250,000	4,395,179	508,184	391,972,473	8.26	3,878
2016	4,750,000	6,147,994	449,547	374,679,257	8.08	3,597
2017	4,230,000	5,956,722	390,911	388,755,287	8.14	3,649
2018	3,690,000	6,857,169	332,274	361,022,604	7.87	3,355
2019	3,125,000	10,572,460	273,637	339,910,251	N/A	-

Source:

Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This information is for the most recent fiscal year available by publication date of the School District CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 13

Direct and Overlapping Debt

As of June 30, 2019

Governmental Unit	Debt Outstanding	Percentage Applicable to this Governmental Unit	Share of Direct and Overlapping Debt
Education Debt	\$ 224,575,000	100%	\$ 224,575,000
Certificates of Participations-Public Safety Building	15,680,000	100%	15,680,000
Certificates of Participations-Animal Care Facility	1,930,000	100%	1,930,000
Notes Payable-AK Clean Water Fund Loans	986,361	100%	986,361
Notes Payable-USDA	6,616,267	100%	6,616,267
Notes Payable-University of Alaska	156,640	100%	156,640
Parks and Recreation	20,400,000	100%	20,400,000
Transportation	24,465,000	100%	24,465,000
Total	<u>\$ 294,809,268</u>		<u>\$ 294,809,268</u>
Unamortized bond premiums	\$ 31,129,886	100%	\$ 31,129,886
Total	<u>\$ 325,939,154</u>		<u>\$ 325,939,154</u>
Cities within the Borough, (Palmer and Wasilla) General Obligation Bonds as of June 30, 2019			
Palmer Ice Rink	<u>555,000</u>	100%	<u>555,000</u>
Total	<u>\$ 555,000</u>		<u>\$ 555,000</u>
Net Direct and Overlapping Debt			<u>\$ 326,494,154</u>

Note: * The laws of the State of Alaska do not establish a debt limit.

* All debt outstanding is related to Matanuska-Susitna Borough's governmental activities.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This information is for the most recent fiscal year available by publication date of the School District CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by Matanuska-Susitna Borough

Table 14

Demographic and Economic Statistics

Last Ten Calendar Years

	(1)	(2)		(3)	(4)
		Personal			
		Income	Per	School	Unemployment
Year	Population	<i>(thousands of dollars)</i>	Capita	Enrollment	Rate
			Income		
2010	84,314	3,403,299	40,365	16,653	9.6%
2011	88,995	3,649,774	41,011	16,692	8.9%
2012	91,697	3,852,961	42,018	17,338	8.6%
2013	95,877	4,201,678	43,824	17,247	7.3%
2014	98,104	4,474,367	45,608	17,500	7.2%
2015	101,068	4,743,687	46,936	17,757	8.6%
2016	104,157	4,637,103	44,520	18,745	8.1%
2017	106,532	4,772,994	44,803	18,935	8.2%
2018	107,610	4,938,943	45,897	19,369	7.2%
2019	105,743	N/A	N/A	18,932	6.5%

N/A - Not available

Note:

This information is as of the most recent fiscal year available by publication date of the School District CAFR.

Source:

- 1) Alaska Department of Labor, Research and Analysis Division
 - 2) United States Department of Commerce, Bureau of Economic Analysis
 - 3) Matanuska-Susitna Borough School District
 - 4) Alaska Department of Labor, Research and Analysis Division
- Note: Enrollment numbers used by the Borough may differ from those reported by the Mat-Su Borough School District due to availability of the most recent numbers and publication timing.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 15

Total Employment by Type of Employer
Current Year and Nine Years Ago

Employer Type	2019			2010		
	Employees	% of Total	Rank	Employees	% of Total	Rank
Trade, Transportation, and Utilities	4,804	20.31%	1	4,511	22.73%	1
Education and Health Services	4,601	19.45%	2	3,574	18.01%	2
Local Government	3,363	14.22%	3	2,828	14.25%	3
Leisure and Hospitality	2,952	12.48%	4	2,341	11.80%	4
Construction	2,218	9.38%	5	1,531	7.72%	5
State Government	1,425	6.03%	6	1,166	5.88%	6
Professional and Business Services	1,291	5.46%	7	1,094	5.51%	7
Other Services	905	3.83%	8	730	3.68%	9
Financial Activities	853	3.61%	9	740	3.73%	8
Information	528	2.23%	10	621	3.13%	10
Manufacturing	296	1.25%	11	207	1.04%	11
Federal Government	220	0.93%	12	273	1.38%	12
Natural Resources and Mining	190	0.80%	13	160	0.81%	13
Unclassified Employers	4	0.02%	14	67	0.34%	14
Total	23,650	100%		19,843	100%	

Note: Beginning in 2012, according to the Alaska Department of Labor, their non-disclosure rules no longer allow them to provide employment information that relates to or identifies employers for the current or previous years. Therefore, the Mat-Su Borough's CAFR began providing total employment by type of employer for the current year and nine years ago. Figures are based on an annual average.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This information is for the most recent fiscal year available by publication date of the School District CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 16
Full-Time Equivalent District Employees by Department and Type
(Operating Fund)
Last Ten Fiscal Years

	Actual as of June 30			
	2010-11	2011-12 c	2012-13	2013-14
Personnel by Department				
a Alternative Learning System	46.70	80.05	84.83	65.83
Board / Superintendent	9.75	10.75	10.75	11.75
Business Services	28.50	36.00	35.00	36.75
Charter Schools	92.13	102.56	113.75	159.47
District-wide	-	-	0.50	0.49
Education & Instruction	19.30	16.24	22.79	15.25
b Elementary	359.09	636.50	653.99	680.25
Federal Programs	19.00	6.50	6.10	16.10
Information Technology	27.00	26.00	28.00	26.68
Middle Schools	169.00	272.50	273.54	279.18
b Operations Maint. & Custodial	129.85	47.25	45.75	43.25
Senior High School & JR/SR	209.10	322.43	325.58	349.56
b Student Support Services	380.80	85.47	86.97	100.42
Vocational Education	33.50	44.00	38.75	13.50
Total Personnel	1,523.72	1,686.25	1,726.29	1798.48
Personnel by Employee Type				
Board / Superintendent (s)	8.00	8.00	8.00	8.00
Management - Certified	7.00	6.00	7.00	63.85
Management - Classified	19.00	31.50	31.75	31.50
Certificated Staff	993.36	1,113.00	1,130.97	1,107.73
Classified Staff	496.36	527.75	548.57	587.40
Total Personnel	1,523.72	1,686.25	1,726.29	1,798.48

Notes:

School-term employees of the district work between 183 and 200 days at seven and a half hours per day. Most other district employees are based on 260 days at seven and a half to eight hours per day.

During FY12 the District implemented a new Financial Software System. This system has refined extraction of the staffing and FTE data from prior methods.

- a Alternative Learning Systems (ALS) include high schools BHS, VPW, Mat-Su Day School, Mat-Su Central (a Correspondence Study School), Alaska Middle College School (a dual high school/college credit school) and Mat-Su Youth Facility.
- b Custodial Staff, Support Service Aids, and Districtwide staff have been cost centered to site since FY12.
- c Increase reflects burden of staffing on General Fund with the exhaustion of ARRA and SFSF funding. Consequently staffing for HS & Elementary schools have increased as the majority of teaching staff had been funded through these programs.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 16
Full-Time Equivalent District Employees by Department and Type
(Operating Fund)
Last Ten Fiscal Years, continued

Actual as of June 30					
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
82.42	110.98	110.75	100.43	111.69	103.52
11.88	11.88	11.88	11.88	10.88	10.88
33.75	34.50	33.25	33.25	39.50	39.50
173.73	161.22	149.78	155.28	144.64	145.65
0.49	1.49	1.49	1.49	1.49	1.49
17.43	17.92	17.43	17.43	18.99	18.57
689.75	736.27	720.97	736.11	727.90	734.79
15.10	16.60	14.60	12.30	13.49	12.24
26.68	29.18	29.50	28.00	27.75	28.50
273.13	266.05	266.19	254.31	269.41	274.75
44.25	43.38	43.38	42.38	48.75	50.25
343.47	367.03	375.09	380.83	392.48	395.48
106.36	122.35	114.50	109.26	111.04	114.01
16.00	12.49	12.00	5.50	4.25	8.25
<u>1834.42</u>	<u>1931.34</u>	<u>1900.81</u>	<u>1888.45</u>	<u>1922.26</u>	<u>1937.88</u>
8.00	8.00	8.00	8.00	8.00	8.00
65.65	64.90	64.39	64.19	69.68	70.99
32.99	33.00	34.00	34.00	36.75	38.00
1,133.17	1,170.50	1,151.17	1,172.49	1,174.64	1,183.80
594.61	654.94	643.25	609.77	633.19	637.09
<u>1,834.42</u>	<u>1,931.34</u>	<u>1,900.81</u>	<u>1,888.45</u>	<u>1,922.26</u>	<u>1,937.88</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 17
Teacher Salary Information
Last Ten School Years

School	Entry Level	Maximum Teacher	Average Teacher	Percent of Teachers at Maximum on
Year	Salary ^a	Salary ^b	Salary ^c	Column(s) ^d
2010-11	43,328	79,455	63,574	34%
2011-12	44,195	81,044	64,265	35%
2012-13	45,079	84,645	67,333	40%
2013-14	45,079	84,645	67,924	46%
2014-15	45,642	85,704	68,665	44%
2015-16	46,213	86,775	69,275	46%
2016-17	46,790	87,860	70,098	46%
2017-18	46,790	87,860	70,480	48%
2018-19	47,258	88,739	70,671	49%
2019-20	47,258	88,739	70,708	50%

Notes:

- ^a Entry level salary represents a teacher with a bachelor degree and no experience.
- ^b Maximum salary represents a teacher with a masters degree, plus forty-five additional credits, and at least 13 years of teaching experience.
- ^c Average teacher salary is based on a scattergram of contracted certificated salaries for that school year.
- ^d The teacher salary schedule has eight columns:
 1. Bachelor
 2. Bachelor plus 15 credits
 3. Bachelor plus 30 credits
 4. Bachelor plus 45 credits or Masters
 5. Bachelor plus 60 or Masters plus 15 credits
 6. Masters plus 30 credits
 7. Masters plus 45 credits
 8. Doctorate

The percent of teacher FTE at maximum in each column is percentage of total teacher FTE.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 18
Percentage of Students Eligible for Free and Reduced Meals by School
Last Ten Fiscal Years

	FISCAL YEAR									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
SCHOOL SITE LOCATIONS (Percentage in site number order)										
001 Palmer High	29.15	30.97	29.91	53.61	30.49	27.84	31.77	31.00	37.00	33.16
002 Su-Valley JR/SR High	60.45	45.31	51.92	57.14	49.35	46.50	41.58	48.00	60.00	55.45
003 Wasilla High	36.45	24.56	34.36	32.51	39.06	32.45	34.59	36.00	42.00	38.53
005 Colony High	22.95	20.29	20.54	22.10	26.56	22.51	23.80	25.00	31.00	27.33
006 Burchell High School	73.94	25.86	68.25	58.72	56.82	100.00	100.00	100.00	91.07	91.07
007 Houston High	54.70	50.47	54.17	41.63	59.73	48.04	51.79	58.00	68.90	68.91
010 Palmer Middle	39.18	46.76	44.07	29.70	42.20	37.93	38.68	43.00	48.00	46.78
011 Wasilla Middle	44.98	40.60	44.20	42.82	50.07	44.83	44.90	46.00	52.00	49.93
012 Colony Middle	28.44	34.63	28.28	29.13	31.28	25.44	26.92	25.00	35.00	30.07
013 Teeland Middle	35.53	32.97	33.71	35.46	37.36	35.62	33.55	39.00	41.00	36.26
014 Houston Middle	65.42	52.32	54.05	50.13	62.94	58.33	55.71	74.61	68.93	68.91
030 Big Lake Elementary	64.62	50.80	65.39	60.22	48.12	84.49	84.58	84.51	75.95	75.95
031 Glacier View School	42.86	42.40	38.10	19.71	44.44	48.57	51.52	63.00	71.00	44.44
032 Iditarod Elementary	55.08	54.82	62.32	58.06	62.95	54.08	55.71	68.58	70.91	70.91
033 Sherrod Elementary	36.94	43.21	36.40	38.65	45.34	38.53	46.07	43.00	47.00	48.09
034 Swanson Elementary	36.79	41.86	42.28	43.64	46.71	39.74	40.85	42.00	52.00	46.28
035 Talkeetna Elementary	44.90	50.62	41.94	39.64	54.29	51.91	58.87	49.00	55.00	45.45
036 Trapper Creek Elementary	86.21	70.94	77.78	66.67	66.67	86.96	85.71	87.28	83.02	83.20
038 Willow Elementary	59.12	48.08	59.69	48.80	49.24	49.66	50.69	64.48	46.00	50.60
039 Snowshoe Elementary	36.63	42.52	36.19	33.75	48.17	49.54	45.09	46.00	53.00	45.55
041 Butte Elementary	50.65	49.19	51.59	37.76	48.37	48.85	45.95	48.00	46.00	36.44
042 Sutton Elementary	71.19	67.49	68.29	48.85	58.11	75.00	75.93	62.00	87.06	87.06
043 Cottonwood Creek Elementary	31.12	38.66	30.32	34.34	36.90	28.44	33.52	37.00	39.00	40.34
044 Tanaina Elementary	50.12	48.39	54.19	49.01	48.73	50.10	47.35	61.71	64.14	64.14
045 Pioneer Peak Elementary	27.53	37.38	26.56	39.08	29.60	30.39	29.71	32.00	35.00	31.87
046 Larson Elementary	41.99	40.06	37.44	44.17	40.21	39.51	40.47	43.00	45.00	40.40
047 Finger Lake Elementary	38.81	37.49	39.66	37.27	39.38	33.24	36.68	41.00	39.00	31.56
048 Goosebay Elementary	50.31	42.30	44.56	56.10	48.43	42.99	42.70	49.00	53.00	40.56
050 Shaw Elementary	46.00	50.03	41.24	29.17	47.14	40.70	39.86	40.00	41.00	34.81
051 Meadow Lakes Elementary	55.23	48.52	50.00	27.44	55.33	49.89	52.63	62.78	72.38	72.38
052 Knik Elementary	49.38	52.81	46.91	59.45	52.26	42.05	52.67	46.00	55.00	42.12
053 Machetan Elementary	27.09	32.55	21.62	48.47	21.23	19.21	20.85	21.00	23.00	20.86
054 Dena'ina Elementary	-	-	-	-	-	-	47.91	43.00	52.00	55.13
071 Valley Pathways School	48.39	12.57	40.91	41.81	52.38	46.40	48.96	51.00	52.00	49.75
073 Mat-Su Career & Tech High School	31.23	21.71	27.40	42.16	26.63	22.88	21.24	24.00	26.00	19.59
077 Mat-Su Day School	-	-	-	-	-	34.48	40.00	65.06	44.00	40.00
080 Joe Redington JR/SR High	-	-	-	-	-	48.12	49.73	49.00	56.00	49.19
Average of All Sites	<u>38.56%</u>	<u>38.19%</u>	<u>39.50%</u>	<u>39.98%</u>	<u>40.02%</u>	<u>40.42%</u>	<u>41.22%</u>	<u>44.00%</u>	<u>47.65%</u>	<u>43.59%</u>

Notes:

^a Presenting the above information has relevancy for grant application purposes and the ongoing analysis with the Department of Instruction regarding impact of socio-economic status on student achievement. Studies have shown an extremely high correlation between socio-economic status and student performance.

Source:

Alaska Department of Education and Early Development Website

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 19
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures^a	Cost Per Pupil	Percentage Change	Employer's Contribution to PERS / TRS	State of Alaska's Contribution to PERS/TRS on Behalf of the School District
2010-11	16,964	244,384,895	14,406	7.65%	16,621,565	23,681,260
2011-12	17,338	254,553,617	14,682	1.92%	16,410,501	28,752,528
2012-13	17,247	270,070,574	15,659	6.65%	16,410,502	38,318,248
2013-14	17,477	281,351,715	16,098	2.81%	17,489,763	41,046,226
2014-15	17,757	505,096,292	28,445	76.69%	18,270,165	253,789,647
2015-16	18,465	287,470,258	15,568	-45.27%	19,166,901	17,920,091
2016-17	18,808	291,946,381	15,522	-0.30%	19,595,619	16,242,978
2017-18	18,968	279,166,469	14,717	-5.19%	19,060,722	15,444,055
2018-19	18,932	287,915,181	15,208	3.33%	18,696,674	18,175,456
2019-20	19,080	287,623,008	15,075	-0.88%	19,639,042	20,227,731

- Notes:**
- a Operating expenditures are total expenditures in governmental funds.
 - b Each year the Matanuska-Susitna Borough School District reports the average number of students enrolled in elementary, middle, and high school classes. Average class size beginning FY13 reflects the number of students enrolled in all classes throughout the district except correspondence study.
 - c Eligible student for free and reduced lunch provided by Cybersoft Nutrition Services software. Information for all sites, including non-meal program participants.

Source: Average class size is taken from the Synergy Student Info System processed by IT Department for Instruction Dept.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 19
Operating Statistics
Last Ten Fiscal Years, continued

Total Cost of Contribution to PERS/TRS Per Pupil	Percentage Change	Average Class Size ^b			Percentage of Students Eligible for Free or Reduced-Price Meals ^c
		Elementary Schools	Middle Schools	Senior High Schools	
2,376	10.18%	22.4	26.5	28.1	38.6%
2,605	9.64%	24.3	26.5	28.1	38.2%
3,173	21.82%	22.0	24.8	22.0	39.5%
3,349	5.55%	23.5	25.6	23.8	40.0%
15,321	357.44%	23.5	25.6	28.7	40.0%
2,009	-86.89%	25.0	27.1	26.3	40.4%
1,905	-5.13%	23.4	24.8	28.5	41.2%
1,819	-4.54%	21.1	28.4	20.8	44.0%
1,948	7.07%	23.9	25.4	21.2	47.7%
2,089	7.28%	22.4	22.6	20.1	43.6%

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 20

Comparative Results from College Entrance Exams
Last Ten School Years

School Year	American College Test (ACT)			Scholastic Assessment Test (SAT)		
	Mat-Su	Alaska	Nation	Mat-Su	Alaska	Nation
2010-11	20.9	21.2	21.1	1,519	1,513	1,500
2011-12	22.5	21.2	21.1	1,527	1,504	1,498
2012-13	23.8	21.1	20.9	1,515	1,495	1,498
2013-14	22.3	21.0	21.0	1,509	1,485	1,497
2014-15	22.3	21.1	21.0	1,503	1,494	1,490
2015-16	20.3	20.0	20.8	1,396	1,424	1,484
2016-17	20.5	19.8	21.0	a 1,039	a 1,080	a 1,070
2017-18	22.1	20.8	20.9	1,095	1,106	1,049
2018-19	21.9	20.1	20.7	1,101	1,096	1,039
2019-20	22.2	20.6	20.6	1,148	1,098	1,051

Source: Results of the ACT are comprised of all grade level students who tested that year. Scores reflect average composite score.

- a In FY17, the SAT format changed from prior years. The new format includes an evidence-based reading and writing section (ERW), a math section, and an optional essay. Scores reflect the combined average ERW and math scores. From FY08 through FY16 the SAT was comprised of three sections: math, reading, and writing.
http://www.act.org/content/dam/act/secured/documents/cccr2020/CCCR_National_2020.pdf
<https://reports.collegeboard.org/sat-suite-program-results/detailed-2020-reports>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 21
Enrollment by School
For the Fiscal Year ended June 30, 2020

	Per DEED Report	
	Average Daily Membership	Official Enrollment Count
Elementary Schools		
Beryozava	28.00	28.00
Big Lake	356.40	355.70
Butte	292.92	292.42
Cottonwood Creek	461.55	461.45
Dena'ina Elementary	369.40	369.40
Finger Lake	412.62	412.62
Fred & Sara Machetanz Elementary	474.83	474.83
Glacier View	53.00	53.00
Goose Bay	273.40	273.00
Knik	318.15	316.10
Iditarod	400.95	400.95
John Shaw Elementary	482.45	482.00
Larson	422.03	421.97
Meadow Lakes	315.80	315.40
Pioneer Peak	454.90	454.90
Sherrod	451.00	451.00
Snowshoe	380.03	380.03
Sutton	60.95	60.95
Swanson	453.65	453.65
Talkeetna	100.55	100.05
Tanaina	381.30	379.65
Trapper Creek	17.75	17.75
Willow	140.35	140.35
Secondary Schools		
Burchell Alternative High School	212.02	211.57
Colony High School	1,026.32	1,025.33
Colony Middle School	799.50	799.35
Houston High School	330.10	329.55
Houston Middle School	358.40	354.65
Joe Redington JR/SR High School	596.96	596.81
Mat-Su Career & Tech High School	732.35	732.35
Mat-Su Middle College School	192.75	192.75
Palmer High School	729.58	729.08
Palmer Middle School	578.55	578.55
Su-Valley High School	202.65	202.15
Teeland Middle School	796.00	796.00
Valley Pathways Alternative	181.80	181.75
Wasilla High School	850.29	850.14
Wasilla Middle School	669.55	669.50
Charter Schools		
Academy Charter	254.00	254.00
American Charter	196.95	196.90
Birchtree Charter	397.20	396.20
Fronteras Charter	324.75	324.70
Midnight Sun Family Learning Center	204.65	204.60
Twindly Bridge Charter	470.85	470.85
Other Schools		
Mat-Su Central School	1,803.05	1,801.30
Mat-Su Day School	71.60	71.60
Mat-Su Youth Facility	15.30	15.00
Total	19,097.15	19,079.85

Source:

State of Alaska - Department of Education and Early Development
State of AK average daily membership final report

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 22
Enrollment History by Grade Level
Last Ten Fiscal Years

Fiscal Year	PK	KG	1	2	3	4	5	Total Elem	6	7
2009-10	91	1,294	1,206	1,217	1,255	1,292	1,234	7,590	1,209	1,260
2010-11	110	1,187	1,328	1,217	1,267	1,258	1,318	7,686	1,318	1,268
2011-12	119	1,413	1,305	1,327	1,257	1,270	1,294	7,984	1,357	1,292
2012-13	116	1,334	1,405	1,350	1,351	1,239	1,293	8,087	1,304	1,382
2013-14	113	1,323	1,383	1,430	1,374	1,358	1,261	8,242	1,298	1,297
2014-15	94	1,348	1,380	1,417	1,458	1,410	1,408	8,515	1,267	1,335
2015-16	108	1,489	1,386	1,389	1,490	1,508	1,447	8,817	1,451	1,314
2016-17	114	1,420	1,511	1,436	1,442	1,516	1,538	8,977	1,474	1,448
2017-18	116	1,440	1,430	1,532	1,437	1,444	1,517	8,915	1,552	1,490
2018-19	119	1,513	1,435	1,410	1,520	1,478	1,472	8,947	1,523	1,530
2019-20	100	1,444	1,469	1,488	1,447	1,566	1,510	9,024	1,519	1,544
Projected Enrollment										
2020-21	114	1,551	1,377	1,473	1,507	1,483	1,587	9,092	1,555	1,528

Source: State of Alaska - Department of Education and Early Development
Average daily membership final report for the fiscal year reporting

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 22
Enrollment History by Grade Level
Last Ten Fiscal Years, continued

8	Total JR	9	10	11	12	Total SR	Grand Total	Change	Percentage Change
1,255	3,724	1,360	1,342	1,524	1,112	5,339	16,663	183	1.10%
1,309	3,895	1,329	1,320	1,602	1,133	5,383	16,965	301	1.78%
1,273	3,923	1,289	1,335	1,357	1,450	5,431	17,338	373	2.15%
1,292	3,978	1,281	1,262	1,277	1,363	5,183	17,247	(90)	-0.52%
1,379	3,975	1,299	1,274	1,272	1,414	5,260	17,477	229	1.31%
1,320	3,922	1,386	1,312	1,269	1,353	5,319	17,757	281	1.58%
1,392	4,158	1,383	1,416	1,315	1,378	5,491	18,465	707	3.83%
1,340	4,262	1,393	1,374	1,411	1,392	5,570	18,809	344	1.83%
1,454	4,496	1,366	1,376	1,349	1,466	5,557	18,968	160	0.84%
1,469	4,522	1,445	1,348	1,303	1,367	5,463	18,932	(36)	-0.19%
1,529	4,592	1,473	1,435	1,282	1,274	5,464	19,080	148	0.78%
1,550	4,633	1,468	1,470	1,347	1,275	5,560	19,285	205	1.06%

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23
School Building Information
Last Ten Fiscal Years

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Fiscal Year</u> <u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Type of School										
Elementary										
Beryozava										
^a Square Feet	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,812
Capacity	17	17	17	17	17	17	17	17	17	17
Enrollment	20	20	22	17	19	22	28	19	28	28
Big Lake Elementary										
Square Feet	57,240	57,240	57,240	57,240	57,240	58,200	58,200	58,200	58,200	58,200
Capacity	502	502	502	502	502	511	511	511	511	511
Enrollment	391	412	417	429	468	449	388	374	419	356
Butte Elementary										
Square Feet	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550
Capacity	435	435	435	435	435	435	435	435	435	435
Enrollment	300	297	284	287	305	278	274	279	280	293
Cottonwood Creek Elementary										
Square Feet	51,470	51,470	49,550	49,550	49,550	49,550	53,390	53,390	53,457	53,174
Capacity	451	451	435	435	435	435	468	468	469	494
Enrollment	406	373	429	446	467	505	493	456	447	461
Dena'ina Elementary										
Square Feet						School	46,010	46,010	46,970	46,970
Capacity						Opened	403	403	412	412
Enrollment						7.1.16	401	394	366	369
Finger Lake Elementary										
Square Feet	54,417	54,417	53,457	53,457	53,457	54,417	54,417	54,417	54,417	54,417
Capacity	477	477	469	469	469	477	477	477	477	477
Enrollment	318	306	294	296	263	315	368	384	402	413
Glacier View School										
Square Feet	20,343	20,343	20,343	20,343	20,343	20,343	20,343	20,343	21,343	21,343
Capacity	178	178	178	178	178	178	178	178	187	187
Enrollment	42	38	43	39	28	31	32	33	40	53
Goose Bay Elementary										
Square Feet	54,417	54,417	53,457	53,457	53,457	53,457	53,457	53,457	53,457	53,457
Capacity	465	465	465	465	465	465	465	465	465	465
Enrollment	469	464	469	480	465	483	319	306	274	273
Iditarod Elementary										
Square Feet	62,598	62,598	45,902	45,902	45,902	51,347	52,307	53,267	51,567	51,567
Capacity	549	549	403	403	403	450	459	459	452	452
Enrollment	340	354	364	337	312	347	382	417	420	401
Knik Elementary										
Square Feet	55,338	55,338	51,533	51,533	51,533	53,378	52,418	52,418	51,533	51,533
Capacity	485	485	452	452	452	468	460	460	452	452
Enrollment	408	400	403	439	459	495	283	282	325	316
Larson Elementary										
Square Feet	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378
Capacity	477	477	477	477	477	477	477	477	477	477
Enrollment	357	391	385	385	378	390	409	391	402	422
Machetan Elementary										
Square Feet	53,519	53,519	52,000	52,000	52,000	54,479	55,439	55,439	52,960	52,960
Capacity	469	469	456	456	456	478	486	486	465	465
Enrollment	348	452	405	407	423	462	472	441	447	475
Meadow Lakes Elementary										
Square Feet	56,298	56,298	54,378	54,378	54,378	54,378	54,378	54,378	561,190	56,190
Capacity	494	494	477	477	477	477	477	477	4,923	477
Enrollment	452	410	400	412	440	433	418	398	363	315
Pioneer Peak Elementary										
Square Feet	49,550	49,550	48,944	48,944	48,944	50,510	50,510	50,510	49,904	49,904
Capacity	435	435	429	429	429	443	443	443	438	463
Enrollment	336	353	360	398	389	423	431	431	433	455
Shaw Elementary										
Square Feet	54,300	54,300	54,300	54,300	54,300	54,300	54,300	54,300	54,300	57,180
Capacity	476	476	476	476	476	476	476	476	476	501
Enrollment	380	366	418	393	406	425	407	427	462	482
Sherrod Elementary										
Square Feet	54,378	54,378	54,700	54,700	54,700	54,378	54,378	54,378	54,700	54,700
Capacity	477	477	480	480	480	477	477	477	480	480
Enrollment	457	448	452	439	455	442	428	436	421	451
Snowshoe Elementary										
Square Feet	50,510	50,510	49,550	49,550	49,550	50,510	50,510	50,510	49,550	50,510
Capacity	443	443	435	435	435	443	443	443	435	435
Enrollment	387	380	380	382	399	418	406	370	388	380
Sutton Elementary										
Square Feet	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414
Capacity	223	223	223	223	223	223	223	223	223	223
Enrollment	61	58	42	38	51	55	60	66	59	61
Swanson Elementary										
Square Feet	51,095	51,095	51,335	51,335	51,335	51,335	51,335	51,335	51,335	51,335
Capacity	448	448	450	450	450	450	450	450	450	450
Enrollment	439	455	443	426	420	426	447	451	449	454
Talkeetna Elementary										
Square Feet	28,595	28,595	28,125	28,125	28,125	28,595	28,595	28,595	28,125	28,125
Capacity	251	251	247	247	247	251	251	251	247	247
Enrollment	111	92	76	89	88	105	112	100	107	100
Tanaina Elementary										
Square Feet	53,457	53,457	53,457	53,457	53,457	56,337	57,297	57,297	54,417	54,417
Capacity	469	469	469	469	469	494	503	503	477	477
Enrollment	402	395	408	426	453	462	424	416	393	380
Trapper Creek Elementary										
Square Feet	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080
Capacity	141	141	141	141	141	141	141	141	141	141
Enrollment	22	35	35	31	32	22	24	22	23	18
Willow Elementary										
Square Feet	33,797	33,797	33,797	33,797	33,797	34,757	34,757	34,757	34,757	34,757
Capacity	296	296	296	296	296	305	305	305	305	305

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23
School Building Information
Last Ten Fiscal Years

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Enrollment	131	135	124	114	136	134	131	139	146	140
Middle School										
Colony Middle School										
Square Feet	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Capacity	727	727	727	727	727	727	727	727	727	727
Enrollment	627	633	636	651	665	726	743	762	781	799
Houston Middle School										
Square Feet	93,152	93,152	93,152	93,152	93,152	93,152	93,152	93,152	93,152	93,152
Capacity	565	565	565	565	565	565	565	565	565	565
Enrollment	343	403	372	390	327	307	339	379	383	355
Palmer Middle School										
Square Feet	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452
Capacity	778	778	778	778	778	778	778	778	778	778
Enrollment	569	634	602	641	590	609	559	570	565	579
Teeland Middle School										
Square Feet	134,539	134,539	135,000	135,000	135,000	135,403	135,403	135,403	135,000	135,000
Capacity	815	815	818	818	818	821	821	821	818	818
Enrollment	716	675	713	697	724	747	746	774	798	796
Wasilla Middle School										
Square Feet	136,518	136,518	124,809	124,809	124,809	131,718	129,798	129,798	126,729	126,729
Capacity	827	827	756	756	756	798	787	787	768	768
Enrollment	838	824	826	798	719	525	583	642	653	670
Secondary										
Colony High School										
Square Feet	194,960	194,960	194,000	194,000	194,000	194,960	194,960	194,960	194,000	194,000
Capacity	1,182	1,182	1,176	1,176	1,176	1,182	1,182	1,182	1,176	1,176
Enrollment	1,188	1,178	1,094	1,102	1,120	1,117	1,135	1,121	1,054	1,025
Houston High School										
Square Feet	88,240	88,240	88,240	88,240	88,240	88,240	88,240	88,240	99,760	99,760
Capacity	535	535	535	535	535	535	535	535	605	605
Enrollment	387	409	389	376	387	391	389	365	345	330
Joe Redington Sr Jr/Sr High School										
Square Feet					School Opened	107,306	107,306	107,306	98,840	98,840
Capacity					7.1.15	650	650	650	599	650
Enrollment						459	521	605	601	597
Mat-Su Career & Technical High School										
Square Feet	81,025	81,025	75,400	75,400	75,400	114,085	115,005	116,925	100,280	102,200
Capacity	491	491	457	457	457	691	697	709	608	658
Enrollment	416	423	436	423	457	540	581	654	700	732
Palmer High School										
Square Feet	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606
Capacity	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192
Enrollment	763	797	764	785	762	772	807	753	745	729
Su-Valley Jr/Sr High School										
Square Feet	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578
Capacity	307	307	307	307	307	307	307	307	307	307
Enrollment	190	174	164	165	177	188	189	187	204	202
Wasilla High School										
Square Feet	211,246	211,246	200,326	200,326	200,326	200,326	200,326	200,326	203,206	203,206
Capacity	1,280	1,280	1,214	1,214	1,214	1,214	1,214	1,214	1,232	1,232
Enrollment	1,235	1,279	1,236	1,202	1,159	1,067	1,029	919	886	850
Burchell Alternative High School										
Square Feet	37,482	37,482	33,794	33,794	33,794	38,282	38,282	38,282	44,354	33,634
Capacity	227	227	205	205	205	232	232	232	269	269
Enrollment	277	259	180	265	287	311	253	199	196	212
Valley Pathways Alternative High School										
Square Feet	11,520	11,520	11,520	47,792	47,792	47,792	47,792	47,792	47,792	47,792
Capacity	70	70	70	290	290	290	290	290	290	290
Enrollment	215	180	162	170	196	204	179	183	178	182
Charter Schools										
Academy Charter										
Square Feet	28,414	28,414	33,880	50,934	50,934	50,934	50,934	50,934	50,934	50,934
Capacity	172	172	205	309	309	309	309	309	309	309
Enrollment	231	231	237	236	234	241	244	248	254	254
American Charter (Formerly MV)										
^a Square Feet	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400
Capacity	39	39	39	39	39	39	39	39	39	80
Enrollment	198	212	188	191	188	174	188	210	195	197
Birchtree Charter										
^a Square Feet	21,000	31,400	35,000	35,000	35,000	43,000	43,000	43,000	44,920	44,920
Capacity	127	190	212	212	212	261	261	261	272	272
Enrollment	219	289	308	329	364	391	413	412	396	396
Fronteras Charter										
Square Feet	17,250	17,250	17,250	17,250	17,250	31,000	34,840	34,840	32,800	32,800
Capacity	105	105	105	105	105	188	211	211	199	211
Enrollment	221	214	220	231	247	248	289	288	310	325
Midnight Sun Family Learning Center										
^a Square Feet	17,956	17,956	19,216	19,216	19,216	22,816	22,816	22,816	22,816	22,816
Capacity	109	109	116	116	116	138	138	138	138	138
Enrollment	165	164	167	164	192	189	184	192	193	205
Twindly Bridge Charter										
Square Feet	7,294	7,294	7,294	7,294	7,294	7,294	7,294	7,294	12,620	12,620
Capacity	44	44	44	44	44	44	44	44	76	76
Enrollment	308	298	292	262	317	394	451	478	478	471
Other MSBSD Schools										
Mat-Su Middle College School										
^a Square Feet		School Opened	100	100	100	100	100	100	31,160	31,160
Capacity			37	82	93	89	117	160	189	189
Enrollment				82	93				177	193
Mat-Su Day School										
Square Feet	4,800	4,800	4,800	21,500	21,500	23,300	23,300	23,300	21,500	21,500
Capacity	29	29	29	130	130	141	141	141	130	141
Enrollment	51	57	65	77	68	76	85	88	86	72

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23
School Building Information
Last Ten Fiscal Years

	2010-11	2011-12	2012-13	Fiscal Year 2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Mat-Su Central School (Formerly Correspondence Study School)										
^a Square Feet	18,421	18,421	18,500	18,500	18,500	18,500	18,500	18,500	20,309	20,309
Capacity	112	112	112	112	112	112	112	112	123	123
Enrollment	1,220	1,359	1,490	1,512	1,614	1,561	1,633	1,732	1,645	1,801
Mat-Su Youth Facility										
^a Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	15	15	15	15	15	15	15	15	15	15
Enrollment	9	11	15	15	15	15	15	15	15	15
TOTAL ENROLLMENT	16,965	17,338	17,247	17,477	17,757	18,465	18,809	18,968	18,932	19,083

Notes:

^a Indicates a use of facility not owned by MSBSD.

Source: School District Operations & Maintenance Department.

**Matanuska-Susitna Borough School
District**
(A Component Unit of the Matanuska-Susitna
Borough)

Federal and State Single Audit Reports
Year Ended June 30, 2020

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Matanuska-Susitna Borough School District
(A Component Unit of the Matanuska-Susitna Borough)

Federal and State Single Audit Reports
Year Ended June 30, 2020

Matanuska-Susitna Borough School District

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Independent Auditor's 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*

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, 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 the Matanuska-Susitna Borough School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Matanuska-Susitna Borough School District's basic financial statements, and have issued our report thereon dated November 15, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Matanuska-Susitna 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 Matanuska-Susitna Borough School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Matanuska-Susitna 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 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Matanuska-Susitna 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.

BDO USA, LLP

Anchorage, Alaska
November 15, 2020



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3601 C Street, Suite 600
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Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

Report on Compliance for Each Major Federal Program

We have audited Matanuska-Susitna Borough School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Matanuska-Susitna Borough School District's major federal programs for the year ended June 30, 2020. Matanuska-Susitna Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Matanuska-Susitna Borough School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Matanuska-Susitna Borough School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Matanuska-Susitna Borough School District's compliance.

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Opinion on Each Major Federal Program

In our opinion, Matanuska-Susitna 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, 2020.

Report on Internal Control Over Compliance

Management of Matanuska-Susitna Borough School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Matanuska-Susitna Borough School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Matanuska-Susitna Borough School District's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs item 2020-001 that we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District, a component unit of the Matanuska-Susitna Borough, Alaska, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Matanuska-Susitna School District's basic financial statements. We issued our report thereon dated November 15, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 15, 2020

Matanuska-Susitna Borough School District

Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass - Through Entity Identifying Number	Provided to Sub- recipients	Total Federal Expenditures
U.S. Department of Agriculture				
Child Nutrition Cluster:				
Passed through the State of Alaska, Department of Education and Early Development:				
School Breakfast Program	10.553	FY20	\$ -	\$ 1,007,400
Summer Food Service Program for Children	10.559	FY20	-	235,885
COVID-19- Summer Food Service Program for Children	10.559	FY20	-	942,742
Total CFDA 10.559 Summer Food Service Program for Children			-	1,178,627
National School Lunch Program	10.555	FY20	-	2,923,030
Commodities	10.555	FY20	-	144,600
Direct - commodities	10.555		-	199,999
Total CFDA 10.555 National School Lunch Program			-	3,267,629
Total Child Nutrition Cluster			-	5,453,656
Passed through the State of Alaska, Department of Education and Early Development:				
Child and Adult Care Food Program	10.558	FY20	-	55,314
State Administrative Expenses for Child Nutrition	10.560	FY20	-	20,146
Total U.S. Department of Agriculture			-	5,529,116
U.S. Department of Education				
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 20.MSSD.01	-	381,005
Title I-A Basic	84.010	IP 20.MSSD.01	-	4,252,662
Title I-A School Improvement 1003a	84.010	SI 19.MSSD.02	-	91,611
Title I-A School Improvement 1003a	84.010	SI 20.MSSD.03	-	2,965
Title I-D Neglected	84.010	ND 20.MSSD.01	-	35,824
Total for CFDA 84.010 Title I Grants to Local Educational Agencies			-	4,764,067

The accompanying notes are an integral part of this schedule.

Matanuska-Susitna Borough School District
Schedule of Expenditures of Federal Awards, continued
for the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass - Through Entity Identifying Number	Provided to Sub- recipients	Total Federal Expenditures
U.S. Department of Education, continued				
Passed through the State of Alaska,				
Department of Education and Early Development, continued:				
Migrant Education State Grant Program:				
Title I-C Migrant Education	84.011	IP 20.MSSD.01	\$ -	\$ 2,385,677
Title I-C Consolidated Administration	84.011	IP 20.MSSD.01	-	362,452
Migrant Education Book	84.011	MB 20.MSSD.01	-	23,559
Staff Development	84.011	SD 20.MSSD.01	-	680
Total for CFDA 84.011 Migrant Education State Grant Program			-	2,772,368
Title 1 State Agency Program for Neglected and Delinquent Children and Youth	84.013	IP 20.MSSD.01	-	31,658
Special Education Cluster (IDEA):				
Special Education - Grants to States:				
IDEA Part B Title VI-B Reg.	84.027	SE 20.MSSD.01	-	3,942,000
CEIS - IDEA Part B Title VI-B	84.027	SE 20.MSSD.01	-	542,046
Total for CFDA 84.027 Special Education Grants to States			-	4,484,046
Special Education Preschool Grants - Special Education 619 Program Audit	84.173	SE 20.MSSD.01	-	145,998
Total Special Education Cluster (IDEA)			-	4,630,044
Career and Technical Education - Basic Grants to States -				
Carl Perkins Basic	84.048	EK 20.MSSD.01	-	487,645
Staff Development	84.048	SD 20.MSSD.01	-	2,000
Total for CFDA 84.048 Career and Technical Education - Basic Grants to States			-	489,645
Education for Homeless Children and Youth - McKinney-Vento Homeless	84.196	FR 20.MSSD.01	-	44,333
Twenty-First Century Community Learning Centers - Alaska Community Learning Center Program	84.287	AC 20.MSSD.01	-	342,785
Supporting Effective Instruction State Grants:				
Title II-A Teacher & Principal Training and Recruitment	84.367	IP 20.MSSD.01	-	822,744
Title II-A Consolidated Administration	84.367	IP 20.MSSD.01	-	441,000
Total for CFDA 84.367 Supporting Effective Instruction State Grants			-	1,263,744

The accompanying notes are an integral part of this schedule.

Matanuska-Susitna Borough School District
Schedule of Expenditures of Federal Awards, continued
for the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass - Through Entity Identifying Number	Provided to Sub- recipients	Total Federal Expenditures
U.S. Department of Education, continued				
Passed through the State of Alaska, Department of Education and Early Development, continued:				
Comprehensive Literacy Development	84.371	AL 20.MSSD.01	\$ -	\$ 202,711
Student Support and Academic Enrichment Program	84.424	IP 20.MSSD.01	-	379,724
English Language Acquisition State Grants - Title III-A, English Language Acquisition	84.365	IP 20.MSSD.01	-	28,180
COVID-19 Education Stabilization Funds	84.425	ER 20.MSSD.01	-	195,578
Direct - Indian Education Grants to Local Educational Agencies	84.060		-	527,147
Total U.S. Department of Education			-	15,671,984
U.S. Department of Health and Human Services				
Passed through the State of Alaska, Department of Education and Early Development:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance:				
Project Aware	93.243	AW 20.MSSD.01	-	39,011
Knik Program Extended Day Program	93.243	H79SP090992	-	24,999
Total for CFDA 93.243 Substance Abuse and Mental Health Projects of Regional and National Significance			-	64,010
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	93.981	CD 20.MSSD.01	-	33,661
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease	93.323	CV 20.MSSD.01	-	10,195
Passed through Knik Tribal CCDF Cluster - Child Care and Development Block Grant - Child Care Care Mandatory & Matching Funds of the Child Care & Dev. Fund Knik Program Fish Camp	93.596	FY20	-	17,407
Total U.S. Department of Health and Human Services			-	125,273
Institute of Museum and Library Services				
Passed through the State of Alaska, Department of Education and Early Development:				
Grants to States	45.310	CED20-06	-	1,250
U.S Department of Homeland Security				
Passed through the State of Alaska, State of Alaska Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4533DR-AK-4533DR-AK	-	30,812
Total Expenditures of Federal Awards			\$ -	\$ 21,358,435

The accompanying notes are an integral part of this schedule.

Matanuska-Susitna Borough School District

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Matanuska-Susitna Borough School District under programs of the federal government for the year ended June 30, 2020. 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 Matanuska-Susitna Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Matanuska-Susitna Borough School District.

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.

3. Indirect Cost Rate

Matanuska-Susitna Borough School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



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**Independent Auditor's Report on Compliance for Each Major State Program;
Report on Internal Control Over Compliance; and Report on the Schedule of State
Financial Assistance Required by the *State of Alaska Audit Guide and
Compliance Supplement for State Single Audits***

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

Report on Compliance for Each Major State Program

We have audited Matanuska-Susitna Borough School District's compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of Matanuska-Susitna Borough School District's major state programs for the year ended June 30, 2020. Matanuska-Susitna Borough School District's major state programs are identified in the accompanying schedule of state financial assistance.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Matanuska-Susitna Borough School District's compliance.

Opinion on Each Major State Program

In our opinion, Matanuska-Susitna Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Matanuska-Susitna Borough School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Matanuska-Susitna Borough School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Matanuska-Susitna Borough School District's internal control over compliance.

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

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

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

Report on Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District, a component unit of the Matanuska-Susitna Borough, Alaska, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Matanuska-Susitna School District's basic financial statements. We issued our report thereon dated November 15, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits and is not a required part of the basic financial statements. 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 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 schedule of state financial assistances is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 15, 2020

Matanuska-Susitna Borough School District

Schedule of State Financial Assistance for the Year Ended June 30, 2020

State Agency/Program Title	Award Number	Passed Through to Subrecipients	State Expenditures
Department of Education and Early Development			
Major programs:			
Public School Funding	FY20	\$ -	\$ 170,211,256
House Bill 287	FY20	-	3,930,124
Student Transportation	FY20	-	16,892,141
Total major programs		-	191,033,521
Nonmajor programs:			
Alaska Pre K Program	PE 20.MSSD.01	-	143,936
Youth in Detention	EY 20 MSSD.01	-	100,652
Suicide Awareness, Prevention and Postvention	SP 20.MSSD.01	-	27,490
House Bill 39	FY20	-	63,956
Substance Misuse and Addiction	AP 20.MSSD.01	-	42,191
Alternative Schools Grant	BH 20.MSSD.01	-	60,671
Total nonmajor programs		-	438,896
Total Department of Education and Early Development		-	191,472,417
Department of Administration			
Major programs:			
PERS on behalf	FY20	-	2,338,553
TRS on behalf	FY20	-	17,889,178
Total Department of Administration		-	20,227,731
Department of Commerce, Community, and Economic Development			
Nonmajor programs:			
Leg Grant- National Math & Science Initiative NMSI	15-DC-435	-	17,226
Nutritional Alaska Foods for Schools	15-NAFS-378	-	37,399
Total Department of Commerce, Community, and Economic Development		-	54,625
Alaska Department of Military and Veteran Affairs			
Nonmajor program -			
Division of Homeland Security & Emergency Management			
AK-4533DR	AK-4533DR	-	10,271
Department of Health and Social Services			
Nonmajor program -			
Foster Care Transportation	FY20	-	116,433
Total State Financial Assistance		\$ -	\$ 211,881,477

The accompanying notes are an integral part of this schedule.

Matanuska-Susitna Borough School District

Notes to Schedule of State Financial Assistance Year Ended June 30, 2020

1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Matanuska-Susitna Borough School District under programs of the State of Alaska for the year ended June 30, 2020. 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 Matanuska-Susitna Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Matanuska-Susitna Borough School District.

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 requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*.

Matanuska-Susitna Borough School District

Schedule of Findings and Questioned Costs Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ (none reported)

Noncompliance material to financial statements noted?

☐ yes

☒ no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☒ yes

☐ (none reported)

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)

☒ yes

☐ no

Identification of major federal programs:

CFDA Numbers	Name of Federal Program or Cluster	Agency
84.010	Title I Grants to Local Educational Agencies	U.S. Dept. of Education
84.367	Supporting Effective Instruction State Grants	U.S. Dept. of Education

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

Auditee qualified as low-risk auditee?

☒ yes

☐ no

State Financial Assistance

Internal control over major state programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ (none reported)

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

Unmodified

Dollar threshold used to distinguish a state major program:

\$ 500,000

Matanuska-Susitna Borough School District

Schedule of Findings and Questioned Costs, continued Year Ended June 30, 2020

Section II - Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards

There were no findings related to the financial statements which are required to be reported in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

Finding 2020-001 Significant Deficiency in Internal Controls Over Compliance - Allowable Activities and Allowable Costs

Award Year	Agency and Pass-through Entity	Federal Program Title	Federal CFDA Number	Grant Number
2020	Department of Education - passed through the State of Alaska	Title I Grants to Local Educational Agencies	84.010	IP 20.MSSD.01, SI 19.MSSD.02, SI 20.MSSD.03, ND 20.MSSD.01
2020	Department of Education - passed through the State of Alaska	Supporting Effective Instruction State Grants	84.367	IP 20.MSSD.01

Criteria or specific requirement Uniform Guidance has established payroll time reporting requirements, which are required to be followed for expenses charged to federal programs. Internal controls including review procedures of time sheets should be established to ensure grant expenditures are properly supported.

Condition Procedures and controls were developed by the school district to review that actual hours worked agree to amounts expensed.

During our audit we noted two instances where the time and effort studies for percentage of payroll charged to federal grants did not agree to the amounts charged to the federal program.

Cause The district did not follow procedures to complete time and effort studies. Certain employees were not given the proper training in the time and reporting process to ensure time charged are tracked correctly by federal award.

Effect or potential effect Costs charged to federal programs may not be supported by actual time worked.

Questioned Costs None.

Matanuska-Susitna Borough School District

Schedule of Findings and Questioned Costs, continued Year Ended June 30, 2020

<i>Context</i>	In accordance with AICPA GAS/SA sampling guidance, the auditor tested a sample of 50 payroll transactions. The time and effort studies for two payroll transactions did not agree to the underlying accounting records.
<i>Recommendation</i>	We recommend that district staff be adequately trained to follow the current policies and procedures in place.
<i>Views of responsible officials and planned corrective actions</i>	Management concurs. Please see the corrective action plan.

Section IV - State Award Findings and Questioned Costs

There were no findings and questioned costs for State awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.

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**Matanuska-Susitna Borough School District
(Unaudited)**



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Corrective Action Plan Year Ended June 30, 2020

Contact: Zachary Albert
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Finding 2020-001 Significant Deficiency in Internal Controls Over Compliance – Allowable Activities and Allowable Costs.

Corrective Action:

1. The District will provide time and effort specific training for any individual(s) in Federal Programs who are responsible for time and effort documentation.
2. Strengthen written time and effort policies and procedures in compliance with 200.430, [U.S. Department of Education Cost Allocation Guide, Sept 2019](#), to include:
 - a. The completion of time and attendance reporting
 - i. Maintain documentation showing that time is allocable to a Federal program
 - ii. Employees will be given instruction on time and attendance reporting. This should include the process of verifying time and effort allocation, and the process of notifying Federal Programs of differences between allocation and actual time spent.
 - iii. Charges to federal awards for salaries and wages must be based on records that accurately reflect work performed
 - b. The approval cycle that is required
 - c. The processing of personnel charges to federal awards
 - d. The internal review process that will be established to ensure effective internal control over the federal award
 - i. Ensure that the program benefited at least by the % charged to the Federal award.
 - ii. Ensure that all necessary adjustment are made such that the final amount charged to the federal award is accurate, allowable, and properly allocated

Specific Actions:

The District is committed to implementing improvements to our system of internal controls in order to provide reasonable assurance that personnel expenses accurately reflect the work performed, are allowable, and properly allocated.

- Any employee who works on more than one Federal program or a Federal program and a non-Federal program is required to document time and effort on a Personnel Activity Report (PAR). At the end of each semester, PARs will be distributed by Federal Programs to employees and their supervisors. These PARs will document the cost objectives and will be pre-populated with budget estimates of time worked for interim accounting purposes.
- Employees are required to maintain records that support the distribution of their compensation. Within 14 calendar days of the end of the quarter, employees must review their records and either certify that the budget estimates are accurate or return the PAR to Federal Programs with a corrected allocation. Any corrections must be accompanied by a statement indicating whether the changes to work activity are permanent or temporary, and the expected duration if temporary.
- Upon receipt, Federal Programs will prepare budget revisions based on the corrected allocations provided and submit a copy of the PAR and accompanying statement to Human Resources.
- Human resources will promptly provide Accounting with direction for any payroll history transfers that are needed to correct cost allocations.
- The complete time and effort certification process, including any corrections should be completed in 60 days or less from the end of each quarter.

Anticipated Completion Date: 12/31/2020

This Corrective Action Plan has been reviewed and approved by:



Luke Fulp
Deputy Superintendent of Business and Operations

